

to encompass the monitoring of foreign troop withdrawal. In addition, Mr. Chamoun called for Canada's assistance in having the UN convene a special conference on Lebanon with the intention of having Lebanon declared neutral (*The Citizen*, October 2).

Dani Chamoun stated that Canada had been selected for the proposal of Mr. Chamoun because of its reputation for neutrality and its experience in peacekeeping efforts. Unlike the superpowers, "nations like Canada and the European Parliament can achieve much more on issues like [this] because they're seen as a neutral entity," he said. He continued that the international cooperation of countries such as Canada was a necessity for securing a lasting peace in Lebanon. The Chamouns issued a call for an expansion of the UN's mandate in Lebanon in order to oversee the withdrawal of Israeli and Syrian troops as well as elections. They also called upon Lebanese-Canadians to urge the government to support a more active role in achieving a solution to the problem of Lebanon.

## MEXICO

### **Line of Credit**

Canada's Export Development Corporation (EDC) announced in mid-October an offer of credit guarantees to Mexico to the value of \$100 million. The short-term (payable 180 days) and medium-term (payable under three years with 15 percent downpayment) credit line was directed toward Canadian goods and services as in past guarantees, however, the current agreement provides for the extension of loans to smaller, private sector Mexican buyers (*Globe and Mail*, October 16). Short-term loans account for 75 percent of the total outlined in the agreement, with medium-term credit allotted the remainder. EDC guarantees lending Canadian banks against default on the part of intermediary Mexican banks. While six Canadian banks are involved in the guarantee, eight Mexican banks were selected to handle the loans (two of which will negotiate the medium-term line of credit). While a previous credit extension to Mexico had prompted limited use, EDC officials have indicated that recent trends in the Mexican economy (now austerity hardened) inspire greater confidence in a higher level of utilization at this time. EDC retains approval for Canadian content levels, payment terms and product eligibility, the *Globe and Mail* report added.

## THE NETHERLANDS

### **Visit of Defence Secretary**

State Secretary for Defence of the Netherlands J. van Houwelingen visited Ottawa October 22 to 24. Mr. van Houwelingen, Chairman of the Independent European Programme Group (IEPG), met for discussions with National Defence Minister Robert Coates as well as officials from the Departments of External Affairs, Defence and Regional and Industrial Expansion. The visit was intended

as an opportunity to present the IEPG defence cooperation policy before the government of Canada (talks with the US administration were also included in the Secretary's schedule). The policy of the IEPG, composed of the European NATO member governments, is aimed at promoting European arms cooperation, the standardization of defence materiel, and more effective defence spending (Netherlands Embassy press release, October 22).

## NICARAGUA

### **Elections**

In response to a Nicaraguan invitation to send official observers to cover the November 4 general election in that country, the Canadian government decided against an acceptance. External Affairs Minister Joe Clark, in announcing the decision, stated that this "did not signal any change in Canada's relations with Nicaragua." He also indicated that he would welcome the views, upon their return from Nicaragua, of representatives from several Canadian NGOs (External Affairs communiqué, October 26). A *Globe and Mail* report of October 25 had anticipated the decision, and had quoted an External Affairs source as saying that department officials had recommended to Mr. Clark that an official Canadian delegation "would give an unwarranted aura of legitimacy to the vote." Conditions did not exist, advised officials, for "free and open democratic elections."

Following the government's decision not to send observers, other groups proceeded to indicate their willingness to send unofficial delegates. A coalition of church and human rights groups, sponsored by the Canadian Council for International Cooperation, the Inter-Church Committee on Human Rights in Latin America and La Ligue des Droits et Libertés, sent a six-person observer team for a ten-day period. The New Democratic Party also decided to send delegates and in making the announcement, leader Ed Broadbent criticized the Government decision. He stated that "a number of distinguished Canadians, including most recently Human Rights Commissioner, Gordon Fairweather, [had] urged the government of Canada to accept its international responsibility by sending observers to Nicaragua. The failure to do so is a bad beginning in the foreign policy of the new Conservative government." Dan Heap (NDP, Spadina), accompanied by Federal Secretary Gerald Caplan, represented the NDP as observers (NDP communiqué, October 31).

In a scrum November 1, the External Affairs Minister elaborated on the government decision, saying that "in order for there to be effective elections, there has to be effective opposition . . . there has to be effective choice. We think those three conditions do not exist in the Nicaraguan case." Mr. Clark reiterated that this did not "signal a change in Canadian foreign policy towards Nicaragua. We are maintaining an active aid program" (External Affairs transcript, November 1).

That same day, Liberal external affairs critic Jean Chrétien characterized the failure to send official observers