

Canada, the United States and Colombia

Canada's interests in Colombia are mostly economic. It is the tenth largest investor in the country. Canadian exports to Colombia rose from about \$137 million (US) in 1991 to about \$291 million in 1998, with imports rising from about \$68 million in 1991 to \$141 million in 1998. Recent investment projects under consideration by Canadian corporations include those in the petroleum and gas sectors, a hydroelectric project, telecommunication projects, the development of urban transportation metros, and the creation of water systems.¹⁰⁷

Canadian interests are clearly affected by the policies of the United States toward Colombia. The latest trajectory of American policy can be traced to the 1989 Andean Initiative, launched by George Bush in 1990 as part of his War Against Drugs.¹⁰⁸ At that point, with the Soviets gone, 'Drugs' became Washington's new official enemy. The Andean Initiative, however, may also have been aimed in part at eradicating Latin America's last remaining leftist strongholds in Colombia and Peru, now that the Sandinistas had been tackled in Nicaragua. The Initiative turned out to be a failure - in the sense that the narco industry appears stronger than ever at the end of the decade. Certainly the US has failed at taming Colombia in the 1990s.

The neighbors are growing restless over Colombia's predicament with guerrillas, narcotrafficking, and related crime and warfare. Particularly worried are Panama, Ecuador and Venezuela. With almost \$300 million in aid from the US in the form of counternarcotics assistance, Colombia is the third largest recipient of US aid in the world. In July of 1999 the Colombian Government formally requested \$500 million (US) of additional military aid for the next two years, beyond a request to 'borrow' some US military equipment stationed next door in Panama.¹⁰⁹ Importantly, the Colombian military began in 1999 a major restructuring, aimed at making it more flexible geographically, better trained and motivated, less top heavy, and more aggressive in its approach to the guerrillas, who have shown themselves to be strategic masters.¹¹⁰ Given this situation, it is not hard to