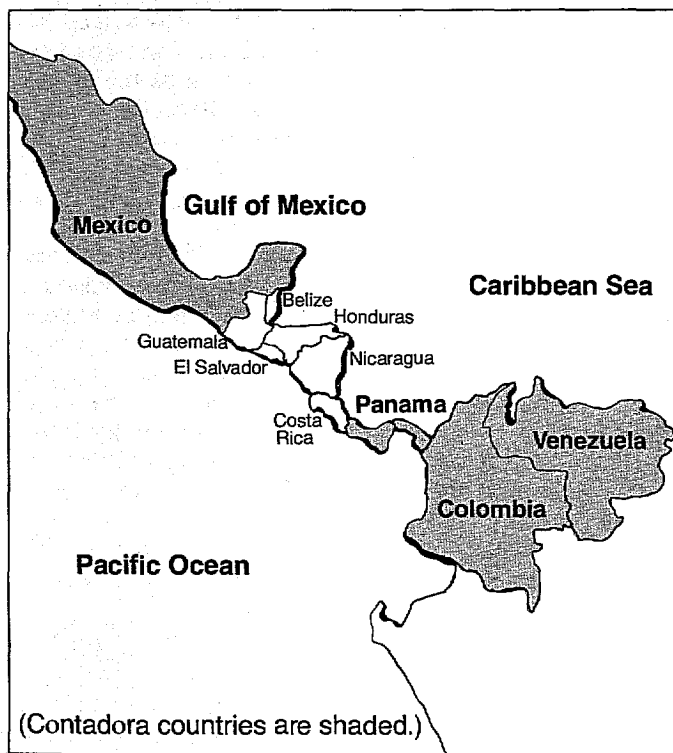


America in 1979, MacEachen's move would suggest as dim a political view of the Nicaraguan situation as that held by Washington.

Canadian neutrality?

Several other questions were raised regarding the purported neutrality of Canada within the year-and-a-half. As Washington moved to establish a mini-Pentagon in Palmerola Air Force Base in Honduras, journalists began to uncover the presence of Canadian-made ammunition in the stores of several belligerents. In one widely-publicized case the *The New York Times* found Quebec-made 7.6-millimeter rifle ammunition at a camp of the anti-Sandinista Nicaraguan Democratic Force (FDN), the CIA-sponsored group based in Honduras. Although Ottawa defended itself by recourse to the technicality that the export was "not-licensed," Canada failed to use the occasion to condemn US "contra" operations.

Central America



Similarly, despite its avowed commitment to human rights, Canadian immigration officials have been tangling Central American seekers of asylum in a morass of red tape. The issue of accepting Central Americans as refugees is controversial in Washington, where the State Department refuses to accord individuals fleeing from certain death in allied states the entitlements of asylum on grounds that, as one official put it, "it might offend" the governments involved.

An agenda

The Canadian parliamentary report of 1982, heavily influenced by Sinclair Stevens, has unfortunately remained

unread and unheeded, unlike the smokescreen legitimation obtained by the Reagan administration from the Kissinger Commission. Still, one would hope for Ottawa to consider a vast revision of policy. From a Washington perspective critical of the Reagan administration the key issues are the following.

Contadora. Canada should join. Ottawa's offers to "observe," while well-intentioned, have failed to quell suspicions that without a commitment to carry the responsibility for the peace effort, as membership would imply, the Canadians might well be acting at Washington's bidding. Canada certainly does not want to see US power grow unchecked, for it could easily prompt Washington to push further on the commercial issues that have cooled the North American relationship. It should also be noted that, prior to the Nicaragua declaration that Managua was ready to sign the pact, Central American neighbors were equally eager to engage in the process. According to diplomatic sources, the latest US effort at pressuring Costa Rica, El Salvador, Guatemala and Honduras into throttling the peace plan took place at the UN General Assembly in October, when Secretary of State George Shultz met with the respective foreign ministers.

Closely related to the fate of Contadora is the Washington-sponsored re-emergence of the Central American Defense Council (CONDECA), an anti-communist military pact begun in 1963 at the behest of then-dictator of Nicaragua Anastasio Somoza, which later collapsed following the 1969 " Soccer War " between Honduras and El Salvador. Meetings of Central American high military officers, who are politically on the rise, with personnel from the US Southern Command, based in Panama, have been linked by several well-placed sources to the hasty reversal of enthusiastic diplomatic responses to Contadora from several Central American capitals. CONDECA is clearly meant by Washington to substitute a military ring around Nicaragua for the Contadora initiative.

Common Market. Also in the multilateral front, and going beyond the short-term political goals, Canadian policy should be oriented towards seeking a role in the revival of the Central American Common Market (CACM). Here Ottawa could bring its experience as a sponsor of the Caribbean Community's scheme and CARIBANK. The CACM, another casualty of the Soccer War, is held hostage to the regional crisis, much like Contadora. Unlike the peace initiative, however, the CACM has an established, if modest, track record as what many economists view to be the best framework for developing countries which individually would be unlikely to succeed.

If the Common Market failed, say the same sources, it was largely due to two constraints. First, all its members, save Costa Rica, were under military-dominated and semi-feudal regimes, whose sense of development translated into enlarging economies essentially at the service of oligarchic minorities. Under such conditions, even the imperatives of a free-market economy were disregarded whenever they collided with privilege. Secondly, of course, tensions between the governments and the governed — the origins of today's extreme politico-military polarization — stood in the way of developing the political will necessary to make and implement economic decisions on a regional basis.