

neighbours and trading partners have their most direct, and therefore most persuasive opportunities to assess Canadian credibility in personal dealings with Canadian businesses, aid-workers and tourists, however. How Canadians behave when they use their money and power abroad will be the chief evidence upon which we are judged.

Canadian credibility benefits from a consistent course of conduct which demonstrates integrity and honesty: taking principled positions that genuinely reflect our domestic values and policies, and eschewing hypocrisy. It is also essential that we consistently "walk the talk," especially when our own wealth is at stake. In a world of increasing economic integration and capital mobility, Canada should not only be a champion of fair and mutually beneficial trade, but should demonstrate its commitment to this goal by creating strong incentives for Canadian companies to treat host communities fairly. Canadian companies should be held accountable to the communities affected by their operations as a matter of Canadian policy and law.

In his recent speech to Latin America's finance ministers, quoted above, James Wolfensohn emphasized the urgency of addressing the needs of region's estimated 30 million indigenous people. Most of them live in Bolivia, Ecuador, Guatemala, and Peru, where they are a majority of the national population; in Canada's NAFTA partner, Mexico, where they comprise at least 25% of the population; and in Canada's largest Latin American trade partner, Chile, where they are 15% of the population.

Canadian business has become a major player in the development of remote areas of Latin America. As a result, Canadian mining, forestry and engineering companies have a vastly greater impact on the region's indigenous peoples than Canadian aid programs. Indeed, current levels of Canadian investment in extracting resources from the territories of indigenous peoples in Latin America, conservatively estimated at US\$10 billion, dwarfs all Western concessional aid flows to the region. The most significant contribution that Canada can make to the security and development of indigenous peoples is to manage Canadian investments in a way that ensures a positive net impact on the indigenous communities which host Canadian resource companies.

Threshold conditions of credibility

As a minimum condition of credibility, Canada should adhere to at least as high legal standards as Latin American states with respect to the status and rights of indigenous peoples. A 1997 CCFPD roundtable on indigenous peoples and Canadian foreign policy observed trenchantly that "the credibility of [our] international efforts will be limited by our domestic shortcomings."

The ILO's *Convention on Indigenous and Tribal Peoples*, 1989 (No. 169), has thus far been ratified by 13 countries, including Bolivia, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Paraguay and Peru, and is under consideration by the governments of Argentina, Brazil, Chile, and Venezuela. ILO Convention No. 169 has also served as the model for the text of the *Proposed American Declaration on the Rights of Indigenous Populations*, currently under review and revision by a working group struck by the Permanent Council of the Organization of American States (OAS). It is fair to say that the convention has come to represent, in Latin America, a minimum acceptable standard for the rights of indigenous peoples.