

contact group countries met for the second time that year and expressed satisfaction with the results of recent consultations with the Front Line States, the South West Africa People's Organization (SWAPO), and South Africa, which had been reported to the Secretary-General of the United Nations. Among issues still unresolved in early 1983 was the South African demand, supported by the U.S., that the withdrawal of South Africa from Namibia should be linked to the withdrawal of Cuban troops from Angola.

Amid severe economic problems in other parts of the continent, the countries in northern Africa, South Africa and Cameroon remain prominent trading partners. In 1982, Canada exported \$1.7 billion worth of goods to Africa, and imported goods worth about \$682 million. The main markets were Algeria, Egypt, South Africa and Morocco.

Canada mounted various development and promotional activities to try and increase sales, the most notable of which was a series of seminars on export possibilities to Africa in Montreal, Toronto, Halifax and Edmonton. These seminars drew more than 1,000 businessmen and African representatives and demonstrated the potential of the African market. Among export capabilities highlighted at these seminars were electrification, energy, telecommunications, transport and forestry.

In March 1982 the African Development Bank (ADB) sent a mission to explain to businessmen across Canada how Canadians could take advantage of its arrangements. Canada joined the ADB early in 1983.

Bilateral meetings with Algeria, Tunisia, Morocco and Cameroon under the joint committee structure provided opportunities to review commercial and economic relations, including Canadian aid and credit programs.

Ministerial visits to and from Africa remained a cornerstone of bilateral relationships. Among the more important was that of International Trade Minister Lumley to Kenya, Zimbabwe and Swaziland in January 1982, which resulted in five major contracts for the supply of Canadian goods and services. In March 1983, Minister of State for External Relations Charles Lapointe paid his second visit to Africa, stopping in Cameroon, Mali, Guinea and Nigeria. The presidents of Somalia, Cameroon and Guinea visited Canada during this period.

The Department organized commercial missions in various sectors such as tourism in Morocco and Algeria; urban transport equipment in Saudi Arabia and Egypt; and telecommunications and fisheries equipment in Saudi Arabia and the Gulf States. Canadian companies were also encouraged to take part in the trade fairs in Algeria and Baghdad, as well as sectoral fairs such as the Home Leisure Show in Saudi Arabia and the Abidjan commercial week.

At the third annual ministerial meeting of the Southern African Development Co-ordination Conference (SADCC), Canada made its first pledge in support of a major SADCC-sponsored project, the Nacala-Entrelagos railway. This rehabilitation project will improve the railway through Mozambique that links Malawi with Zambia, from Nacala in northern Mozambique to Entrelagos on the Malawi border. The project will provide better access to the sea for these landlocked countries.

Latin America and the Caribbean

Serious economic difficulties afflicted most countries in Latin America and the Caribbean during 1982. The resulting political instability and internal upheavals caught the world's attention as never before. Of special note were the increasing violence in Central America, and the Falkland Islands conflict.

Canada joined many other nations in condemning Argentina's violation of Article 2 of the UN Charter by resorting to military force to settle an international dispute. Together with the European Community and other nations, Canada placed an embargo on all sales of military equipment and material to Argentina and suspended export credits and imports of all goods from Argentina. Nevertheless, Canada maintained correct relations with Argentina throughout the crisis, and since the conclusion of hostilities, both sides have worked to restore normal relations.

The final report of the House of Commons Sub-committee on Canada's Relations with Latin America and the Caribbean, tabled in November, reviewed Canada's relations with Latin America over the past decade. Recognizing the tangled and difficult problems of the various countries in the region, the report reaffirmed Canada's policy of using its influence, where possible, to encourage peaceful solutions instead of armed confrontation and widespread violation of human rights. A majority of Sub-committee members also recommended that Canada seek full membership in the Organization of American States (OAS).

Governments changed in many countries. Elections produced new governments in Mexico, the Honduras, the Dominican Republic, Colombia and Costa Rica. A welcome change of government in Bolivia brought in a regime pledged to provide democratic rule. Argentine President Galtieri was deposed and the new junta promised to hold general elections. Amidst continuing violence in El Salvador, controversial elections were held in March. Fraudulent elections in Guatemala were followed by a *coup d'état* and a new *régime* which pledged itself to reform and respect for human rights; but violence continued in the countryside. There were border incidents between Nicaragua and its neighbours, the Honduras and Costa Rica. Peace initiatives in this area did not bear fruit. Guatemala's territorial dispute with Belize continued. In response to civil strife, Canada enlarged its program for admitting Latin American refugees.

Most Latin American countries faced unprecedented financial crises and attempted to reschedule their foreign debts. Devaluations, stricter foreign exchange controls and tightening of import licensing requirements reflected the serious economic difficulties in the region. Canada's exports to Latin America and the Caribbean declined by 21 per cent and imports by 15 per cent from 1981. Manufactured goods made up more than 60 per cent of our exports of \$3 billion. Imports were mostly agricultural products and raw materials, with about 60 per cent being petroleum from Mexico and Venezuela.

In spite of the economic difficulties of the region, and indeed because of the deteriorating trade situation and the importance of retaining markets, Canada conducted a vigorous trade development program with these countries. For instance, the International Trade Minister released Canada's *Export Development Plan for Brazil* in July to assist those in the public and private sectors interested in exporting to that coun-