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Canadian and American Foreign Policy Towards Nicaragua

Under Pierre Trudeau and Ronald Reagan

BY

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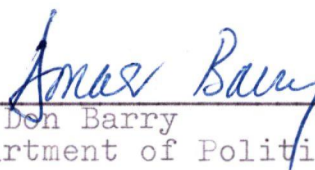
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The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies for acceptance, a thesis entitled "Canadian and American Foreign Policy Towards Nicaragua", submitted by Ann Lynn Griffiths in partial fulfillment of the requirements for the degree of Master of Arts.



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ABSTRACT

Relations between Canada and the United States are extremely close. In fact, Canada is often seen to have the same interests and to pursue the same policies as the United States. In an area such as Central America, which the US considers vitally important, it would seem reasonable to assume that Canada would not differ with American policies.

A comparison of the Trudeau Government's and the Reagan Administration's relations with Nicaragua does not, however, support this assumption. There were major differences between Pierre Trudeau's and Ronald Reagan's foreign policy towards the Sandinistas. The Reagan Administration perceived the Sandinista Revolution to have been Marxist and thus saw Nicaragua posing a threat to vital American interests in Central America. The Trudeau Government saw the Revolution as a broad-based insurrection against an unpopular dictator. The Government did not perceive the Sandinista junta to be a threat to Canada or the Western world.

The different perceptions between Pierre Trudeau and Ronald Reagan on the nature of the Nicaraguan Revolution in a large part influence the difference in policies towards

the Sandinistas. For the purposes of this thesis the perception of the nature of the Revolution becomes an important variable affecting the more traditional indicators used to study relations between countries. The perceptions of Washington and Ottawa have, in a large part, caused the significant differences in political, military/strategic and economic relations with the Sandinistas.

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INTRODUCTION

CANADIAN AND AMERICAN FOREIGN POLICY TOWARDS NICARAGUA

Since the successful revolution in 1979 which toppled a corrupt and uncompromising dictator, Nicaragua has become "the centre of evolution in Central America today".(1) Nicaraguans, by their victory over Anastasio Somoza Debayle, demonstrated to the people of Central America and the world that they have earned the right to shape their own destiny. Nicaragua is the only country in Central America which has, in recent years, succeeded in removing an unpopular dictator who had the support of the United States. The Nicaraguan victory in 1979 provided an inspiration for the Salvadoran insurgents and to the nascent and sporadic guerrilla movements in Guatemala and Honduras. The success or failure of the Sandinista regime in Nicaragua may have major implications for the future of leftward-leaning reform movements in Central America.

Central America in general, and Nicaragua in particular, historically has not been an area of Canadian interest. According to Louis Duclos, former Parliamentary Secretary to the Secretary of State for External Affairs:

(1) Personal Interview with Maurice Dupras, June 22, 1984.

...before the Nicaraguan Revolution in 1979, Canadians generally knew precious little about a region which basically left them indifferent.(1)

Canadian foreign policy towards Central America has been accused by the opposition parties and by church and peace groups of ambiguity, ambivalence and subservience to American policies. What Canadian policies there were under the Trudeau Government regarding Nicaragua are seen to have been constrained and influenced by American policies. Canadian policies towards Central America are difficult to identify and unclear as to intentions.(2) This stands in sharp contrast to the clear Central American policies of the Reagan Administration in the United States.(3)

Pierre Trudeau and Ronald Reagan are obviously men of very different vision and method. Trudeau is less of an ideologue than Reagan and has shown an interest in matters of the Third World for their own sake rather than as merely facets of the East-West conflict. It is somewhat surprising, therefore, that Pierre Trudeau did not appear to have

(1) Louis Duclos, House of Commons Debates (June 16, 1981), p 10666.

(2) Pauline Jewett, House of Commons Debates (April 23, 1982), p 16580.

(3) House of Commons Standing Committee on External Affairs and National Defence, Subcommittee on Canada's Relations with Latin America and the Caribbean, (henceforth referred to as the Subcommittee), Interview with R. Chodos, p 6:29.

a more identifiable policy towards Nicaragua, an important country in Central America. A close examination of Canadian-Nicaraguan relations, however, indicates that the Trudeau Government did have a distinct policy towards Sandinista Nicaragua. In view of the apparent lack of Canadian policy, this thesis will identify and illustrate Trudeau's policy towards Managua. Canadian policy under Prime Minister Trudeau will be compared with American policy under President Reagan to determine if a difference exists between Canadian and American relations with Nicaragua, and to determine on what basis any differences are formed.

Before one can search for a unique Canadian foreign policy towards Nicaragua it is necessary to define and explain Canadian foreign policy under the Trudeau Government. When Pierre Elliot Trudeau took over the reins of the Liberal Party and of Canada in early 1968 one of his first acts was to undertake a review of Canadian foreign policy. Thus a committee, 1968-1970, set out to study existing Canadian foreign policy and to change it to fit the times and the aspirations of the Trudeau Government.

According to Foreign Policy for Canadians, the policy paper resulting from the review:

In essence, foreign policy is the product of the Government's progressive definition and pursuit of national aims and interests in the international

environment. It is the extension abroad of national policies.(1)

Foreign policy was to serve Canadian national interests abroad. Foreign policy, like national policy, was to obtain its content from "the degree of relevance it has to national interests and basic aims" of Canada.(2) The policy review isolated six aims of Canadian national policy. They are (a) to foster economic growth; (b) to safeguard Canadian sovereignty and independence; (c) to work for peace and security; (d) to promote social justice; (e) to enhance the quality of life in Canada and; (f) to ensure a harmonious natural environment.(3) Foreign policy, as an extension abroad of national policy, would at any time reflect the priority given to these six basic aims.

The Policy Review indicated that:

the Government is of the view that the foreign policy pattern for the seventies should be based on a ranking of the six policy themes which gives highest priorities to Economic Growth, Social Justice and Quality of Life policies. Policies related to other themes (Peace and Security, Sovereignty and Independence) would merely be placed in a new pattern of emphasis.(4)

(1) External Affairs, Canada, Foreign Policy for Canadians (Ottawa: Queen's Printer, 1970), p 9.

(2) Ibid, p 12.

(3) Ibid, p 14.

(4) Ibid, p 32.

The six aims would be placed in this ranking in order to pursue the Trudeau Government's goal for Canadian foreign policy which was, according to Mark MacGuigan former Secretary of State for External Affairs, "to create a just and peaceful world in which all nations can achieve greater well-being and prosperity".(1) The goal and the ranking of the policy themes set out in 1970 by the Trudeau Government continued to reflect Canadian foreign policy aspirations for the duration of the Trudeau era.(2)

Foreign policy is inevitably shaped by the resources available to the government as well as constraints, both internal and external, that are placed on the government.(3) Foreign policy, according to Foreign Policy for Canadians, is influenced by the perspectives of the policymaker himself and also:

shaped by the possibilities that are open to Canada at any given time-- basically by the constraints or opportunities presented by the prevailing international situation. It is shaped too by domestic considerations, by the internal pressures exerted on the Government, by the

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- (1) Mark MacGuigan, "Foreign Policy Begins in National Interest and Ends in International Action", Statements and Speeches (statement to the House of Commons, June 15, 1981), p 3.
 - (2) Ronald Irwin, House of Commons Debates (April 23, 1982), p 16581.
 - (3) External Affairs Canada, Foreign Policy for Canadians (Ottawa: Queen's Printer, 1970), p 14.

amount of resources which the Government can afford to deploy.(1)

It should now be possible to define Canadian foreign policy and to outline the elements determining foreign policy under the Trudeau Government. Here, Canadian foreign policy will be defined simply as the extension abroad of national policies. National policies under the Trudeau Government emphasized economic growth, social justice and the quality of life in Canada. These policies will therefore constitute aspects of Canadian foreign policy.

Also important in making up Canadian national policies (and therefore foreign policies) are considerations of peace and security. Inherent in this are considerations of Canadian military and strategic well-being, sovereignty and independence. For the purposes of this thesis these elements of Canadian foreign policy will be separated into three broad categories: economic (including the aims of Economic Growth and Quality of Life in Canada), military/strategic (Peace and Security) and political (Social Justice, Sovereignty and Independence and a Harmonious Natural Environment).

Traditional studies of foreign relations emphasize different aspects of international goals. Without assuming that all countries have logical and coherent policies they

(1) Ibid, p 19.

follow in the world, it is possible to find some common foreign policy goals. According to Peter Toma and Andrew Gyorgy, editors of Basic Issues in International Relations, the objectives of foreign policy are: (a)sovereignty and security; (b)power; (c)peace; (d)prosperity; (e)protection and promotion of ideology; (f)justice; (g)prestige and pride; and (h)aggrandizement.(1) These objectives are generally pursued through the conduct of foreign policy. Elements of foreign policy as usually delimited include aid, trade, investment, political relations, military alliances and relations, cultural contacts, domestic considerations and geographic location. Not generally included as an element of foreign policy are countries' perceptions of events in the world.

A study of Canadian and American relations with Nicaragua indicates that perceptions are important in determining the nature of the relations. Perceptions here will be defined as the observance and understanding of events and their significance in a manner that relates to one's own frame of reference. Perceptions of the Nicaraguan Revolution differ markedly in Ottawa and Washington. This difference may be in part due to the

(1) Peter A. Toma and Andrew Gyorgy (editors), Basic Issues in International Relations (Boston: Allyn and Bacon Inc., 1967), p 235.

elements and aims of the two countries' foreign policy. The desire for social justice is one of the elements of Canadian foreign policy, recognizing that Canadian national interests would be better served in a just world. It is not one of the major elements of American foreign policy. For the Trudeau Government the revolution in Nicaragua was a step towards social justice. For the Reagan Administration the Sandinista Revolution represented the removal of an American ally and the alarming triumph of communist forces in the hemisphere. These interpretations precede and in turn may influence any differences that might exist between Canadian and American policies in the traditional economic, military and political terms. Thus the perception of the nature of the revolution in Nicaragua will be introduced as a factor, along with the more traditional factors, to compare Canadian and American policies towards Nicaragua since 1979.

The foreign policy review of 1968-1970 not only attempted to redefine Canadian foreign policy, it also sought to redirect it. The review attributed greater significance to foreign aid and to improved relations with the countries of the Pacific rim and Latin America.(1) One of the directions Prime Minister Trudeau desired Canadian

(1) Bruce Thordarson, Trudeau and Foreign Policy (Toronto: Oxford University Press, 1972), p 199.

foreign policy to go was towards Latin America. The Latin American booklet of the foreign policy review acknowledged the predominant American influence in Latin America but considered it no impediment to increased Canadian activity in the area. The extension of Canadian relations in Latin America was not only recommended by the foreign policy review, but also became part of the "Third Option" policy of the 1970s which was designed to reduce Canadian dependence on the United States by diversifying Canadian foreign relations.

In accordance with the recommendations of the review in 1970, and following the policies of the Third Option, Canada has broadened her relations with Latin America. Previous to the review Canada had not paid particular attention to Latin America, being interested in areas of more traditional ties, such as Britain, France, the United States, the Commonwealth and more recently, Japan. However, the Trudeau review successfully focused more Canadian attention on the area. In the words of Pierre Trudeau:

Though we are not a member of the Organization of American States (OAS), we are very much a participant in the inter-American system. Since 1970, when my Government carried out a thorough foreign policy review as one of its initial major tasks, Canadian

involvement in the inter-American system has accelerated rapidly.(1)

The Trudeau Government made relations with Latin America, for the first time, an element of Canada's foreign relations. Along with the foreign policy review recommendations, increased American activity in the region with the election of Ronald Reagan, and, lobbying in Ottawa by church and peace groups have recently pushed Central America into a higher priority position for external relations.(2)

An increased Canadian presence in Latin America was to fulfill a purpose for the Trudeau Government. The main aim of Canadian involvement, as outlined in the Latin American booklet of the review was:

to enable Canada to play a distinctively Canadian role in those aspects of hemispheric affairs which are of importance to Canada and at the same time to reinforce Canadian independence by more incisively defining a hitherto somewhat blurred dimension of Canada's external relations.(3)

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- (1) Pierre E. Trudeau, "The Character of Canada's Involvement with Latin America", Statements and Speeches (Speech in Caracas, January 30, 1976), p 2.
- (2) Susan Riley, "Canada's Uneasy Stand on a Tricky Issue". Maclean's (August 8, 1983), p 22.
- (3) External Affairs Canada, Foreign Policy for Canadians: Latin America (Ottawa: Queen's Printer, 1970), p 25.

The main tenet of Trudeau's policy in Latin America, therefore, was to provide a distinctively Canadian role in the hemisphere and to reinforce Canadian independence.

Central America, even more than Latin America in general, has historically received little attention from the Canadian Government. For the United States, however, Central America, since the Monroe Doctrine was declared in 1823, has been considered an area of vital importance. American policy towards the area has usually been clear, if not necessarily consistent. Under President Carter Washington pursued policies espousing respect for the countries of Central America and showing disapproval for human rights violations in all countries, regardless of whether these countries were firm allies of the US or not. Carter rejected the idea that pressures for change in Central America were "the result of secret, massive Cuban intervention" with the purpose of extending Moscow's control.(1) In May of 1977 President Carter declared that the United States was:

free of that inordinate fear of communism which once led us to embrace any dictator who joined us in that fear.(2)

(1) "Undoing the Dynasty", Time (August 6, 1979), p 38.

(2) Daniel Patrick Moynihan, "A New American Foreign Policy", The New Republic (February 9, 1980), p 18.

In responding to the pressures for change in Central America, the United States had mistakenly fought fire with fire, Carter said, "never thinking that fire is better quenched with water".(1)

The policies of the Carter Administration were quickly revised when Ronald Reagan was elected president in late 1980. President Reagan made it clear that human rights considerations in Central America would be subordinate to what he considered more important strategic considerations of containing communism in the hemisphere. President Reagan mocked Carter's human rights policy saying it was responsible for losing such staunch American allies as the Shah of Iran and Anastasio Somoza. Reagan accused Carter of allowing Iran and Nicaragua to fall under communist influence.

The Reagan Administration has viewed Nicaragua as the cornerstone of problems in Central America since the Sandinistas obtained power in July of 1979 with the overthrow of Anastasio Somoza Debayle. Managua has held Washington's attention in Central America since Reagan came to power. To Reagan:

Cuba represents the threat of Soviet
influence spreading through the
Caribbean and Nicaragua is a bear's paw

(1) Ibid, p 18.

threatening US interests in Latin America.(1)

The Sandinista regime is accused by Washington of fomenting the guerrilla war in El Salvador and of attempting to invoke changes in the whole of Central America. The domino theory has once again come into fashion in Washington, assuming that if Nicaragua falls to communism the rest of the countries of the area will inevitably follow. The Reagan Administration has sanctioned attempts both to change the regime in Managua and to prevent it from influencing the other countries of Central America.

The Council on Hemispheric Relations, a private research group, called Canada's policy towards Central America "superficial, inconsistent, devoid of moral content and largely irrelevant".(2) This stands in sharp contrast to the Central American policies of the Reagan Administration. In the light of (a) the foreign policy review recommendations of increased Canadian contact with Latin America, (b) the Reagan Administration's actions in Central America and (c) the apparent importance of Nicaragua in the area, what has been Canadian policy towards Nicaragua since 1979? Thus, the purpose of this thesis is to find if there

(1) "Reagan Confronts the World", Time (December 9, 1980), p 16.

(2) "International Perspectives", The Globe and Mail (March 30, 1982).

existed a Canadian policy towards Nicaragua under the Trudeau Government, and, if this policy was different from that of the Reagan Administration. Important to the thesis will also be a determination of the bases of the Trudeau Government's and the Reagan Administration's policies towards Nicaragua.

To determine if a Canadian foreign policy towards Nicaragua does exist independent of the American policy a comparison of Canada's and the United States' foreign policies towards Nicaragua will be made. The comparison of Ottawa's and Washington's policies towards Nicaragua will be undertaken by means of the three elements of foreign policy outlined above--economic, military/strategic and political. Pierre Trudeau's and Ronald Reagan's perceptions of the nature of the Sandinista Revolution and the strategic significance of Nicaragua will be used as the independent variables which influence, or perhaps create, any differences in foreign policy towards Nicaragua.

The three foreign policy elements will be discussed in terms of Canadian and American historical involvement in Nicaragua. Following the historical background will be a chapter discussing the fundamental differences between Ottawa's and Washington's perceptions of Nicaraguan events and their significance. Then the three elements of foreign policy will be discussed separately in chapters dealing

with contemporary Canadian and American actions in the area. In the chapter dealing with economic aspects there will be a comparison of economic activity in Nicaragua, including aid, trade and investment. In the chapter dealing with military/strategic considerations there will be a comparison of Canadian and American conceptions of the strategic value of Nicaragua and the perception of the threat the Sandinistas pose in Central America, as well as a discussion of the military actions taken in the area. In the chapter dealing with political considerations there will be a comparison of Canadian and American views on the nature of the Sandinista regime, the extent of Cuban and Soviet influence in the area, and political relations with the Sandinista regime.

The question which cannot be avoided in this study is: can there be a truly Canadian foreign policy towards Nicaragua? In other words, is it really worth risking Canada's good relations with the United States over something that is not considered vital to Canada? While countries such as Mexico, Venezuela, France and West Germany have differed publicly with President Reagan over his policies towards Nicaragua, Canada has not. However, in the light of the fact that in 1982 more than two-thirds of Canadian exports went to the US and 70% of Canadian imports came from the US, a Canadian policy which does not

follow exactly that of Washington can be considered in itself significant.(1) In fact, in light of (a) the Reagan Administration's view of the importance of Nicaragua and (b) the economic reliance of Canada on the US, even a neutral Canadian policy towards the Sandinistas could be seen as surprising. The Trudeau Government thus did not have to hold views opposite to the Reagan Administration to follow an independent Canadian policy towards Nicaragua. Indeed, not having a policy at all in this important case could indicate a degree of Canadian independence.

A study of Canadian foreign policy must always take into account the complexity of Canada's relations with the United States. It is not possible, therefore, simply to study direct Canadian relations with Nicaragua. The indirect influences of the US must also be taken into account. It is necessary to realize that Canadian foreign policy is conditioned by (a) Washington's attempts to influence Ottawa; (b) Canadian attempts to follow a line which will not jeopardize important Canadian-American relations; and (c) Ottawa's reactions to what are seen to be American misperceptions of a problem. What appear to be simple bilateral relations between Canada and Nicaragua may in fact be the product of a complex and distorted process of

(1) "Relations between Canada and the United States", Canadian Foreign Policy Texts (April, 1983), p 2.

reactions to American policies. This complexity must be kept in mind when examining Canadian foreign policy.

This thesis will thus examine both direct and indirect Canadian policy towards Nicaragua since the Revolution under former Prime Minister Trudeau. The Canadian policy will then be compared with that of the Reagan Administration. This comparison will be accomplished by a consideration of economic, military/strategic and political factors, as influenced by the differing perceptions of the Nicaraguan Revolution and the strategic significance of Nicaragua. This will be done with the purpose of determining if there is uniquely Canadian policy towards Nicaragua, and, the basis for this policy.

CHAPTER ONE

NICARAGUAN HISTORY AND CANADIAN AND AMERICAN INVOLVEMENT

In order to understand former Prime Minister Trudeau's and President Reagan's policies towards Nicaragua under the Sandinistas it is first necessary to have some knowledge of Nicaraguan history. It is also useful to have some perspective of the historical roles of Canada and the United States in the area. One chapter of a thesis cannot adequately portray all events in the Nicaraguan past. It can, however, illustrate reasons for the contemporary actions of Nicaraguans in reaction to long suffering and interference in their country. It can also provide a perspective on outside powers' historical views on Nicaragua and on a revolution which was seen to jeopardize important interests. For the purposes of this thesis, it is important to note that only official government, as opposed to private, relations with Nicaragua will be taken into consideration.

Nicaragua has always been a country of considerable potential. It is the largest of the Central American republics with an area of 53,939 square miles (135,000

square kilometres).(1) Nicaragua has a generous supply of natural resources, a varied terrain, and a varied climate ranging from cool mountain temperatures to tropical rain forests.(2) Christopher Columbus sailed along the coast of Honduras and Nicaragua in 1502. In 1524 Spanish explorers founded the cities of Granada and Leon in Nicaragua. Spain retained control of most of the country until Nicaragua broke from Spain to join the Central American Federation in 1824, and, became fully independent in 1838.(3)

Important to securing and maintaining the independence of Latin America in general was the speech made by American President James Monroe on December 3, 1823. This speech contained elements which have since become known as the Monroe Doctrine. In his speech President Monroe declared that the "American continents...are henceforth not to be considered as subjects for future colonization by any European power".(4) President Monroe's message to the

(1) Nathan A. Haverstock and John P. Hoover, Nicaragua (New York: Sterling Publishing Company, 1974), p 5.

(2) Nicaragua's resources include coffee, tea, cocoa, sugar, honey, textile fibres, meat--all of which make up Nicaragua's exports. James W. Wilkie (editor), Statistical Abstract of Latin America 1983 (Los Angeles: Latin America Centre Publications, 1983), p 467.

(3) Britain maintained a presence on Nicaragua's Atlantic coast until 1894.

(4) Frank R. Donovan, Mr. Monroe's Message (New York:

European powers was to indicate American support for allowing the countries of Latin America to pursue their own course without interference or intervention from their former colonial masters. Monroe indicated that because the United States was more "immediately connected" to Latin America than the European powers and thus more influenced by events there, the United States should have a say in what happened in the area.

In effect the Monroe Doctrine was a warning to the European powers to keep out of Latin America or risk threatening the peace and security of the United States:

We owe it, therefore, to candor, and to the amicable relations existing between the United States and those (European) powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and security.(1)

Monroe continued,saying:

With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with Governments who have declared their independence we have...acknowledged, we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny, by any European power, in any other light than as a manifestation of an unfriendly

Dodd, Mead and Company, 1963), p 3.

(1) Ibid, p 3.

disposition towards the United States.(1)

American relations with Latin America continue to be influenced by the Monroe Doctrine. The United States still considers the area to be vital strategically and still attempts to keep outside powers from the area. Under Theodore Roosevelt the idea of preventive intervention was adopted. Preventive intervention was the idea that the protection of Latin America justified American interference in, and even control of, Latin American affairs.(2) The interpretation of the Monroe Doctrine has broadened in this century so that it has become, in many instances, a doctrine used for the justification of American intervention into Latin American affairs. The Doctrine has been re-interpreted since World War II to not merely keep European powers out of Latin America but also to specifically prohibit the influence of communist bloc countries in Latin America. A knowledge and understanding of the Monroe Doctrine is thus crucial to the study of American historical and contemporary involvement in Nicaragua.

The early history of the independent Nicaraguan republic was typical of the rest of the area. There were both

(1) Ibid, p 3.

(2) J. Lloyd Mecham, A Survey of United States-Latin American Relations (Boston: Houghton Mifflin Company, 1965), p 68.

local and isthmian conflicts, generally fought to obtain or retain power. The resources of Nicaragua have been consistently utilized since the Spanish arrival for the benefit of a small number of export-oriented elites.(1) Nicaragua's internal conflict gradually boiled down to conflict between the cattle-based, self-made elites of Granada (the conservatives) and the commercial elites of Leon (the liberals). The two groups had irreconcilable differences which kept them feuding in the attempt to obtain power in Nicaragua. The majority of Nicaragua's people continued, under whatever faction had power, to eke out a miserable existence.

The political instability of Nicaragua was such that in 1855 an American adventurer, with 58 hired mercenaries, took over the country and declared himself president. William Walker had been invited to Nicaragua by the Liberal Party to help in the fight with the Conservatives in exchange for gold and land. Walker's take-over of the presidency was not part of the plan. Walker had decided to turn Central America into his personal kingdom if possible, if not, he would annex the area to the United States.(2)

(1) Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 10.

(2) Keith Atkinson, "US Meddling in Central America since 1855", The Toronto Star (May 6, 1984).

In most of the United States Walker was seen to be a hero. In Nicaragua, however, he was one of their less popular presidents--he did not even speak Spanish. Because Walker refused to leave Nicaragua the Liberals and Conservatives joined forces long enough to fight against Walker and his army. When Walker realized his defeat was inevitable he destroyed the city of Granada where his power had been centred and fled to an American Navy ship. Walker was shot in Honduras in 1860 on his attempt to return to Nicaragua. The Walker episode, while likely forgotten in the United States, provided Nicaraguans with their first taste of American intervention in their national political affairs.

Relative calm characterized Nicaragua after William Walker's expulsion in 1857. The Liberals and Conservatives still had not resolved their basic differences but peace nonetheless continued until the turn of the century. Under the constitution of 1858 Nicaragua adopted a four year presidential term and a bicameral legislature. Peaceful transition of power was followed until 1893. The calm belied, however, simmering differences between the two parties.

The calm was broken when Robert Sacasa, a conservative, was overthrown in 1893 by members of his own party. The Liberals took advantage of the Conservative Party's

disorder and installed Jose Santos Zelaya. Zelaya changed the Nicaraguan constitution to allow himself to remain in power more than one term and ruled Nicaragua as his own personal fiefdom. He remained in office until 1909.

The United States had long held ideas about the creation of a trans-isthmus canal. Nicaragua was to be the country where the canal would be built because, if Lake Managua was utilized, it was the shortest route across the isthmus. In 1902, however, the United States decided to build the canal using the alternate route through Panama instead of Nicaragua. Panama was the final choice for the route because Nicaragua is located on a geological rift and therefore is prone to volcanic activity and periodic destructive earthquakes.(1) Jose Santos Zelaya, Nicaragua's president, was angered by the American decision because he had given the United States numerous business concessions on the understanding that the canal would be built in Nicaragua.(2) Zelaya cancelled the concessions. He then attempted negotiations with foreign powers for the construction of a canal in Nicaragua which would rival the American one in Panama. The US, perceiving its interests

(1) Nathan A. Haverstock and John P. Hoover, Nicaragua (New York: Sterling Publishing Company, 1974), p 7.

(2) Keith Atkinson, "US Meddling in Central America since 1855", The Toronto Star (May 6, 1984).

to be threatened, and unhappy with Zelaya's interference in the rest of Central America, lent its support to Zelaya's opposition. Washington dispatched a contingent of Marines to Bluefields on Nicaragua's Atlantic coast in 1909 to support the conservative opposition. Zelaya resigned in 1910 and the conservatives took power.

Adolfo Diaz became president in 1911. He would not have retained power without the support of American forces which returned in 1912.(1) Diaz claimed he was unanimously 'elected' in 1912 but in reality he had little indigenous Nicaraguan support. The Bryan-Chamorro Treaty signed by the Diaz government with the United States was indicative of Diaz's rule and was widely regarded as a sell-out of Nicaragua. Under the treaty Nicaragua received \$3 million in exchange for granting the US the right in perpetuity to construct a trans-isthmus canal through Nicaragua --they had no intention of doing so but wished to keep other countries from constructing a canal. Also granted in the Treaty was a 99-year lease on the Corn Islands in the Caribbean and a 99-year right of a US naval base on the Gulf of Fonseca.(2)

(1) Franklin D. Parker, The Central American Republics (London: Oxford University Press, 1964), p 225.

(2) This would be an example of the use of the Monroe Doctrine to keep foreign countries out of Central America. The United States bought the rights in

The Marines left Nicaragua in 1925 after Carlos Solorzano took office. Solorzano was forced out of office in 1926. The US had signed a treaty in 1923 with the Central American republics which stated that it would not recognize governments attaining power by force. Therefore, the US arranged for Adolfo Diaz to take the presidency. It became clear, however, that Juan Bautista Sacasa, who was Solorzano's vice-president and a liberal, would not accept Diaz as president. The US Marines returned to Nicaragua in 1927 to enforce Diaz's presidency.

The second intervention brought the American marines far more trouble than the first. A general in the Liberal forces, named Augusto Cesar Sandino, refused to accept the compromise proposed in 1927 by the US for alternating the presidency to end the liberal-conservative fighting. Motivated by nationalism, Sandino protested the presence of American forces in Nicaragua and their interference in Nicaraguan affairs. He and a group of supporters engaged the marines in one of the first examples of guerrilla warfare. While Sandino did not inflict tremendous losses upon the marines the conflict became a stalemate with neither side able to eliminate the other. Sandino's

perpetuity to keep outside powers from constructing a canal to rival the American one, and, established a military presence to ensure there was no foreign interference.

harassment and tactics proved successful in obtaining attention and support for his cause both within and outside Nicaragua.

The Americans in Nicaragua decided that the creation of a national army would allow for the departure of the marines and create a local force to fight the increasingly unpopular war with Sandino. After several years of discussions the Nicaraguan National Guard was formed. A young Nicaraguan, named Anastasio "Tacho" Somoza Garcia, who was US-educated, proved useful to the Americans in Nicaragua by translating for them and explaining the country's customs. Somoza became popular with the Americans and worked his way into recognition by his ability to "ingratiate himself with the Americans".(1) As a result of his contact with the Americans and their respect for him Somoza managed to receive the position of director of the National Guard. Feeling that they had created the means of maintaining peace in Nicaragua and following the tenets of Franklin D. Roosevelt's new Good Neighbour Policy (which was intended to improve relations with Latin American countries), in 1933 the US Marines left Nicaragua.

Sandino and his men were motivated by nationalism, not ideology, and the desire to allow Nicaraguans to govern

(1) Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 15.

their own affairs. They thus had achieved their main goal when the American marines and advisers left Nicaragua. Sandino accepted, therefore, a settlement to stay within certain designated areas of Nicaragua. Meanwhile, Somoza had consolidated his position in the National Guard. It had been envisioned by the Americans to be a non-partisan force to maintain the integrity of the Nicaraguan political situation. Somoza, however, distorted the role of the Guardia and created not a non-partisan force but his own personal army.

In early 1934 the situation between Sandino and the government deteriorated. This was because Sandino had been ordered to turn in his arms and was no longer allowed unquestioned jurisdiction in the designated regions. President Sacasa arranged for Sandino and his generals to travel to Managua for negotiations. Upon leaving the president's house after the discussions of February 21, 1934 Sandino and his generals were picked up by members of the National Guard. Despite the fact that the President and Sandino had signed a peace agreement guaranteeing the safety of the parties to the negotiations, Sandino and his men were taken to the airport and shot--on Somoza's orders. (1)

(1) William M. Leogrande, "The Revolution in Nicaragua: Another Cuba?" Foreign Affairs (New York: Council on

President Sacasa could do nothing to punish Somoza, his nephew-in-law, for Sandino's murder because Somoza controlled the National Guard. When Somoza declared his desire for the presidency there was little Sacasa could do to stop Somoza's political ambitions. Somoza pressured his uncle into retiring and assumed the presidency in 1936. Somoza Garcia now held the two most powerful positions in Nicaragua--the presidency and, more importantly, director of the National Guard.

Through constitutional manipulation, the manipulation of elections and control of the National Guard Somoza was able to maintain his power over Nicaragua. His official positions also allowed him to create a family fortune. According to a study made for the American Council on Foreign Relations:

(Somoza) used his monopoly of the means of violence to promote the interests of his family. By systematic graft he accumulated vast commercial and agricultural holdings, making the Somozas one of the wealthiest families in the Americas.(1)

Somoza's greed and his brutal handling of any opposition did not endear him to the Nicaraguan population. There was

Foreign Relations Inc., 1982-83), p 29.

(1) Robin Higham (editor), Intervention or Abstention (Lexington: University Press of Kentucky, 1975), p 229.

little revolt though because the guerrilla movement had been beheaded in 1934 with Sandino's death and reduced in number by Guardia operations.

In April 1955 Somoza amended the constitution to allow re-election and family succession. In November 1955 he announced that he would seek re-election to the presidency. While Somoza controlled the National Guard it was unlikely that he would be challenged in the election. September 21, 1956 Somoza received the official nomination of the Nationalist Liberal Party. That evening Somoza was shot four times by Rigoberto Lopez Perez, a young poet who sought to end the Somoza dynasty. Lopez Perez was killed by Somoza's body guards immediately following the shooting. The president was flown to an American hospital in the Panama Canal Zone where he was given the best available medical attention. He died eight days later.

Nicaragua was not rid of the Somoza family. Luis Somoza Debayle, the oldest son of Anastasio Somoza Garcia, became Nicaragua's next president. Anastasio Somoza Debayle, Somoza Garcia's youngest son, took over the head of the National Guard. Luis Somoza was elected president in February 1957 (the Conservatives did not participate in the election). Luis Somoza restored the articles in the constitution which forbid succession and announced that he would retire from the presidency in 1963.

Luis Somoza and Anastasio "Tachito" Somoza were staunch American allies, as their father had been. When the Germans and fascists were American enemies, they were the enemies of Tacho too. And when the Soviet Union and communism became the enemy, Nicaragua hated them too. Somoza Garcia offered the use of Nicaragua for American military bases during the Second World War and permitted the CIA training of the forces used to remove Jacobo Arbenz Guzman from power in Guatemala in 1954. Tachito offered the services of Nicaragua for the ill-fated Bay of Pigs invasion. The 1961 invasion of Cuba was launched from Nicaragua. Nicaraguan troops also were present in the 1965 American invasion of the Dominican Republic.

Luis Somoza was more moderate than his father had been and his brother would be. He had some concern for improving the Somoza image and even went so far as to grant amnesty in 1960 to jailed guerrilla leaders. In 1963, true to his word, Luis Somoza retired from the presidency. From 1963 to 1967 a puppet president was installed and controlled by Anastasio through his powerful position in the Guardia. In 1967 Anastasio had himself installed as president for a term.(1) He amended the constitution to

(1) Luis Somoza Debayle had died.

allow a president to succeed himself and settled into his office.

There were two simple but important rules in the Somoza family dynasty: (1) appease and co-opt important domestic power contenders, and (2) cultivate the friendship of the United States.(1) These two rules and careful control of the military were key to the continued success of the Somoza family. Anastasio Somoza Debayle followed them religiously. He had exceptionally good relations with the United States in the 1960s and early 1970s. The US provided economic assistance to Nicaragua and more members of Nicaragua's National Guard were trained in either American bases in Panama or in the United States than any other Latin American military force.(2)

The beginning of the end for the Somoza dynasty occurred in the early 1970s. Somoza's greed continued without satiation. In December 1972 Managua suffered a devastating earthquake. Somoza used his position and influence to channel the incoming international aid into the Somoza family fortune. Somoza and his friends were also involved in buying land around Managua and selling it at great profit to those who had to rebuild their

(1) Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 16.

(2) Ibid, p 17.

businesses. As Somoza also owned the cement and construction industries in Nicaragua, the earthquake provided quite a bonus to the family fortune. Somoza did little to improve the lot of poor Nicaraguans who lost their homes in the earthquake. Until after the revolution much of Managua remained unrepaired and many of its residents lived in shantytowns on the outskirts of town or where their homes had been located before the earthquake.(1) Somoza's actions in the aftermath of the earthquake did not increase his popularity. Nor did the earthquake improve the Guardia's public image as it provided ample opportunities for them to augment their own fortunes by corruption and looting.

The Somozas were Nicaragua's wealthiest family and the country's largest landowners. Between 40% and 60% of Nicaragua's arable land was controlled by the Somozas--the numbers were even larger if the holdings of the Somocistas (Somoza supporters) were counted.(2) The wealth of the Somoza family, estimated as being in excess of \$500 million, was in stark contrast to the population of Nicaragua. In Nicaragua illiteracy exceeded 50% and the

(1) Carl J. Migdail, "In Nicaragua a Revolution Gone Sour", US News and World Report (October 18, 1982), p 41.

(2) Pedro Camejo and Fred Murphy (editors), The Nicaraguan Revolution (New York: Pathfinder Press, 1979), p 25.

per capita income hovered at approximately \$200 (US) per year.(1) According to statistics compiled by the US Agency for International Development in 1971 under Somoza 80% of housing had no running water, 59% no electricity, 47% no sanitary facilities and 69% had dirt floors.(2) Of every 1,000 children born 102 died, and, of every 10 deaths 6 were of infections which are curable.(3) The incredible contrast between the Somocistas and the population in general became one of the catalysts for the overwhelming participation of the Nicaraguan people in the overthrow of the Somoza regime.

In the early 1970s all sectors of Nicaragua, with the important exceptions of the military and the wealthy, were disillusioned by Somoza's insatiable greed and incredible brutality. Once again guerrilla groups began to surface in Nicaragua. Somoza had not had problems with armed dissidents since the early 1960s.(4) Somoza's National Guard

(1) David Horowitz, The Free World Colossus (London: MacGibbon and Kee, 1965), p 229.

(2) Susan Meiselas, Nicaragua June 1978-July 1979 (New York: Pantheon Books, 1981), p 76.

(3) Ibid, p 76.

(4) In the mid-1960s the war against Somoza was conducted by students inspired partly by Marxism and partly by the Liberation Theology emerging from the Social Christian teachings of the Catholic Church. Jan Knippers Black, "Preserving Nicaragua's Revolution", The Christian Century (February 24, 1982), p 210.

had then easily squashed the movement. The new rebel movement did not, therefore, worry him greatly. His Guardia had become a well-tuned machine with much experience in enforcing Somoza's wishes.

In late 1974 the Frente Sandinista Liberacion Nacional (FSLN), as the guerrilla movement was now called, made headlines with a successful and bold operation. The Sandinistas seized the home of a wealthy Somocista during a party for the US ambassador. They held more than a dozen foreign diplomats and Somocistas until Somoza was forced to release political prisoners, pay a ransom and publicize FSLN communiques.(1) This successful feat both belied Somoza's claims that the guerrillas had been destroyed and illustrated that the FSLN could become a force to be reckoned with. Somoza reacted angrily to the FSLN victory and

...declared a state of seige, instituted full censorship of the press and launched the Guard on a campaign of terror in rural areas where FSLN guerrillas were believed to be operating.(2)

(1) H. E. Vanden, "The Ideology of the Insurrection", in Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 53.

(2) Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 18.

Somoza's crackdown proved a set-back for the FSLN, but created increasing support for the guerrillas among Nicaraguans.

Somoza's unassailable position of power began to crumble in the mid-1970s. He was opposed by labour groups, the Catholic Church and increasingly by the Nicaraguan elites who had supported him for so long. This range of opposition would not have proven insurmountable had the United States maintained its traditional friendship with the Somozas. This could no longer be counted on. Jimmy Carter had been elected president November 1976. In early 1977 President Carter instituted his human rights policy. And because Somoza's human rights record was appalling Nicaragua drew the attention of Carter's Washington. The Carter Administration announced that it would withhold the Nicaraguan military credits for 1977 and 1978 and that \$12 million in economic aid would not go to Nicaragua until Somoza improved his human rights record.(1)

Under pressure from Washington, Somoza lifted the strict restrictions on freedom he had instituted in 1974. With the new relative freedom there were outpourings of complaints from all sectors of Nicaraguan society and the

(1) William M. Leogrande, "The US and the Revolution", in Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishing, 1982), p 65.

FSLN once again began operations. A group of prominent religious, business and professional leaders, "Los Doce" (The Twelve), called for a change from the Somoza regime which would include the FSLN. Carter's policies did not, however, include support for Somoza's opposition. In 1977 a number of anti-Somoza Nicaraguans, led by Pedro Joaquin Chamorro, editor of the outspoken daily La Prensa, asked for American support in their struggle against Somoza. The appeal was dismissed in Washington as "a collection of ineffective idealists".(1)

In late 1977 Somoza suffered a heart attack. He was treated in the United States and spent several months recuperating there. He had left Nicaragua and the National Guard in the hands of people whom he trusted absolutely (his son Anastasio being one of them). Somoza's heart attack was instrumental in cracking the facade of immortality and invulnerability the Somoza family had acquired. The apparent vulnerability, combined with the cooling of relations between Washington and Managua, heartened Somoza's opposition and allowed them for the first time to believe that Somoza could be beaten.

Opposition to Somoza had begun in earnest. On January 10, 1978 Pedro Joaquin Chamorro, editor of La Prensa, was

(1) Stephen Kinzer, "Somoza's Finale", The New Republic (July 21-28, 1979), p 19.

murdered by National Guardsmen. Chamorro's murder triggered massive opposition to Somoza manifested in riots and national strikes. Washington once again froze military assistance to Somoza which had been reinstated when the restrictions on freedom were lifted in the autumn of 1977. The riots and strikes were eventually suppressed and Somoza remained in power. Virtually the entire country was against him now--student/teacher organizations, labour groups, the Church, the business sector, middle class organizations and, of course, the FSLN. Only the military remained loyal.(1) For this reason members of the FSLN and the general public were surprised to hear of the July 1978 letter President Carter had sent to Nicaragua congratulating Somoza for his promise to improve human rights in Nicaragua.(2) The FSLN was also worried by the continuing American efforts to:

...arrange a political compromise between Somoza and his traditional opposition in order to preserve the Guard and Somoza's Liberal Party, and,

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- (1) Some members of the Guardia remained loyal not necessarily because they supported Somoza but simply because they were afraid to give themselves up to the mercies of the Nicaraguan people whom they had been brutalizing and exploiting for four decades.
- (2) Richard R. Fagen, "The Carter Administration and Latin America: Business as Usual?" Foreign Affairs (New York: Council of Foreign Relations Inc., 1979), p 661.

at the same time, exclude the popularly-based FSLN.(1)

The FSLN did not wish to lose the momentum of the revolt nor their popular support so in August 1978, they carried out "Operation Pigpen". The national legislative palace was taken hostage by a small group of guerrillas who posed as the elite corps of the National Guard. The guerrillas held more than 1,500 hostages until their demands were met. Once again Somoza had no choice but to give in to the guerrillas' demands.(2) The FSLN were granted, among other things, safe passage out of Nicaragua to Cuba. They drove to the airport surrounded by cheering crowds. Somoza was furious and once again his retaliatory measures swung both internal and international opinion farther away from his regime.

In September of 1978 there was a long, extended strike throughout Nicaragua. At the same time, the cities of Matagalpa, Leon, Masaya, Chinandega, Managua and Esteli were taken over by "los muchachos" (young men and women), assisted by FSLN members, in opposition to Somoza. In Matagalpa 'los muchachos' held out for two weeks against

(1) Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 18.

(2) William M. Leogrande, "The Revolution in Nicaragua: Another Cuba?" Foreign Affairs (New York: Council on Foreign Relations Inc., 1979-80), p 34.

the Guardia but finally had to retreat in the face of far superior weaponry and numbers. Somoza's well-equipped air force resorted to massive bombings of the cities--one of the first examples of a country's president virtually destroying his own cities. Once los muchachos were forced to withdraw Somoza's National Guard moved into the cities to carry out their brutal "mopping up" operations.

Both sides now spent several months regrouping while Washington vainly attempted a compromise solution which still included Somoza's party and the National Guard, and, excluded the FSLN. Both sides also spent some time rearming. The Carter Administration had by this time stopped directly arming Somoza's forces but the National Guard received arms from Israel, Taiwan, Argentina, Chile and Brazil.(1) The FSLN received support from the Social Democratic Parties of Western Europe, Costa Rica, Panama, Venezuela, Cuba and the Palestine Liberation Organization (PLO).(2) FSLN numbers continued to grow and by the beginning of 1979 included all sectors of Nicaraguan society--except the military.

The FSLN declared that their "Final Offensive" was to begin in June 1979. The entire population was involved in

(1) --, The Nation (March 10, 1979).

(2) Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 19.

the effort to rid Nicaragua of Somoza and the Guardia. The military tendencies of the FSLN, which had split over the tactics to be used in the revolution, joined again into an alliance and formed, with the political wing, the National Patriotic Front (FPN). The FPN and its internal organizations began preparing the population for the final offensive.

Fidel Castro contributed to the FSLN's final offensive preparations by advising, above all, unity among the FSLN's forces. Castro also advised that no Latin American country could hope for an immediate transition to socialism.(1) He recommended that:

...the FSLN would have to accept the proposals of the third-liners, alliances with anti-Somoza elements, a government of national unity during the time necessary to bring order to the social, economic and political shambles left behind Somoza, then free elections in which the people would decide the steps towards socialism as well as the rate of change necessary.(2)

Castro, for whatever reason, appeared to be counselling the FSLN to follow a moderate and slow course to socialism, and, only on the wishes of the Nicaraguan people.

(1) Chris N. Gjording, "Nicaragua's Unfinished Revolution", America (October 6, 1979), p 167.

(2) Ibid, p 167.

The strategy for the FSLN's final offensive included the simultaneous use of three tactics: (a) a national strike; (b) popular insurrection and; (c) military attacks.(1) The entire FSLN military structure launched operations throughout Nicaragua. Cities were taken by the FSLN forces and the Guardia was unable to retake them, even with the use of "intense and indiscriminate aerial bombardment".(2)

In mid-June the Sandinistas created a Provisional Government. Panama was the first country to recognize the Provisional Government as the legitimate government of Nicaragua. The United States requested that the Organization of American States (OAS) send an inter-American peacekeeping force to Nicaragua.(3) For most of the Latin American countries the American proposal to send a peacekeeping force "smacks of the US Marine occupation that first put the Somozas into power".(4) The American proposal was rejected in the OAS by a vote of 17-2 (only the US

(1) Ricardo Chavarria, "The Nicaraguan Insurrection", in Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 34.

(2) Ibid, p 36.

(3) William M. Leogrande, "The Revolution in Nicaragua: Another Cuba?" Foreign Affairs (New York: Council on Foreign Relations Inc., 1979-80), p 35.

(4) "Nicaragua: The First Domino of Central America?" Business Week (July 23, 1979), p 81.

and Somoza were in favour), but a proposal demanding nonintervention and Somoza's resignation was passed with ease. The attempts by the American delegation "to raise the specter of Cuban involvement as justification for the peacekeeping force convinced no one, since at least half a dozen other Latin American countries were providing more aid to the FSLN than the Cubans were".(1)

Somoza refused to resign, saying that he would complete his term in office ending in 1981. His regime was by now completely isolated. Even the United States, especially the people, could no longer justify support for his continuation. The murder of American ABC newsman Bill Stewart June 30, 1979, cemented international opinion against Somoza. Somoza tried to blame the death on guerrillas but the murder had been filmed by fellow ABC workers and clearly showed National Guardsmen executing Stewart for no apparent reason. The film footage was shown around the world.

This episode plus Somoza's continued use of indiscriminate bombing and napalming of suspected guerrilla strongholds in the midst of Nicaragua's cities swayed even Somoza's staunchest supporters away from him. Somoza's

(1) William M. Leogrande, "The US in the Revolution", in Thomas Walker (editor), Nicaragua in Revolution (New York: Praeger Publishers, 1982), p 69.

appeal to Washington to "pay back the help we gave in the cold war" did not gain any backing for the beleaguered regime.(1) Stewart's death did not in itself turn Washington away from Somoza but it did provide a catalyst for disillusionment following several months' failure to persuade Somoza to mend his ways.

President Carter tended "to think that if a policy was right, it would somehow prevail".(2) He was regularly disappointed when this failed to be the case. Carter's foreign policy in his last two years of office became bewilderingly inconsistent. His policy towards Nicaragua reflected this inconsistency. The Carter Administration faced a difficult dilemma with respect to the revolution in Nicaragua. If Somoza were overthrown it could provide an opening for leftist movements in Nicaragua and the rest of Central America. Yet, if the US helped Somoza to defeat the insurgents it would mean the Administration was giving support to an unpopular dictatorship and would make the Carter human rights policy an empty farce. This dilemma plagued the Carter Administration. By failing to reject Somoza at an early point in the revolution Carter alienated would-be moderates. By alternating criticism and support

(1) "Somoza Stands Alone", Time (July 2, 1979), p 23.

(2) "Flip-Flops and Zig Zags", Time (March 17, 1980), p 8.

for Somoza, Carter alienated Somoza and confused the insurgents. And by attempting to solve Nicaragua's problems by excluding the obviously popular FSLN, Carter managed to alienate every faction in Nicaragua. By accepting the FSLN as a major force only when they were on the brink of victory Carter lost credibility with the overwhelming majority of Nicaraguans who supported the Sandinistas. Somoza blamed the Carter Administration for his defeat and the Sandinistas blamed the Administration for prolonging the war.(1)

Officials in the Carter Administration refused to accept all the blame for the apparent inconsistency of Carter's policies. They accused certain people within the United States of sabotaging attempts by Carter's representatives to negotiate a settlement in Nicaragua. Apparently lobbying on Somoza's behalf in Washington, done by Democratic Representatives John Murphy and Charles Wilson, had been disastrous for any negotiations made by Carter's officials.(2) Wilson even forced the Carter Administration to release the \$12 million economic aid for Somoza that was

(1) Stephen Kinzer, "Somoza's Finale", The New Republic (July 21-28, 1979), p 19.

(2) Somoza also utilized fellow West Point classmates effectively in the United States and hired a Madison Avenue public relations representative to improve his image in the US.

being held (although the military ban continued) by threatening to hold up all foreign appropriations.(1) According to Newsweek magazine one Carter official stated:

Those two have been unbelievably disruptive. They were on the phone with Somoza constantly, advising him on how to evade our strategy, which was designed to push middle-class Nicaraguan businessmen to come forward and to force Somoza to hold a plebiscite.(2)

The inconsistency of American foreign policy towards Nicaragua under President Carter may thus not have been entirely his fault. His administration and the American Congress were split over the issue of the Nicaraguan Revolution. They were divided along the lines of what they saw was a matter of human rights versus national security. Carter made the mistake of being swayed by both sides at different times. Regardless, though, of who was at fault the American policies managed to alienate every faction in the Nicaraguan Revolution.

By the beginning of July 1979, with FSLN forces taking city after city, Washington finally agreed to allow some role for the Frente in the country's government. American

(1) Thomas Walker (editor), Nicaragua in Revolution (William M. Leogrande, "The US in the Revolution", New York: Praeger Publishers, 1982), p 66.

(2) Angus Deming, "Somoza Under Fire", Newsweek (June 18, 1979), p 45.

representatives still insisted on some role for the National Liberal Party and the National Guard. This was not acceptable to either the Sandinistas or the population of Nicaragua-- the war had gone too far, and, with the FSLN on the brink of victory they were not going to accept the American proposal. The FSLN stated that they would guarantee no reprisals on National Guard members but would not agree to their representation in the Government of National Reconstruction. Washington had to accept this.

By July 1979 it was inevitable that Somoza would fall. The FSLN and the people of Nicaragua controlled most of the country and were gradually defeating the forces of the National Guard. Under pressure from Washington Somoza agreed to resign. After weeks of complex and painstaking negotiations between Somoza, the US and the five man Provisional Government, a plan was devised. Somoza was to hand over power to Francisco Urcuyo Malianos who would then call a ceasefire and hand over power to the victorious forces and their provisional government. On July 17, 1979, Somoza turned his power over to Urcuyo Malianos and fled to Miami, taking his father's and brother's coffins with

him.(1) Somoza and his supporters also took approximately \$4 billion out of Nicaragua when they fled.(2)

The man Washington had chosen to hand power over to the provisional government decided, contrary to all plans, to keep power for himself. The FSLN forces and the people of Nicaragua were outraged. They felt that the negotiations for Somoza's removal had been a betrayal, a ploy by the United States to continue Somocism without Somoza. Washington ordered Somoza to get Urcuyo Malianos to hand over power as originally planned or face deportation. Urcuyo was persuaded to return to the original plan. Urcuyo basically had little choice because the National Guard had dissolved and he had no forces to support him. Urcuyo's brief presidential rule did not affect the larger Nicaraguan scene but the suspicion that the US had tried to trick them, and, the feelings of betrayal remained in Nicaragua. The FSLN forces and the members of the provisional government victoriously entered Managua on July 19, 1979.

The Canadian Presence

(1) Anastasio Somoza Debayle was killed in Ascuncion, Paraguay September 17, 1980 by unknown gunmen who used rockets fired from bazookas to blow up his armour plated Mercedes.

(2) Pedro Camejo and Fred Murphy (editors), The Nicaraguan Revolution (New York: Pathfinder Press, 1979), p 9.

From the discussion so far of Nicaraguan history, a Canadian presence in Nicaragua is seemingly nonexistent. The United States has always had far greater interests in Latin America than Canada and as a result it has always been difficult for Canada to be active in the Western Hemisphere.(1) Stephen J. Randall, in "Canadian Policy and the Development of Latin America", argues that a country of "marginal economic, political and military power such as Canada...has little role to play in a geographic area long considered an American sphere of influence".(2)

Latin America has had different historical ties than Canada. Canada focused on Britain and France traditionally and Latin America looked to Spain and Portugal. While the historical ties of the United States are similar to those of Canada, the US is closer to Latin America and perceives events there as important to American interests. As far as security is concerned, Canada had been more interested traditionally in North America. Canada participates in the North American Air Defence (NORAD) agreement and in the North Atlantic Treaty Organization (NATO)-- Latin America

(1) Stephen Clarkson, Canada and the Reagan Challenge (Toronto: James Lorimer and Company Publishers, 1982), p 282.

(2) Stephen Randall, "Canadian Policy and the Development of Latin America", in Norman Hillmer and Gareth Stevenson (editors), A Foremost Nation (Toronto: McClelland and Stewart, 1977), p 202.

has not historically been involved in Canadian security considerations. Hemispheric security is handled by the United States, either alone or through the Organization of American States (OAS).(1)

The Trudeau Government recognized that Canadian relations with Latin America in general were few and historically have been limited by the United States. According to the Latin American booklet of the foreign policy review:

The US and the Latin American countries have a closely-knit history of their own with which Canada has hitherto had very little to do. Geographically, the US screens Canada from Latin America. This is a constant factor which will always condition Canada's relations with the area south of the Rio Grande.(2)

The foreign policy review did not, however, indicate that the American presence in Latin America would provide an obstacle, and, recommended an increased Canadian involvement in the area.

Canada did not establish diplomatic relations with any Latin American country until the 1940s.(3) There had been

(1) --, External Affairs (July, 1969), p 287.

(2) External Affairs Canada, Foreign Policy for Canadians: Latin America (Ottawa: Queen's Printer, 1970), p 5.

(3) In the 1940s Canada established relations with several of the larger Latin American countries, for example Argentina, Brazil, Mexico.

some Canadian economic presence in Latin America before diplomatic relations were established. Since the foreign policy review in 1970, however, Canadian exports to Latin America and the Caribbean have increased substantially. Canadian exports to the area doubled between 1960 and 1970 and reached more than \$2.2 billion in 1978.(1) These exports represented 4.7% of Canada's total exports.(2) Mark MacGuigan stated that in 1980 total Canadian exports to Latin America were \$3.7 billion, which was an increase of 32% over the previous year and was expected to continue increasing.(3) Imports from Latin America have grown from \$754 million in 1971 to \$4 billion in 1980.(4)

Canada is not a full member of the Organization of American States (OAS). Ottawa has so far resisted joining the OAS because it has always believed that "it would be placed in an invidious position in this system, unable to resist or temper Washington's hegemony".(5) Former Prime

(1) Jacques Gignac, Statements and Speeches (June 12, 1979), p 3. This increase, however, was basically the result of the increased price of oil imported from Venezuela.

(2) Ibid, p 3.

(3) Subcommittee interview with Mark MacGuigan, p 1:14.

(4) Subcommittee interview with Ed Lumley, Minister of State for Trade, p 2:30.

(5) Stephen Clarkson, Canada and the Reagan Challenge (Toronto: James Lorimer and Company Publishers, 1982),

Minister Trudeau favoured a Canadian membership in the OAS but only after Canada developed a policy towards Latin America independent of that of the United States.(6) Canada received permanent observer status to the OAS in 1972.

Canada has had little historical role in Central America. According to Mark MacGuigan, former Secretary of State for External Affairs,

In Central America, Canada has not had a history of activity but we are moving steadily to increase trade and development assistance.(1)

MacGuigan stated in 1981 that:

Central America, unlike the neighbouring Commonwealth Caribbean, has not been the focus of traditional Canadian interest and bilateral political contacts have been infrequent. Canadians have had little in common with the ruling oligarchies and have regarded with repugnance the violence and widespread violations of human rights which have characterized the Central American political scene.(2)

MacGuigan continued, saying:

In contrast to the neighbouring Commonwealth Caribbean, where Canada has long been regarded as a major outside power, Canada has no special expertise or capability in Central American affairs

p 282.

(1) Subcommittee interview with Mark MacGuigan, p 1:17.

(2) Mark MacGuigan, House of Commons Debates (March 9, 1981), p 8033.

and is not well placed as regional states such as Venezuela or Mexico to exert a positive influence on the evolution of the area. Canada's interests, while important and growing, are likewise not of the same order of importance as our interests elsewhere in Latin America, such as Mexico, Venezuela and Brazil. While naturally sharing the concern of the international community, we, therefore, have no more obligation than other states in taking a leading role in resolving the conflict.(1)

Canada did not establish diplomatic relations with the Central American countries until 1962. At approximately the same time a Canadian embassy was established in Costa Rica. The only early contact Canada had with Central America was by businessmen and it was not always sustained contact.(2) There have long been private Canadian investments in Central and Latin America, especially in mining industries and the public service sectors.(3) Canadian banks and consulting firms are also active in the area. Often when Canadians did invest in Latin America or Central America it was done in partnership with American or British investors.(4)

(1) Ibid, p 8034.

(2) J. C. M. Ogelsby, Gringos from the Far North (Toronto: MacMillan of Canada, 1976), p 100.

(3) External Affairs (July, 1979), p 286.

(4) Ibid, p 116.

Since the foreign policy review in 1970 Canada has increased contact with the Central American area. This increased contact has usually been in the form of development assistance in recognition of the poverty of the area. According to Mark MacGuigan:

In development assistance terms, in Central America, despite the absence of close political ties, Canada has recognized the pressing needs of the region and has been a leading aid donor, providing more than \$60 million in bilateral aid since 1972. In terms of concentration, Honduras and El Salvador, as the poorest of the area, have received the largest portion of the funding.(1)

Unlike the predominant role of the United States, it is difficult to find any historical record of official Canadian involvement in Nicaragua. In 1916 some Winnipeg businessmen attempted to build a railway in Nicaragua. The Northern Construction Company Limited had reached an advanced state of negotiations when the Nicaraguan Government abruptly announced that it would no longer continue the arrangement. Apparently the railroad concession had been given to an American company. Since Nicaragua was at that time occupied by American Marines, it became clear that "no non-American company would be permitted to finance

(1) Mark MacGuigan, Statements and Speeches (June 16, 1981), p 5.

a railway in Central America, or at least close to the Canal Zone".(1)

The Trudeau Government played little role in the Nicaraguan Revolution of 1978-1979. In early July 1979 the government released a statement expressing concern for the "gross and persistent violation of human rights" in Nicaragua.(2) The statement also condemned the "inhumane conduct of the Somoza regime" and called for respect for the human rights of all Nicaraguans.(3) A report to the Subcommittee on Canada's Relations with Latin America and the Caribbean stated that "if Mr. Gairy [Grenada] and Mr. Somoza scored as friends of the US, they were certainly not well regarded in Ottawa".(4)

On July 24 1979, five days after the Sandinistas officially took power in Nicaragua, Canada recognized the new government in Managua. The Trudeau Government stated that it hoped "to develop fruitful and mutually profitable relations" with the Sandinistas.(5) R. V. Gorham, former

(1) J. C. M. Ogelsby, Gringos from the Far North (Toronto: MacMillan of Canada, 1976), p 101.

(2) International Canada (July/August, 1979), p 192.

(3) Ibid, p 192.

(4) Kari Levitt, "Canadian Policy in the Caribbean" (Report to the Subcommittee, October, 1981), p 22A:206.

(5) International Canada (July/August, 1979), p 192.

Assistant Under-Secretary in the Bureau of Latin American and Caribbean Affairs of the Department of External Affairs, stated that:

I think everybody in the government welcomed... the change of regime. There was no sympathy for the Somoza regime in Nicaragua. We watched with great consternation the civil war which took place in Nicaragua and which eventually ended up with the victory of the revolutionary forces; the Sandinista forces.(1)

Somoza and his National Guard were regarded with repugnance in Canada. Ottawa, while condemning Somoza's excesses, was careful not to antagonize Washington by outright support of the Sandinista forces. The Canadian role in the Nicaraguan Revolution was one of studied non-involvement.

The lack of historical Canadian involvement in Central America is not necessarily a limitation to contemporary involvement. The Subcommittee, on its visit to Central America, found that:

...Canada has a very high and good profile in that whole area...Canada does not have an imperialistic past there. People look to us as being just, and of those who will help.(2)

Canada has certain common interests with Central America, particularly in terms of relations with the United States

(1) Subcommittee interview with R. V. Gorham, p 2:67.

(2) Bob Ogle, House of Commons Debates (February 1, 1982), p 14545.

and in resource-based economies. The combination of a certain commonality and the lack of an imperialistic past in the area has led to differing perceptions between Canada and the United States of events in Nicaragua and their causes.

CHAPTER TWO

PERCEPTIONS OF THE REVOLUTION

Canadian Governments, almost without exception, receive criticism within Canada about their relations with the United States. The Trudeau Government was no exception. The New Democratic Party (NDP), some members of the Progressive Conservative Party and members of the general public criticized the Trudeau Government for simply following American policies in Central America. While at times the Trudeau Government has toed Washington's line with regard to Nicaragua, in general Canada has pursued policies different from those of the Reagan Administration. Policy differences towards Nicaragua between Canada and the United States, under Pierre Trudeau and Ronald Reagan respectively, can be attributed in a large part to fundamental differences in perceptions of the nature of the Sandinista Revolution. Washington's perceptions of events in the world colour its foreign policy, as do Ottawa's perceptions. The perceptual differences between Trudeau and Reagan on the nature of the revolution in Nicaragua are consistent with their perceptions of events in the world at large. These perceptions in turn influence and affect the

more traditional facets of Canadian and American foreign policy.

This chapter will attempt to show that there are major differences between former Prime Minister Trudeau's and President Reagan's perceptions of the nature of the Nicaraguan Revolution. President Reagan perceived the revolution as one in which a Marxist-Leninist minority, influenced by Cuba and the Soviet Union, obtained power from a staunch American ally. Prime Minister Trudeau saw the revolution as one which culminated in the broad-based, popular Sandinista forces taking power from a brutal dictator. Recognition of the differences in perception is of major importance in studying the contemporary Canadian and American policies towards Nicaragua. Subsequent chapters will illustrate the differences between Canada and the US in political, military and economic relations with Nicaragua as influenced and coloured by this perceptual difference.

The perceptual gap between Canada and the United States varies in size among the different administrations and governments that hold power at any given time. President Carter's and Prime Minister Trudeau's foreign policies reflected certain similarities with regard to their view of Third World events. A Venezuelan official claimed that:

Carter was the first American president
to admit that events such as those in

El Salvador and Nicaragua have domestic causes independent of the confrontation between the superpowers.(1)

Carter, like Trudeau, recognized that indigenous social and economic forces, rather than Soviet or Cuban agents, were at the root of Nicaraguan discontent under Somoza.

President Carter recognized that the revolution was locally rooted but did not dismiss a Cuban presence entirely. He had some concern for the Cuban influence because he believed that the Cubans were astute and opportunistic enough to take advantage of the political instability in Nicaragua. Carter Administration officials realized that Cuba could make great gains in Nicaragua at little or no cost. The Cubans simply had to capitalize on the existing discontent. But, as Viron Vaky, Assistant Secretary for Inter-American Affairs, stated, the Carter Administration's position was that the revolution was Nicaraguan, and, "Cuba [is] not the only or even the most important supporter of the anti-Somoza rebellion." (2)

The policies of both Carter and Trudeau indicated that they felt it was important not to judge the new government of Nicaragua too quickly. They believed that actions taken

(1) Steven Strasser, "Back to Square One with Reagan?" Newsweek (August 18, 1980), p 50.

(2) Viron P. Vaky, "Central America at the Crossroads", Department of State Bulletin (August, 1979), p 59.

against the Sandinistas or the severance of aid would negatively influence the Sandinista regime. Alienating the Sandinistas would serve only to drive them to anti-democratic measures. As Secretary of State Cyrus Vance said in September 1979, the attitude of the Carter Administration was:

...we cannot guarantee that democracy will take hold...in Nicaragua. But if we turn our backs,...we can almost guarantee that democracy will fail.(1)

Trudeau and Carter were willing to wait and see what the future would bring to Nicaragua. Neither were prepared to accept the use of force to alter the Nicaraguan situation unless the circumstances there drastically deteriorated.

Prime Minister Trudeau and President Reagan, however, perceive events in significantly different ways. When Ronald Reagan was elected in November 1980 the Sandinistas had been in power for just over a year. Unlike Trudeau, President Reagan did not immediately initiate a foreign policy review to establish a desired policy direction. Reagan's foreign policy appeared firmly established in his mind when he took office. The underlying theme of American foreign policy under the Reagan Administration became

(1) Cyrus Vance, Department of State Bulletin (Speech to the General Assembly of the Organization of American States, October 23, 1979), p 46.

anti-Sovietism.(1) A document published in April 1983, but written several years earlier, identified the goal of US policy in Central America as the prevention of the "proliferation of Cuban model states".(2) President Reagan's policy emphasizes the containment of any communist influence in Latin America. and the Caribbean, and, clearly subordinates human rights issues to strategic interests.(3)

Reagan claims that he is strongly in favour of human rights. His conception of human rights, however, differs from that of his predecessor. The difference between President Carter's and President Reagan's idea of human rights lies in the fact that Reagan defines them entirely in terms of political ideology. According to The Christian Century, "for Reagan socialism equals no human rights...and any anti-communist government is preferable to any socialist option".(4)

Reagan mocked Carter's human rights policy as naive and unrealistic. States Reagan:

I don't think that our record of turning away from countries that were basi-

(1) "Reagan Confronts the World", Time (December 9, 1980), p 16.

(2) George C. Church, "Arguing about Means and Ends", Time (April 18, 1983), p 29.

(3) "Reagan Counts on Conservatism", Business Week (July 28, 1980), p 41.

(4) Ibid, p 3.

cally friendly to us, because of some facet of human rights, and then finding that the result was that they have lost all human rights in that country--that isn't a practical way to go about that.(1)

Reagan believes that rather than an emphasis on human rights, American foreign policy must be "rooted in unchallengeable military power" and that the United States must "build peace upon strength".(2) According to Reagan the United States must "strive to be respected rather than liked".(3)

President Reagan is worried about an expanding Cuban influence in the hemisphere and tends to see the hand of Moscow or Havana in every Latin American expression of discontent, and, to label nationalist movements as communist. The economic, political and historical issues in Central America are "dismissed by the Reagan Administration as largely irrelevant to the basic power play".(4) This perception leads Reagan to label Latin American nationalist

(1) "Rights and Reagan", The New Republic (November 29, 1980), p 5.

(2) Ted Gest, "Foreign Policy: The Main Arena", US News and World Report (November 3, 1980), p 62.

(3) "Reagan Confronts the World", Time (December 9, 1980), p 17.

(4) Alan Riding, "The Central American Quagmire", Foreign Affairs (1983), p 641.

movements as communist and to ignore the indigenous sources of discontent.

The elements of Ronald Reagan's foreign policy stand in stark contrast to those of Pierre Trudeau's foreign policy. While Reagan's policy can be characterized as a negative policy, stressing the interdiction of communist influences, Trudeau's was a positive policy, officially stressing the promotion of economic prosperity and social justice. Trudeau's foreign policy review, undertaken when he assumed office, ensured that Canadian foreign policy adequately reflected the aspirations and desires of his government. A subcommittee on Canada's relations with Latin America and the Caribbean, which reported to Parliament in 1982, subsequently reconfirmed that the elements of Canadian foreign policy in Latin America still reflected the Trudeau Government's goals.

The Trudeau Government recognized that a perceptual difference existed between Ottawa and Washington. The Liberal Government did not, however, believe that it was Canada's place to attempt to understand or change American policies:

I do not think it is for us to try to state, categorically, what is US policy and what motivates them, other than that, as the president has said in a formal statement to Congress, they look upon the situation in Central America as extremely critical in terms of their strategic security interests. Their

basic objective, as we understand it, is to have a politically and economically stable Central America under democratic forms of government. I think the Government of Canada shares that objective. Where we differ is the way in which one goes about achieving that objective.(1)

Canada participates in international affairs for reasons different from those of the United States. Canadian participation is in part to "make good its claim to be an independent nation-state with its own foreign policy" and in part "to provide a counterweight in negotiating with the United States".(2) Unlike the US, Canada does not see its role in international affairs as the protection of democracy and the Western Hemisphere. Ottawa recognizes that Canada's role is limited and its foreign policy is made with these limitations in mind.

The goal of Canadian foreign policy in general, according to Mark MacGuigan, Secretary of State for External Affairs in the Trudeau Government, is to "create a just and peaceful world in which all nations can achieve greater well-being and prosperity".(3) Canadian foreign policy

(1) R. V. Gorham, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 15.

(2) Stephen Clarkson, Canada and the Reagan Challenge (Toronto: James Lorimer and Company Publishers, 1982), p 278.

(3) Mark MacGuigan, "Foreign Policy Begins in National Interest and Ends in International Action", Statements

during the Trudeau years was inextricably rooted in the attempt to achieve social justice, and, the respect for every country's internal affairs, regardless of ideology. The attempt to attain social justice followed a long-term view that the alleviation of injustice and poverty would further Canadian national interests. Mark MacGuigan, in an interview with the Subcommittee on Canada's Relations with Latin America and the Caribbean, stated that the failure of governments to achieve social justice:

...will represent a concern to Canada, not only in humanitarian terms, but also in avoiding increasing instability, political violence and upheaval in countries which will be increasingly important to us as export markets, investment and sources of imports.(1)

Therefore, while the Trudeau Government stressed the element of social justice in the world it was with the recognition that, in the long run, Canadian interests would be served in a just world.

A Canadian presence in Latin America is not to interfere in events in the area. Rather, dialogue with Latin American countries "could enhance Canada's capacity to play an independent role in international affairs".(2)

and Speeches (June 15, 1981), p 3.

(1) Subcommittee interview with Mark MacGuigan, p 1:21.

(2) External Affairs Canada, Foreign Policy for Canadians: Latin America (Ottawa: Queen's Printer, 1970), p 6.

The Latin American booklet of the foreign policy review outlines a number of objectives of Canadian foreign policy in Latin America. They are: (a) to develop and strengthen Canada's distinctive position in hemispheric affairs; (b) to enhance the quality of life both in Canada and in Latin America; (c) to make Canada and the quality of Canadian life better known in Latin America, and vice versa; (d) wherever possible, to cooperate with Latin American countries in enterprises designed to preserve the hemisphere's harmonious natural environment; (e) to contribute to economic development and thus to foster social justice between regions of the hemisphere; (f) to foster Canadian economic growth by promoting Canadian business interests in Latin America; (g) to promote world peace and security by working with Latin American governments and; (h) to encourage people-to-people relationships of all kinds. (1)

According to Mark MacGuigan the principles of Canadian foreign policy in the Third World in general are: (a) international development must promote genuine independence and stability; (b) no power should attempt to impose governments or economic systems on the Third World; (c) the governments should respect human rights and; (d) Canada

(1) Ibid, p 25.

will not reward countries which interfere in the affairs of other nations.(1)

Trudeau's policy was to consider each country on its own merit rather than as a facet of the East/West conflict. Canadian policy has attempted to isolate the Third World from the ideological confrontation between the superpowers. Again according to Mark MacGuigan:

...we cannot understand political terror in Central America, nor hope to resolve it, simply by blaming a clash of ideologies or great-power interests...Instability in Central America--and in most of the Third World--is not a product of East-West rivalry. It is the product of poverty, the unfair distribution of wealth, and social injustice. East-West rivalries flow in its wake. I can think of few examples where the process has been the other way around.(2)

For Trudeau's Government one of the problems in international relations "is how to stop East-West conflict from inserting themselves into the developing world".(3) Trudeau, in early 1984 talks with Mexican President Miguel de la Madrid, indicated that:

...it was Canadian policy to try to put an end to the ideological struggle

(1) Mark MacGuigan, "The World Challenge: International Development and East/West Tension", Statements and Speeches (July 29, 1981), p 3.

(2) Mark MacGuigan, "Central America and Canadian Foreign Policy", Statements and Speeches (March 31, 1982), p 2.

(3) Ibid, p 1.

between East and West, between Moscow and Washington in the area. I repeated the policy...that the problems in those [Central American] areas are more of a socio-economic nature and should not be turned into a cockpit of ideological confrontation between East and West.(1)

Trudeau did, however, recognize that in some cases in Central America an East-West element had been injected which could not be ignored. In these cases the Canadian Government did not believe that the superpower influence should attempt to impose a solution to the problem.

Prime Minister Trudeau did not believe in the imposition of forms of government or economic systems on the countries of the Third World. Ottawa recognized that one cannot transplant systems to countries in which they may or may not be appropriate. Trudeau realized that Third World circumstances are different from those in the industrialized world. Canada would explain to Third World countries why it believed in democracy but would not attempt to impose its system, because it may not suit the conditions of every country. It was government policy that:

No power should attempt to impose forms of government or economic systems on Third World countries. This recognizes the fact that the social, economic and cultural circumstances which prevail in Third World countries differ from ours

(1) Pierre E. Trudeau, House of Commons Debates (May 7, 1984), p 3465.

and that imposed systems may not only be offensive, but may be patently the wrong solutions to the problems they face.(1)

This policy was based on the recognition that:

Genuine independence for the Third World has to mean independence even from us. Our own independence is too precious for us to do violence to that of others.(2)

The Trudeau Government's desire to pursue non-interference in the political affairs of Third World countries is reflected in its criteria for foreign aid. Officials of the Trudeau Government claim that Canada has a flexible approach to countries' ideology and that "we have not shifted our aid program or our support because a regime has moved to the left in its internal affairs".(3) Officially Canadian development assistance is directed towards the poorest countries of the world, regardless of their government's ideology. Mark MacGuigan stated that:

Generally speaking, we try not to apply political criteria to our aid programmes, if only because there are probably so few countries in the world to which we give aid and which need aid where we could approve entirely of the

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- (1) Mark MacGuigan, "The World Challenge: International Development and East/West Tensions", Statements and Speeches (July 29, 1981), p 3.
 - (2) Mark MacGuigan, "Canada and Third World Countries", Statements and Speeches (June 16, 1981), p 8.
 - (3) Mark MacGuigan, "Central America and Canadian Foreign Policy", Statements and Speeches (March 31, 1982), p 3.

political situation. We have to live in the real world.(1)

Canadian aid will continue if governments "keep their social and humanitarian obligations to their people in the forefront of their actions".(2)

Canadian relations with Cuba are often cited as an example of both Canadian independence from the United States and as an example of aid continuing regardless of political orientation. In 1980 Cuba was the fourth largest market (after Venezuela, Brazil and Mexico) in Latin America for Canadian exports.(3) Mark MacGuigan stated that:

With Cuba, we have endeavoured to maintain a correct but productive relationship, bearing in mind that it is a country with an entirely different political and social system and that we have opposing views on a great variety of situations in the rest of the world.(4)

Association with socialist Cuba is not an aberration in Canadian foreign policy in Latin America because Canada

(1) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (April 21, 1981), p 16.

(2) Mark MacGuigan, "Central America and Canadian Foreign Policy", Statements and Speeches (March 31, 1982), p 3.

(3) Mark MacGuigan, "Canada and Latin America: Past, Present and Future", Statements and Speeches (March 29, 1980), p 7.

(4) Subcommittee interview with Mark MacGuigan, p 1:18.

also continued its relations with Grenada after Maurice Bishop took over the country with an aim of implementing some socialist policies. Canadian aid will be terminated at such times as a government interferes in other countries, fails to carry out its obligations to its people, persistently violates human rights, or, the country reaches a certain level of wealth, not on the basis of ideology.

The elements of President Reagan's foreign policy are thus anti-Sovietism, military strength and the protection of Western democracy. Trudeau's foreign policy stressed economic prosperity and social justice, regardless of ideology. Now that the elements of American and Canadian foreign policy under Reagan and Trudeau have been illustrated, it should be possible to discuss these elements in relation to the perceptions Washington and Ottawa hold on the nature of the Nicaraguan Revolution.

The Carter Administration admitted to some concern about the role of Cuba in the Nicaraguan Revolution but recognized that basically the Revolution had broad popular support and local roots. Shortly after his election in 1980 Ronald Reagan charged the Carter Administration with making an unacceptable trade in Nicaragua. The Nicaraguan Revolution was one, he argued, in which:

...the moderately oppressive regime of Anastasio Somoza was destabilized by US

human rights pressures and then toppled by the Marxist-Leninist Sandinista movement which is now in the process of destroying freedom and cementing ties to Cuba and the Soviet Union.(1)

The Reagan Administration perceived a Cuban-Soviet connection in Nicaragua from the start, despite Sandinista denials and pledges to pursue democracy and non-alignment.

The Sandinista junta issued a statement early in August 1979 stating that the new government of Nicaragua would be:

...a regime of genuine democracy, justice and social progress that fully guarantees the rights of all Nicaraguans to political participation.(2)

Tomas Borge, the Sandinista Minister of the Interior, and Jaime Wheelock Roman, the Minister of Agriculture, denied that the Sandinista organization was communist:

Nicaraguans have an aversion to labels such as Marxist or communist because Somoza has used them to justify his crimes. We are a national organization. In our ranks are people of different political beliefs, including intellectuals, some of whom have been exposed to Marxist ideas.(3)

(1) "Rights and Reagan", The New Republic (November 29, 1980), p 5.

(2) Stephen Kinzer, "Meet the Junta", The New Republic (August 4-11, 1979), p 16.

(3) Carl J. Migdail, "At Stake for US in Nicaragua's Civil War", US News and World Report (June 18, 1979), p 43.

They continued, saying:

...We do not want a socialist economy. We will respect private property. However, to help fund our economic recovery, we intend to expropriate the vast properties stolen from the Nicaraguan people by the Somozas.(1)

The Sandinista junta declared its intention to pursue a non-aligned foreign policy and friendly relations with all countries. Daniel Ortega Saavedra, the junta leader, indicated that "we are open to the United States, open to a policy of honesty and respect".(2) The Sandinistas were astute enough to recognize from the beginning that American financing was necessary to rebuild Nicaragua. The Soviet Union has shown itself to be of little help in reconstruction assistance, and is reluctant to provide the large amounts of money needed to convert Nicaragua into a "new Cuba".(3) The Sandinistas did not wish to antagonize Washington since they recognized that it was the pocketbook necessary to get Nicaragua rebuilt after the devastation of the revolution. The apparent ideal of the Sandinista leadership was an economic system combining elements of

(1) Ibid, p 43.

(2) Steven Strasser, "Life Without Somoza", Newsweek (July 30, 1979), p 48.

(3) Carl J. Migdail, "Can US Stem the Tide of Revolution at its Doorstep?" US News and World Report (November 3, 1980), p 57.

both socialism and capitalism. Agriculture Minister Jaime Wheelock Roman stated that:

We are trying to act as moderators between right and left...We hope to build our own national model of development with some capitalism, a state sector of the economy and a pluralist political system. We want to keep Nicaragua united.(1)

Despite the above declarations of the Sandinistas, either shortly before or shortly after taking power, the Reagan Administration had grave doubts about the nature of the Nicaraguan Revolution. A research paper presented in 1981 by the Department of State to the Subcommittee on Western Hemispheric Affairs of the Senate Foreign Relations Committee stated that:

Opposition to Somoza's authoritarian rule in the late 1970s was widespread... This environment enabled Cuba to disguise the extent of its support for the FSLN and avoid disrupting the fragile alliances between the FSLN and other opponents of Somoza. Behind the scenes, Cuba played an active role in organizing the FSLN and in training and equipping it militarily.(2)

This research paper traced for the benefit of the Subcommittee the Reagan Administration's account of the extensive Cuban role in the Nicaraguan Revolution.

(1) Ibid, p 58.

(2) Department of State Bulletin (February, 1982), p 72.

The Reagan Administration illustrated its perception of the nature of the Nicaraguan Revolution in its many attempts to show a Cuban influence in Nicaragua. The State Department recognized that Cuba was not the sole source of conflict but stated that "Cuba is compounding existing problems by encouraging armed insurrection" in Central America.(1) A May 1982 Department of State bulletin stated that:

Within weeks after the fall of Somoza, the Sandinistas began to cooperate with Cuba in support of the Salvadoran extreme left by establishing training camps and the beginning of arms supply networks...In 1980... the Sandinista leadership agreed to serve as a conduit for an arms trafficking system of unprecedented proportions, originating outside the hemisphere.(2)

Elliot Abrams, Reagan's Assistant Secretary for Human Rights and Humanitarian Affairs, stated in February 1982 that Nicaragua "has been transformed into a repressive, threatening Marxist-Leninist oligarchy".(3) Reagan Administration officials were suspicious of the Sandinistas,

(1) Department of State, Department of State Bulletin (Research paper presented to the Subcommittee on Western Hemisphere Affairs of the Senate Foreign Relations Committee, February, 1982), p 68.

(2) "Cuban and Nicaraguan Support for the Salvadoran Insurgency", Department of State Bulletin (May, 1982), p 72.

(3) Department of State Bulletin (April, 1982), p 69.

believing that pluralism and non-alignment was just a facade kept up during their consolidation of power.

In an address to a joint session of Congress President Reagan gave his perception of the nature of the change the Nicaraguan Revolution had wrought. Reagan said:

The Sandinista revolution in Nicaragua turned out to be just an exchange of one set of autocratic rulers for another, and the people still have no freedom, no democratic rights, and more poverty. Even worse than its predecessor, it is helping Cuba and the Soviets to destabilize our hemisphere.(1)

The Trudeau Government did not see the Nicaraguan situation in the same light. There was no sympathy for Somoza in Ottawa, and Trudeau recognized the broad-based support that the Sandinistas had when they took power. R. V. Gorham, Assistant Under-Secretary in the Bureau of Latin American and Caribbean Affairs, said:

...we took very favourable note of the fact that they [the Sandinistas] did not indulge in murderous reprisals against their former oppressors; that they established some very credible and...worthy principles of revolution.(2)

Washington cited the presence of Cuban teachers in Nicaragua during the literacy campaign conducted by the

(1) Ronald Reagan, "Central America: Defending our Vital Interests", Department of State Bulletin (June, 1983), p 3.

(2) Subcommittee interview with R. V. Gorham, p 2:67.

Sandinistas as proof of the extent of Cuban involvement. The Trudeau Government did not look upon the Cuban presence as dangerous or indicative of a predominant Cuban role in Nicaragua. As R.V. Gorham said:

...I think people [in the government] looked upon it [the Cuban presence] as a very practical measure. Illiteracy in Nicaragua was a severe impediment to improving the welfare of the people...It so happened that Cuba, because they speak Spanish, had the greatest resource of teachers.(1)

Maurice Dupras, Chairman of the Subcommittee on Canada's Relations with Latin America and the Caribbean, told the International Conference on Latin America in March 1984 that "the Canadian Government in its relations with Nicaragua is not mesmerized by the boggy of a communist menace supposedly knocking at our back door".(2)

The Government of Nicaragua denied the charges levelled at it by Washington about the nature of their revolution. Junta leader Daniel Ortega Saavedra denied that Nicaragua was communist. He said:

Any government in Latin America that defends its natural resources or tries to make a dramatic break with its colonial path is immediately slapped with a label [by the US]. That is one thing that keeps Americans from seeing

(1) Subcommittee interview with R. V. Gorham, p 12:108.

(2) Maurice Dupras, House of Commons Debates (May 22, 1984), p 3917.

the pluralism that exists in
Nicaragua.(1)

One of the official reasons given for the Reagan Administration's cool relations with Managua has been the alleged role of the Sandinistas in El Salvador. Daniel Ortega has denied that Nicaragua was to blame for the insurgency in El Salvador.

We did not invent the Salvadoran revolution. As recently as 1977, their guerrilla movement was stronger than ours. The Salvadoran revolutionaries do not have military bases here.(2)

When the Sandinista Minister of the Interior, Tomas Borge, was asked if Nicaragua would become a launching ground for other revolutions in Central America, he replied:

What happens in those countries is not our fault. We are not guilty for the repression, the unemployment, the misery. But clearly we are guilty for setting an example.(3)

In the absence of any conclusive proof provided by the Reagan Administration of their charges against the Sandinistas, the Trudeau Government indicated that it would

(1) Interview with Daniel Ortega, "To Destroy our own Revolution", Time (June 6, 1983), p 16.

(2) Ibid, p 16.

(3) "Undoing the Dynasty", Time (August 6, 1979), p 39.

give Nicaragua "the benefit of the doubt".(1) Mark MacGuigan stated that in Nicaragua

...the situation is not good, but it is not irremediable...and it is certainly not all bad. It is a country where there is a fair amount of freedom at the present time. What concerns us is, which direction it is going. And that is very hard to determine.(2)

It is interesting to note that when MacGuigan made his statement in May 1982 the Canadian Government had not decided on the nature of the Nicaraguan political situation. Ottawa could still see some positive aspects in Sandinista Nicaragua. By May 1982 the Reagan Administration not only had decided on the nature of the Sandinista regime but was already actively working to destabilize it.

Washington perceives that Nicaragua is a threat, not only to Central America, but also to the security of the United States itself. Nicaragua is the only Latin American country which has recently been able to defeat a dictator who had American support. The Reagan Administration fears that Nicaragua will set a dangerous precedent and provide an example for the other countries of the area to follow. The Administration perceives a direct parallel between the revolution which brought Fidel Castro to power in Cuba in

(1) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 24.

(2) Ibid, p 25.

1959 and the revolution that brought the Sandinistas to power in 1979. They see Nicaragua following the same path as Cuba towards Soviet satellite status.

The oil reserves of Mexico and Venezuela, and, the Panama Canal are important American interests in the area. Central America, other than the canal, represents value "primarily as a symbol of American determination to resist Communist encroachment".(1) Other than its symbolic importance, and the fact that it is located near areas of importance, Nicaragua contains no vital significance for the United States.

Although Nicaragua does not contain vital American interests there is concern among Reagan officials that any revolutionary ideas started there could spread. Thomas O. Enders, Assistant Secretary for Inter-American Affairs, outlined the Administration's fears:

It does not take very much imagination to understand how the Sandinistas' "revolution without frontiers" might spread, nor how its spread might affect our security. Half our trade flows through the Caribbean.(2)

(1) John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 26.

(2) Thomas O. Enders, "Nicaragua: Threat to Peace in Central America", Department of State Bulletin (June, 1983), p 77.

In another speech Enders spoke more on the threat posed by Nicaragua.

If, after Nicaragua, El Salvador is captured by a violent minority, who in Central America would not live in fear? How long would it be before major strategic US interests--the canal, sea lanes, oil supplies--were at risk?(1)

The Departments of State and Defence say that "turbulence in the wedge between Panama and Mexico would inevitably spill into the north and south", and feel that the "psychological impact of communist victories would be devastating".(2) Central Intelligence Agency (CIA) Deputy Director, Bobby Inman, indicated that the threat posed by Nicaragua is greater than that posed by Cuba because there are no ocean barriers between Nicaragua and the rest of Central America. Inman said that Nicaraguans could "move more rapidly into other Central American countries" than Cubans.(3)

For President Reagan Nicaragua represents a threat in two ways. First of all, the spread of its revolution could threaten American interests in the hemisphere:

(1) Thomas O. Enders, "The Case for US Assistance to El Salvador", Department of State Bulletin (March, 1982), p 61.

(2) John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 29.

(3) Walter Isaacson, "A Lot of Show but No Tell", Time (March 22, 1982), p 14.

...The Caribbean region is a vital strategic and commercial artery for the United States. Nearly half of our trade, two-thirds of our imported oil, and over half of our imported strategic minerals pass through the Panama Canal or the Gulf of Mexico. Make no mistake: The well-being and security of our neighbours in this region are in our own vital interest.(1)

And second, the 'loss' of Nicaragua to communism could represent a blow to American credibility in its alliances and its prestige in the world:

The national security of all the Americas is at stake in Central America. If we cannot defend ourselves there, we cannot expect to prevail elsewhere. Our credibility would collapse, our alliances would crumble and the safety of our homeland would be put at jeopardy.(2)

There is no shortage of documentation indicating that the Reagan Administration considers Nicaragua a major threat to the United States. It is more difficult to find the Trudeau Government's perception of the threat that Nicaragua poses. The Government makes no pretense of neutrality--it is concerned about "Soviet expansionism in this hemisphere".(3) It was Ottawa's opinion, though, that

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- (1) Ronald Reagan, "Caribbean Basin Initiative", Department of State Bulletin (April, 1982), p 2.
 - (2) Ronald Reagan, "Central America: Defending our Vital Interests", Department of State Bulletin (May, 1983), p 5.
 - (3) Mark MacGuigan, "Central America and Canadian Foreign

Third World countries would not turn to the Soviet Union for help unless all other avenues were closed. Mark MacGuigan said in January 1982:

The Soviet Union has probably never appealed less to the countries of the Third World as a model for development. Their perception of this situation has only been reinforced by Afghanistan and now Poland. It is to the West that the South is looking for help.(1)

The Trudeau Government was not convinced that the Nicaraguan revolution was communist-inspired. Ottawa was convinced that the instability in Central America "is deeply rooted in the socio-economic conditions of the region--the poverty, the unfair distribution of wealth and the social injustice".(2)

Not only did the Trudeau Government not believe that the Nicaraguan Revolution was communist-inspired, it did not believe that the Sandinista victory jeopardized the security of the Western world. There are some aspects of developments in Nicaragua that were disturbing to Ottawa. R. V. Gorham, from the Bureau of Latin American Affairs in

Policy", Statements and Speeches (March 31, 1982), p 2.

- (1) Mark MacGuigan, "The Challenge to Canada and the United States", Statements and Speeches (January 29, 1982), p 3.
- (2) Mark MacGuigan, "North America and Europe in North-South Relations", Statements and Speeches (September 4, 1982), p 3.

the Department of External Affairs, stated the Government's worries:

There are some legitimate questions to be asked: Why is the present government in Nicaragua developing an army greater than Somoza had? Why this 100,000 man militia they seem to be developing? What is the purpose of it?(1)

But even with their worries about the large Nicaraguan army the Trudeau Government did not perceive the Sandinistas to be a threat in the same way as the Reagan Administration perceived them to be. The Caribbean and Central America are considered important to Canadian security but in a way different from the American perception of Central America's strategic importance. According to J. K. Bartleman, Director of the Bureau of Latin American and Caribbean Affairs--Caribbean Division, "the security cooperation that is entered into is done in the context of the security of the states themselves as opposed to the security of Canada".(2) Mark MacGuigan, in a speech in March 1982, stated that:

...I don't believe that when a country chooses a Socialist or even a Marxist path it necessarily buys a "package" which automatically injects it into the Soviet orbit. This, I think, is where our views and those of the USA may diverge. The internal systems adopted

(1) Subcommittee interview with R. V. Gorham, p 2:67.

(2) Subcommittee interview with J. Bartleman, p 2:70.

by countries of Latin America and the Caribbean, whatever these systems may be, do not in themselves pose a security threat to this hemisphere.

...It is only when countries adopt systems which deliberately link themselves to outside forces or seek to destabilize their neighbours that a threat is posed.(1)

The chairman of the Subcommittee on Canada's Relations with Latin America and the Caribbean, said that he found it ludicrous to believe that Nicaragua is a threat to Canada. How, he asked, could Nicaragua threaten Canada?(2)

There are definite differences in perception between President Reagan and Prime Minister Trudeau. The perceptual difference between the US and Canada is not necessarily a phenomenon occurring only during the Reagan Administration. For quite some time a number of people in the United States have recognized the fundamental difference between the American perception of the threat posed by communism and the perceptions of the rest of the Western world. John Foster Dulles said in 1954 about Guatemala: "most countries do not share our view that communist control of any government anywhere is in itself a danger and a threat".(3) Not only are there differences between Ottawa

(1) Mark MacGuigan, "Central America and Canadian Foreign Policy", Statements and Speeches (March 31, 1982), p 3.

(2) Personal interview with Maurice Dupras, June 22, 1984.

(3) Jonathan L. Fried et al (editors), Guatemala in Rebel-

and Washington over Nicaragua, there are differences between Washington and many of the countries of the world. None of the United States' allies in Europe, the Far East and even some in Latin America share the Reagan Administration's antagonism towards the Sandinista regime.(4)

President Reagan's foreign policy towards Nicaragua reflects his perceptions that (a) the Sandinista directorate came to power by a revolution that was communist-inspired and in which Cuba played a major role; (b) Nicaragua has fallen into the communist camp and will try to influence the rest of the area; and (c) Cuba now maintains an extensive presence in Nicaragua and has an important voice in the building of Nicaragua's armed forces. The Trudeau Government, on the other hand, perceived that the Nicaraguan revolution was locally rooted and brought the Sandinistas to power amidst great popularity. The Trudeau Government disagreed with the American perception of the Cuban presence in Nicaragua. Ottawa has continued relations with Cuba under Castro and does not share the American fear of anything Cuban. Ottawa's perception of the Sandinistas and their revolution is consistent with the tenets of Canadian foreign policy which

lion: Unfinished History (New York: Grove Press Inc., 1983), p 46.

stresses that countries' internal affairs are not to be meddled with and that ideology is not a factor in Canadian relations in the Third World.

That Pierre Trudeau and Ronald Reagan perceive Nicaragua, past, present and future, differently appears certain. The question now becomes why?

If Trudeau's policy towards Nicaragua could be simply categorized, it would be placed squarely in the middle-of-the-road category. Canadian policy towards Nicaragua under the Sandinistas has been noticeably less independent than the policies of, say, Mexico or Venezuela. Both these countries also have close ties with the United States, but, actively supported the Sandinistas during and after the Revolution.(1) The reason for this appears to be due to a different perception in Ottawa of the issues important to Canada. Mexico and Venezuela are closer to Nicaragua than Canada, in terms both of distance and of history, and thus can see that events there could affect themselves in the foreseeable future. The European countries (France and West Germany for example) that have pursued policies opposed to those of Washington are not as

(1) Both Venezuela and Mexico provided strong moral support for the FSLN in the Revolution and quickly recognized the Provisional Government announced by the Sandinistas. After the Revolution both countries provided Nicaragua with extremely generous terms on oil agreements.

close to Managua but, on the other hand, are farther from the constraining influence of the United States.

Trudeau's Government kept its policies from opposing Washington too blatantly. This follows the policy of careful weighing in each case of "the value of gaining some friends as against the danger of aggravating some enemies" in Washington.(1) Calculations have to be made in Ottawa about the utility of opposing Washington on situations such as Nicaragua, about which the Reagan Administration feels strongly, and which is not of crucial importance to Canada.

If the Trudeau Government was less supportive of the Sandinistas than Mexico or Venezuela, it was more supportive of the Sandinistas than the United States. Canada's support for the new Nicaraguan government, despite the Reagan Administration's opposition, recognized the reality that the policy of calculating which causes to support in Washington did not always work. In fact, "trading good Canadian deeds internationally for American concessions bilaterally proved remarkably unsuccessful in the late 1970s and early 1980s".(2) If there was little correlation between Canadian good deeds and American con-

(1) S. Clarkson. Can and the Reagan Challenge. p 326. Stephen Clarkson, Canada and the Reagan Challenge (Toronto: James Lorimer and Company Publishers, 1982), p 326.

(2) Ibid, p 283.

cessions there was something to be said for following the recommendations of both the foreign policy review and the Subcommittee report that Canadian policy in Latin America pursue an independent course. While recognizing that it is not wise to disturb the White House with too independent a course, the Trudeau Government also refused to subordinate the Canadian perspective entirely to Washington. The Canadian course is moderate, recognizing as Mark MacGuigan says, that it "is not ours to assume the principal role".(1)

The nature of Canada's policy towards Nicaragua is thus balanced by the realization that it is important not to antagonize Washington, and, the recognition that Canada does not always benefit by simply following the American lead. This explains the middle road Canada has chosen to take in Nicaragua but does not explain the difference in perception between Ronald Reagan and Pierre Trudeau.

A factor influencing the Reagan Administration's perception of the Nicaraguan situation is the position in society of Reagan officials. According to The New Republic:

...with few exceptions, the Reagan people tend to be friends, business associates and ideological soul mates

(1) Mark MacGuigan, "Canada and Third World Countries", Statements and Speeches (June 16, 1981), p 8.

of Latin America's oligarchs and oppressors.(1)

The Somoza family, the economic elites and the military elites of Nicaragua were, almost without exception, educated in the United States, and therefore would have friends and supporters in the United States.

The perceptual difference between President Reagan and Prime Minister Trudeau can be traced, in a large part, back to the relative positions of the United States and Canada in the world. President Reagan, as leader of the most powerful country in the world, can afford to take actions without considering the consequences on countries outside the superpower confrontation. The United States is in the enviable position of causing changes in the world, not being affected by them. Reagan sees events in the world from the perspective of a superpower. The United States is the guarantor of freedom in the West, and pays most of the price in its alliances in the West. The inequality of the military contributions in its alliances causes Washington to expect to be able to take action it deems necessary for the security of the Western Hemisphere. Ronald Reagan does not, and perhaps cannot, see the world from the perspective of anywhere other than superpower status.

(1) "Rights and Reagan", The New Republic (November 29, 1980), p 6.

Pierre Trudeau, on the other hand, perceives the world from the standpoint of the leader of a middle-power country. Prime Minister Trudeau did not suffer from delusions of grandeur--he knew Canada is of marginal importance in the world. Ron Irwin, former Parliamentary Secretary to the Secretary of State for External Affairs, stated that Canada is "a middle power, not a major power, and we can only operate by cooperation".(1) Canada is not, like the US, the maker of decisions. Canada feels the effects of decisions made in the United States and thus can feel some sympathy and commonality with Third World countries which, even more than Canada, are influenced by events outside their borders.

Ottawa must make its foreign policy consciously, always keeping in mind its position in the world. Marcel Masse, Under-Secretary of State for External Affairs in 1983, admitted:

We are a small power. We do not have the feelings of a superpower. We do not feel we have to be the policemen of the world. So of course we have different opinions from what they [the US] have.(2)

(1) Ronald Irwin, House of Commons Debates (April 23, 1982), p 16581.

(2) Marcel Masse, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 16.

Canada cannot afford to antagonize the other countries of the world. Canada can recognize from experience that American policies often trample smaller power interests in pursuit of security from the threat of the Soviet Union. Ottawa does not have to maintain its enmity with the Soviet Union. Canada can afford to see the world in clearer ways because its middle-power status ensures that Canadian perceptions and actions do not have a major impact on the world. Pierre Trudeau recognized Canada's limited role in the world. The foreign policy review stated that:

Canada cannot expect to exercise alone decisive influence on the kinds of international conflict implicit in the forecasts, especially those involving larger powers.(1)

The difference in perception towards Nicaragua between Ronald Reagan and Pierre Trudeau lies in the power position of Canada and the United States. President Reagan leads a superpower and sees events in relation to superpower interests. Prime Minister Trudeau led a middle-power country and thus saw events from a position which could recognize the sometimes negative effects of American policies and actions in the world.

(1) External Affairs Canada, Foreign Policy for Canadians (Ottawa: Queen's Printer, 1970), p 23.

CHAPTER THREE

POLITICAL RELATIONS

Governmental interaction between countries, while not an entirely accurate indicator, is often the most available indicator of the state of relations between countries. Political relations do not tell the whole story but are factors taken into consideration when studying the total relations between countries. The United States and Canada both maintain political relations with Nicaragua. There is however a difference between the Reagan Administration's political relations with Nicaragua and the Trudeau Government's relations with Nicaragua.

The Reagan Administration sees the Sandinista junta as a repressive Marxist-Leninist regime. This perception has, in a large part, caused the cool relations between Washington and Managua since the Nicaraguan Revolution. The Trudeau Government, on the other hand, regarded the Sandinista regime as an improvement over the Somoza regime. Although Ottawa was concerned that the Sandinistas appeared to be becoming more repressive each year, the Trudeau Government saw the Sandinistas attempting to uphold the tenets of pluralism and democracy. This perception influenced the Trudeau Government's political relations

with Managua, which were considerably warmer than those of the Reagan Administration.

The new government of Nicaragua was organized into four tiers.(1) At the top were nine Sandinista commanders who formed the Directorate of the Sandinista National Liberation Front. Below the Directorate was the Junta, which started with five members but was reduced to three in 1981. The Junta was responsible for the day-to-day management of Nicaragua according to rules made by the Directorate. Below the Junta were government ministers--most of the important ministries, however, were held by members of the Directorate. Lastly, there was a Council of State which had members representing different sectors of society.(2)

The political situation within Nicaragua immediately after the revolution in 1979 was exhuberant. There was a massive surge to organize the population for participation in Nicaragua's political affairs. Mass organizations played an important role in the reconstruction efforts. The people's organizations arranged for volunteers and work crews to rebuild and repair the damage from the war. The

(1) The structure of the Nicaraguan Government has since been changed. After the elections of November 1984 Nicaragua has a president and a vice-president.

(2) Shirley Christian, "Freedom and Unfreedom in Nicaragua", The New Republic (July 18, 1981), p 16.

Sandinistas encouraged popular participation in all governmental affairs, and, vowed to uphold political plurality.

Managua disappointed the Western world by announcing in 1980 that national elections would not be held until 1985.(1) The Sandinistas explained this action by stating that they wished first to overcome the damage of the war and second to educate the Nicaraguan people. The Sandinistas thus initiated a literacy campaign. The campaign, which had the aid of Cuban teachers, was extremely successful, reducing illiteracy from approximately 52% to 12% in less than a year.(2) The Sandinistas also instituted health, sanitation, social welfare and reconstruction programmes. Their human rights record was excellent (and still is good), especially in relation to most of their Central American neighbours.(3) They attempted to get the Nicaraguan economy moving and the people working. The Sandinistas were extremely popular for the first years after the revolution, especially among the poor.

The Sandinistas assured the world that they had no intention of making a communist state out of Nicaragua.

(1) Elections were held in Nicaragua in November 1984.

(2) Jan Knippers Black, "Preserving Nicaragua's Revolution," The Christian Century (February 24, 1982), p 211.

(3) Arthur F. McGovern, "Nicaragua's Revolution: A Progress Report", America (December 12, 1981), p 380.

The nationalization of Somocista properties was to allow their use for the rest of Nicaraguans. The nationalization of financial institutions was an act of necessity:

We have nationalized the country's financial institutions, including both the banks and the insurance companies. In this case we were forced to act in response to economic necessity rather than by ideological preference. The financial institutions were bankrupt; the nationalization of the banks was, in effect, the nationalization of their debts.p(1)

The economy, the Sandinistas stated, would be reordered to reduce inequalities but the majority of it would be left in private hands.

On the political front the Sandinistas claimed to have two objectives:

To maintain our national sovereignty and to further the sovereignty of our people. Our national sovereignty must be understood as something greater than mere territorial integrity. It also implies the right to further our revolution apart from external interference.(2)

The Sandinista regime desired an independent foreign policy "attuned to both global realities and to our own interests".(3) Shortly after the revolution Nicaragua joined

(1) Rafael Solis, "The Future of Nicaragua", Vital Speeches (February 15, 1980), p 273.

(2) Ibid, p 275.

(3) Ibid, p 275.

the Non-Aligned Movement. One of the Sandinistas' first diplomatic acts was to request continued ties with the United States. Although they wished good relations with the US there remained anger and distrust among the Sandinistas because of Washington's persistent support for the Somoza regime. However, the Sandinistas were astute enough to recognize the importance of friendship with the American pocketbook.

The immense popular support which brought the Sandinistas to power in 1979 quickly began to erode. Dissatisfaction within Nicaragua grew first among the business sector which feared further expropriations.(1) Economic problems in Nicaragua became severe. The Sandinistas, for whatever reason, redirected precious funds from reconstruction to the armed forces. The United States cut off economic aid which worsened the economic situation, and then began funding counter-revolutionaries in Honduras and the perception of threat lessened the Sandinistas' tolerance for dissenters. Cubans, who were generally unpopular among Nicaraguans because of their rigid communism and anti-religious beliefs, began appearing in Nicaragua. There were armed skirmishes on Nicaragua's

(1) The business sector remains the Sandinistas' main opposition within Nicaragua.

borders with the counter-revolutionaries. There were high level defections from the ranks of the Sandinistas.

The Sandinista regime's lack of skill at economic management created shortages and some consumer unrest. The Sandinistas alienated the Miskito Indians of northern Nicaragua by attempting to relocate them. Although there are four priests in important positions, the regime also managed to create a rift between the government and the Catholic Church. Economic shortages and sabotage, plus the threat from the counter-revolutionaries caused the Sandinistas to crack down on the freedom of the press and outlaw strikes. Nicaragua is becoming a tense, besieged armed camp waiting for the American invasion the paranoid Sandinista leadership is certain will come.

The repression within Nicaragua has not yet caused total discontent among Nicaraguans--most, if forced to choose, would likely still prefer the Sandinistas to a return to a Somocista regime or a solution imposed from outside the country. The Sandinistas acknowledge that there are problems and have attempted to solve some of them. They insist that:

...they stand by their original pledge to maintain political pluralism, a mixed economy and a non-aligned foreign policy; they explain that any delays in

the execution of this program are the result of the external threat.(1)

Opposition political parties still exist within Nicaragua but increasingly find their activities hampered.

Because it is difficult to know exactly what the situation in Nicaragua is, perceptions tend to differ with regard to events and their significance. The Reagan Administration perceives the Sandinistas as maintaining a facade of pluralism only until communism can be entrenched. Nicaragua is perceived to be under the influence of Cuba and moving towards what the White House sees as a totalitarian system such as that in Cuba. In February 1982 President Reagan stated:

The dark future is foreshadowed by the poverty and repression of Castro's Cuba, the tightening grip of the totalitarian left in Grenada and Nicaragua, and the expansion of Soviet-backed, Cuban-managed support for violent revolution in Central America.(2)

President Reagan continued, saying:

...If we [the US] do not act promptly and decisively in defence of freedom, new Cubas will arise from the ruins of today's conflicts. We will face more totalitarian regimes so incompetent, yet so totalitarian that their citizens' only hope becomes that of one

(1) Alan Riding, "The Central American Quagmire", Foreign Affairs (1983), p 651.

(2) Ronald Reagan, "Caribbean Basin Initiative", Department of State Bulletin (April, 1982), p 4.

day migrating to other American nations.(1)

The Reagan Administration did not agree with the Carter Administration's belated support for the Sandinistas. Elliot Abrams, Reagan's Assistant Secretary for Human Rights and Humanitarian Affairs, stated in February 1982:

...In Vietnam, in Nicaragua, in Iran, we were told that the government we supported was corrupt and oppressive and that the other side was the progressive side and would respect democracy. We were told that human rights would gain if the other side won...This is in my view blindness. How many times must we learn this lesson?(2)

Many members of the Reagan Administration view the Sandinista Directorate as "nine little Castros" and see it as attempting to initiate communist revolutions throughout Central America.(3)

Despite Sandinista assurances that Nicaragua is a member of the Non-Aligned Movement, Nicaragua's foreign policy has angered Washington. Like many countries of the Third World, Nicaragua has condemned the United States in

(1) Ibid, p 6.

(2) Elliot Abrams, "Human Rights Situation in El Salvador", Department of State Bulletin (April, 1982), p 69.

(3) Beth Nissen, "Nine Little Castros", Newsweek (November 16, 1981), p 59.

the General Assembly of the United Nations (UN).(1) The Sandinistas' foreign policy has become more pro-Cuban and pro-Soviet Union than pro-United States. Although Nicaragua has signed a friendship treaty with the Soviet Union, the Sandinistas insist that they did not fight for so long to rid Nicaragua of American influence only to turn the country over to the Soviet Union.(2) The Sandinistas point to their good relations with Western Europe to show that they are not relying solely on the Soviet Union. But despite these protestations the Sandinistas have allowed Cuban military advisers in Nicaragua. Fidel Castro was an honoured guest at the first anniversary celebration of the Sandinista victory. Nicaragua identifies with Vietnam and supports the Palestine Liberation Organization (PLO) over Israel. The Sandinistas disapprove of the Pinochet regime in Chile but did not condemn the Soviet invasion of Afghanistan.(3) They also support the reunification of

(1) Nicaragua has the support of the Non-Aligned Movement. In the autumn of 1981, 90 countries of the Movement charged the United States with destabilizing Nicaragua and Grenada.

(2) Shirley Christian, "Freedom and Unfreedom in Nicaragua", The New Republic (July 18, 1981), p 19.

(3) Ibid, p 15.

Korea.(1) None of these foreign policy stands are popular with the Reagan Administration.

The literacy campaign conducted in Nicaragua was viewed with suspicion in Washington because of the presence of Cuban teachers and texts. The 1985 date set for the national elections was seen as evidence that the Sandinistas had no intention of holding elections at any time. The expropriation of Somocista holdings was regarded in Washington as an indication of wholesale expropriations to come. The bungled and ill-advised plan to relocate the Miskito Indians was seen as the genocidal tendencies of the Sandinistas in their effort to eliminate opposition. In the eyes of the White House, the Sandinista Popular Army (EPS) was an offensive fighting machine poised to move into neighbouring Central American countries.(2)

In June 1983 Nicaragua expelled three American diplomats for an alleged plot to kill Foreign Minister Miguel d'Escoto Brockman. The Reagan Administration the following day closed all the Nicaraguan consulates across the coun-

(1) Pedro Camejo and Fred Murphy (editors), The Nicaraguan Revolution (New York: Pathfinder Press, 1979), p 35.

(2) Many doubt that Nicaragua would invade a neighbour because it would trigger the mutual defence provisions of the OAS and Rio Treaty and threaten to bring other Latin American countries into the battle. John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 26.

try, giving the twenty-one Nicaraguan diplomats just one day to leave.(1) Washington did not, however, break off diplomatic relations with Nicaragua.(2) The Reagan Administration has continually refused to give assurances that the United States "would not attempt to overthrow or destabilize the Nicaraguan Government or institute a military blockade against it".(3) And on February 21, 1985 President Reagan admitted that his administration supported a change of government in Nicaragua.(4)

Canada, like Western Europe and some countries in Latin America, has perceived the events in Nicaragua in a significantly different way. The Trudeau Government had not sympathized with the Somoza regime and, in general, welcomed the Sandinistas to power. The Sandinistas' literacy campaign, while not given much Canadian financial support, was favourably regarded in Ottawa.(5) The pres-

(1) "The Benedictine Affair", Maclean's (June 20, 1983), p 30.

(2) Ironically, the same day as the Nicaraguan diplomats were expelled a House Committee voted to cut off aid to anti-Sandinistas forces.

(3) Jan Knippers Black, "Preserving Nicaragua's Revolution", The Christian Century (February 24, 1982), p 210.

(4) "Reagan Wants Sandinistas 'Removed'", Calgary Herald (February 22, 1985), p A18. p A18.

(5) Subcommittee interview with R. V. Gorham, p 12:108.

ence of Cuban teachers in the crusade was taken to be a practical example of the Sandinistas accepting help from sources who had offered assistance.

The Trudeau Government, however, regarded the increasing repression within Nicaragua with alarm and regret. Concern was expressed to the Sandinista Government about the infringement upon the human rights of the Miskito Indians. Marcel Masse, then president of the Canadian International Development Agency (CIDA), in May 1982 explained his interpretation of the Sandinistas' attempt to relocate the Miskito Indians:

...I would probably conclude, on the basis once again of very limited information, that there was some attempt at integrating the culture of the Miskitos, at least at the beginning, and the Sandinistas have seen that this can cause some serious problems. They themselves told us that they did not expect that type of problem to arise [ie, Miskito resistance]; they admitted that they had committed mistakes at the beginning and that now they were trying to undo these mistakes.(1)

There is little doubt that some Miskito Indians have been forcibly removed from their villages. The Nicaraguan Minister of the Interior, Tomas Borge, stated in December 1983; "we recognize that we have committed arbitrary acts

(1) Marcel Masse, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 40.

against Nicaraguans of Miskito origin".(1) Canada has indicated its concern for these actions but acknowledged the Sandinistas' admission of error.

The Trudeau Government was also concerned with the friction between the church and the government in Nicaragua. Mark MacGuigan, Secretary of State for External Affairs, said in May 1982:

...we, obviously, have been very troubled by recent events in Nicaragua, and in particular we have been concerned about the oppression of Christians and other religious groups.(2)

Most of all the Trudeau Government regretted the military buildup in Nicaragua. Said Mark MacGuigan, the buildup of the Nicaraguan army and reserve force "are hardly signs we like to see in a country we wish to regard as a democracy".(3) While the Nicaraguan military buildup was a source of concern, the Trudeau Government recognized that there were few reported instances of killing or torture by the Nicaraguan armed forces. Ottawa was more

(1) Ed Magnuson, "Exchanging Cautious Glances", Time (December 19, 1983), p 10.

(2) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 38.

(3) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (April 21, 1981), p 15.

alarmed at the military situation in El Salvador than in Nicaragua.(1) Mark MacGuigan said in May 1982:

The problems which have occurred in Nicaragua, as serious as they are, have not by and large involved killings, whereas in El Salvador there have been numerous atrocities committed by all sides in the civil war.(2)

MacGuigan indicated that despite all the ominous events in Nicaragua, in 1981 "it is not a country in which freedom is entirely absent by any means".(3) The Trudeau Government agreed with the Reagan Administration that the Sandinistas were becoming less pluralistic and were moving to the left in their political orientation.(4) The Trudeau Government did not, however, dismiss the Sandinistas as communist nor did it support their opposition. This was in keeping with the Trudeau policy of respect for countries' right to conduct their own affairs without interference.

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- (1) Mark MacGuigan, however, stated in February 1981 that with regard to El Salvador "I would certainly not condemn any decision the US takes to send offensive arms...the US can count on our quiet quiescence". Mark MacGuigan, House of Commons Debates (March 2, 1981), p 7765.
- (2) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 39.
- (3) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (April 21, 1981), p 15.
- (4) Marcel Masse, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 16.

As Gilles Lamontagne, Trudeau's Minister of National Defence, stated:

...I believe that the policy of the Government is that Nicaragua should be run by Nicaraguans and no other country should be involved in the internal affairs of this or any other country.(1)

The Trudeau Government recognized that there existed a difference between Ottawa's and Washington's perceptions of the nature of the Sandinista regime. Marcel Masse, who was Under-Secretary of State for External Affairs in 1983, stated that:

...we [Canada] do, indeed, discuss with the Americans, what they do and why they do what they do [in Central America]. There is no doubt to me that their understanding of the situation in Central America is different from our understanding. I guess the understanding of what kind of threat there is is really where we differ. The Americans do not want to have another Cuba in their backyard. They believe there is foreign influence in the region, and in a way there is. There is Cuban influence in the region. They also believe if they do nothing they will soon be facing a situation that will be extremely difficult and that could create problems in their own country.(2)

(1) Gilles Lamontagne, House of Commons Debates (May 11, 1983), p 25348.

(2) Marcel Masse, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 16.

David Lee, Trudeau's Deputy Permanent Representative to the United Nations, indicated the Canadian Government's position in November 1983:

The Government of Canada recognizes that Nicaragua is a sovereign state with the right to choose its own form of government. At the same time we are dismayed by the increasing tendency towards authoritarianism.(1)

The Trudeau Government, however, feared that the extremely negative American position on Nicaragua might force the Sandinistas into a position they would not otherwise have adopted. Mark MacGuigan said in 1982:

By taking approaches which equate left-wing internal regimes automatically with Soviet domination, we may bring about a self-fulfilling prophecy.(2)

The Trudeau Government firmly believed that the Third World should not be viewed through an East-West prism. Mark MacGuigan stated in January 1982:

We simply cannot afford to see every Third World conflict through an East-West prism and, as a consequence, to align ourselves with the forces of reaction, privilege and inhumanity. This would be inconsistent with our own values and ultimately certain to fail.

(1) David Lee, "The Situation in Central America: Threats to International Peace and Security and Peace Initiatives", Statements and Speeches (November 10, 1983), p 2.

(2) Mark MacGuigan, "Central America and Canadian Foreign Policy", Statements and Speeches (March 31, 1982), p 6.

But we equally cannot ignore Communist intervention.(1)

Therefore, while Ottawa acknowledged that communist intervention in Nicaragua cannot be ignored, it did not wish to view Third World conflicts only in terms of the superpower confrontation.

The Trudeau Government was not one of the most vocal or ardent supporters of the Sandinista regime. Nor was it one of the Sandinista's most ardent critics. The Trudeau Government followed a path somewhere between the extremes of complete support and complete rejection. That Ottawa followed the Reagan Administration as closely as it did may, in part, have been the result of its inability to obtain accurate information on the Central American situation.

Up until 1983 the Canadian embassy in Costa Rica was responsible for all of Central America.(2) The Canadian ambassador, Douglas Sirrs, relied in many instances on American accounts and perceptions of events in Nicaragua.(3) In an interview with the Subcommittee on

(1) Mark MacGuigan, "The Challenge to Canada and the United States", Statements and Speeches (January 29, 1982), p 3.

(2) Canada also had a chargee d'affaires in Guatemala which was upgraded to embassy status in 1982.

(3) Douglas Sirrs was replaced in 1982, in part because of his reliance solely on American sources and interpreta-

Canada's Relations with Latin America and the Caribbean, Ambassador Sirrs was asked if it was acceptable to support a government regardless of its political coloration. Sirrs replied:

No, not regardless of the coloration of the government. I do not think that we are in a position to judge whether we should be supporting one government or another. That is a judgement for the Americans to make.(1)

In the course of his interview with the Subcommitted Pauline Jewett, a member of the Subcommittee, had this to say about Ambassador Sirrs:

...I am reluctant to say this, but I have a very strong impression that the ambassador is uninformed as well as unsympathetic to aspects of development in Nicaragua which are positive. He focuses entirely on the electoral route as if that, alone, were the solution to a country's problems...The fact that you have not even visited the refugee camps in Nicaragua; the fact that you know nothing practically about the literacy crusade--except to suggest that it may be "commie"--I find absolutely shocking.(2)

Allan MacEachen admitted that it was important to have a better source of information in Nicaragua but cited budgetary constraints as the reason Managua did not receive

tions of Central American events.

(1) Subcommittee interview with Douglas Sirrs, p 24:21.

(2) Ibid, p 24:52.

an embassy.(1) Ambassador Sirrs' American sources of information and perceptions may well have influenced Canadian policy towards Nicaragua along an American bias.

The Trudeau Government did not vehemently criticize American actions towards Nicaragua. Ottawa insisted that although Central American events had some significance, Canada could not, and should not, play a leading role there. Mark MacGuigan said in March 1981; "I am not aware that we have any serious obligations in that part of the world, Central America, which is not an area of traditional Canadian interest".(2) In 1980 MacGuigan stated:

...my over-all point was that the Central American area is not an area of particular concentration of interest for us. We are very heavily involved in the West Indies and in my belief we should continue to be. We are not heavily involved in any way in Central America and I do not see it as an area in which we have a particular contribution to make.(3)

Ottawa recognized that the Canadian role in Central America is limited. If, according to the Trudeau Government, Canada does not play a significant part, Ottawa

(1) Allan MacEachen, House of Commons Debates (April 16, 1984), p 3083.

(2) Mark MacGuigan, House of Commons Debates (March 2, 1981), p 7767.

(3) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (June 17, 1980), p 13.

should not criticize or protest unduly about events unfolding there. As Louis Duclos, former Parliamentary Secretary to the Secretary of State for External Affairs, said with regard to El Salvador:

I would like to point out that it is certainly not by attacking our neighbours and best allies, the United States, that we will make a useful contribution toward improving the present situation.(1)

Marcel Masse, Under-Secretary of State for External Affairs in 1983, said:

...we may talk to the Americans and discuss these [Central American] questions with them, but once they have made their decision, we are not going to judge it. They take their decision on the basis of how they see the situation. We may consider as an option blaming them or whatever, but obviously we do not. We try to influence them by gentle pressure rather than by going in public and opposing what they do.(2)

The Trudeau Government stressed the Lester Pearson policy of "quiet diplomacy" which avoids public differences among allies in international matters. Said Mark MacGuigan; "We should not...make public declarations for their own sake, or without regard for their effectiveness

(1) Louis Duclos, House of Commons Debates (March 10, 1981), p 8069.

(2) Marcel Masse, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 17.

in achieving the results we desire".(1) The Trudeau Government believed in conducting itself in a way that "will most effectively help in relating to the problem".(2) This modest foreign policy stance was in keeping with the Canadian tradition of low-profile participation. It was also in recognition that, in Central America, "however pitiable the situation may appear to us, there are limits to what Canada can and should do".(3)

Both the Reagan Administration and the Trudeau Government claim support for the Contadora Group's (Colombia, Mexico, Panama and Venezuela) efforts to solve the problems of Central America. The Contadora initiative provides a basic framework for stability and cooperation within which the root causes of the region's problems can be more constructively attacked than by military means.(4) Canada has "fully endorsed" the regional peace initiative sponsored by the Contadora Group.(5) The Trudeau Govern-

(1) Subcommittee interview with Mark MacGuigan, p 1:18.

(2) Ibid, 1:42.

(3) Louis Duclos, House of Commons Debates (June 16, 1981), p 10666.

(4) Allan MacEachen, "Strengthening the UN: The Search for Specifics", Statements and Speeches (September 27, 1983), p 3.

(5) David Lee, "The Situation in Central America: Threats to International Peace and Security and Peace Initiatives", Statements and Speeches (November 10, 1983), p

ment welcomed the Contadora Group's efforts to bring peace to Central America and stated that "any action to resolve the problems of the area must be taken within the context of the Contadora Initiative".(6) Prime Minister Trudeau indicated that his government gave "sympathy and support" for the Contadora initiative.(7)

While the Trudeau Government supported the Contadora process and held talks with its representatives, Ottawa did not solicit a major role in the process. As R. V. Gorham, former Assistant Under-Secretary for External Affairs Bureau of Latin American and Caribbean Affairs, said:

...to answer the question...namely have we solicited a role with the Contadora group, the answer is no, we have not; nor have we asked to be an observer or to observe their deliberations.(1)

Ottawa did not press for an active role because the government believed that "lasting solutions to the region's problems can be arranged only by the countries of the region".(2) According to J. A. Malone, Director in the

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- (1) R. V. Gorham, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 15.
- (2) Allan MacEachen, "Strengthening the UN: The Search for Specifics", Statements and Speeches (September 27, 1983), p 3.

Department of External Affairs of the Caribbean and Central American Division:

...we have on several occasions stated our readiness to play a role that would be viewed by the countries most directly concerned as useful. We have not to date found with our friends in Central America and Latin America a specific role for Canada.(1)

After discussions with several European countries, Ottawa recognized that a role for countries outside the region had not yet been formulated by the Contadora Group. The Trudeau Government therefore concluded:

...in consultations we have had with several western European governments, they take the same view; that no useful purpose would be served in seeking to intrude upon these [the Contadora] discussions or negotiations until such a time as they are specifically invited to do so.(2)

The Reagan Administration has also voiced its support for the Contadora process. Washington has insisted that the "main forum for any substantive talks must be the negotiations being pursued by the Contadora group." (3) The National Bipartisan Commission on Central America (Henry

(1) J. A. Malone, Minutes of the Committee on External Affairs and National Defence (May 17, 1983), p 16.

(2) R. V. Gorham, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 15.

(3) Ed Magnuson, "Exchanging Cautious Glances", Time (December 19, 1983), p 12.

Kissinger chairman), which reported to the American Government in January 1984, recommended that Washington encourage the Contadora process.

There are some critics of the Reagan Administration who believe Washington is using the Contadora process only for public opinion reasons. Apparently Washington has rejected non-aggression pacts proposed by Nicaragua by stating that the Contadora group is "the only legitimate vehicle for negotiating a Central American peace".(1) The Reagan Administration will praise the actions of the Contadora Group while at the same time view suspiciously any overtures by Nicaragua towards multilateral negotiations.(2) Both Nicaragua and the United States have been accused of posturing for the benefit of the Contadora Group.(3) There seems to be some doubt whether the countries of Central America would turn down American aid to accept the Contadora Group's initiatives.(4)

There is an important difference between the Trudeau Government's and the Reagan Administration's support for the

(1) Paul Ellman, "Climbing Fears of a US Attack", Maclean's (November 7, 1983), p 39.

(2) George J. Church, "A Big Stick Approach", Time (August 8, 1983), p 10.

(3) "Public Relations", Time (December 12, 1983), p 24.

(4) Russel Watson, "More Money--And More Guns", Newsweek (January 23, 1984), p 29.

Contadora Group. For Ottawa the group represented an avenue through which, if invited, Canada could play a role in Central America. For Washington, the Contadora initiative provides a supplement to American policies in the area. According to the National Bipartisan Commission's report (the Kissinger Commission):

The Contadora nations do not have extensive experience in working together, and the Contadora process has not yet been tested in terms of crafting specific policies to provide for regional security. Thus the United States cannot use the Contadora process as a substitute for its own policies. Experience has shown that the process works most effectively when the United States acts purposefully. When our policy stagnates, the Contadora process languishes.(1)

The Reagan Administration has thus supported the Contadora Group but has also had bilateral talks with the Sandinistas.

The Sandinista National Directorate and the Reagan Administration have conducted a series of discussions ostensibly to end the hostilities between the Nicaraguan armed forces and the CIA-supported counter-revolutionaries on Nicaragua's borders. The talks have also been held for the purpose of ending the alleged Nicaraguan support for the insurgents in El Salvador. The talks are rooted in

(1) Report of The National Bipartisan Commission on Central America, January 10, 1984, p 120.

mutual suspicion and distrust and have not resulted in any substantive reduction in the hostility between Managua and Washington. In Thomas O. Enders' words:

We have tried to communicate with the Nicaraguans, to offer a way out of confrontation if they would restrain their military buildup and cease their support of insurgency in El Salvador. But the Nicaraguan response has been to move towards greater internal repression...and to accelerate their buildup of heavy arms and to bring in more Cuban and Soviet advisers, while exporting more arms to rebels in neighbouring countries.(1)

According to the Sandinistas, Washington refuses their requests for negotiations to iron out differences.(2) Nicaraguan Government officials also believe that the Reagan Administration has sidestepped any attempts by the Sandinistas to find a diplomatic solution to the problems of Central America.(3)

Under pressure from European socialist leaders and in the wake of the American invasion of Grenada, in autumn of 1983 the Sandinistas made a number of concessions. The Sandinistas sent home Cuban teachers, nurses, agricultural

(1) Thomas O. Enders, "Democracy and Security in the Caribbean Basin", Department of State Bulletin (February, 1982), p 66.

(2) Carl J. Migdail, "In Nicaragua A Revolution Gone Sour", US News and World Report (October 18, 1982), p 41.

(3) Paul Ellman, "Climbing Fears of a US Attack", Maclean's (November 7, 1983), p 39.

advisers and some military advisers. The Nicaraguan Government also announced that discussions with opposition parties had begun in preparation for elections to be held in 1985.(1) The Sandinistas commenced negotiations with Church and business leaders to iron out differences, and, eased censorship of the press. Any Salvadoran guerrillas present in Nicaragua were requested by the Sandinistas to relocate their bases. The gestures made little impression in Washington-- the Reagan Administration claimed that almost none of the Cuban military and internal security personnel had left.(2) The Reagan Administration gave credit to the counter-revolutionaries' pressure for the Sandinista concessions.

It seems reasonable to assume, in the light of President Reagan's February 1985 admission of support for the replacement of the Sandinista Government, that Washington has not courted a political solution too strongly. Because of its absolute refusal to accept another Cuba in the Western Hemisphere, the Reagan Administration has spent "much of its time and energy blocking the more conciliatory solutions offered by Mexico, Venezuela, Pana-

(1) David North, "Managua Moves to Limit the Dangers", Maclean's (December 5, 1983), p 42.

(2) Bill Hewitt, "The Sandinistas Give Ground", Newsweek (December 5, 1983), p 79.

ma, France and the Socialist International".(1) According to The New Republic magazine, some officials in Washington were concerned as early as 1981 that:

...the consideration of "tough" options will prevent the administration from choosing what seem to be "soft" options--such as diplomatic and economic efforts to influence the Sandinistas--and will "paralyze" or "freeze" American policy so that nothing at all gets accomplished.(2)

There was apparently some fear that in the search for a dramatic quick-fix solution by supporting the counter-revolutionaries, the Reagan Administration might neglect the route of political discussions. George J. Church, a writer for Time magazine, states in that in 1983:

...Discouraged by the length and uncertain prospects of economic and diplomatic efforts, irritated by the difficulties of winning Congressional approval for their strategy, and feeling themselves under pressure to produce measurable progress before the 1984 presidential campaign gets fully under way, some White House advisers are pushing for a combination of military moves and covert activity that might yield speedy results.(3)

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- (1) Alan Riding, "The Central American Quagmire", Foreign Affairs (1983), p 656.
- (2) Nick Kotz and Morton Kondracke, "How to Avoid Another Cuba", The New Republic (January 20, 1981), p 21.
- (3) George J. Church, "A Big Stick Approach", Time (August 8, 1983), p 15.

While it is not likely that the United States would commit its own troops to the area, it is possible that the use of Nicaraguan exiles as proxies provides a tempting substitute for accepting a Marxist regime in Central America. It is also possible that Washington's emphasis on military aid to the area could eclipse efforts to find a political solution.(1)

The Trudeau Government supported bilateral talks between the parties involved in the conflict in Central America. Prime Minister Trudeau said in May 1983:

There should be more dialogue between the countries and there should be even more dialogue between some of those countries and the United States of America.(2)

The Trudeau Government received some pressure from church representatives and interest groups to play a role in Central America, especially that of influencing American actions there. As J. A. Malone, Director of External Affairs' Caribbean and Central American Division, said:

...the representations received have been numerous indeed. Most of them suggest that the Government of Canada should attempt to exercise some influence over the Government of the US with regard, for example, to issues such as what was clandestine or covert partici-

(1) Russel Watson, "More Money--And More Guns", Newsweek (January 23, 1984), p 28.

(2) Pierre E. Trudeau, House of Commons Debates (May 11, 1983), p 25348.

pation in the current insurgency in Nicaragua.(1)

In response to these pressures Nicaragua's Foreign Minister, Miguel d'Escoto Brockman, was received in Ottawa for discussions. The Foreign Minister of Mexico was also invited to Ottawa. Allan MacEachen spoke to Vice-President Bush and to Secretary of State Schultz about the Canadian view of the inappropriateness of seeking military, as opposed to political, solutions in Central America. MacEachen also travelled to Nicaragua in the spring of 1984 to have discussions with the Sandinistas.

Despite the above Canadian moves on the political front, the Trudeau Government still refused to take, or accept, a major role in Central America. The tenets of Canadian foreign policy in Central America remained that "the flow of arms from whatever source should cease" and political and economic solutions should be sought.(2) A limited Canadian role in Central America was justified by Mark MacGuigan thus:

But, no government--not Mexico, Venezuela, or the Federal Republic of Germany--...has yet gone beyond this [ie, the condemnation of military solutions rather than political-economic solutions] to launch a political

(1) J. A. Malone, Minutes of the Committee on External Affairs and National Defence (May 17, 1983), p 17.

(2) Mark MacGuigan, House of Commons Debates (March 9, 1981), p 8036.

initiative in order to bring an end to the internal strife [in El Salvador] with the aid of some outside mediator. Therefore, it hardly seems prudent for Canada to put itself in such a role.(1)

The Trudeau Government maintained in full form all political relations with Nicaragua. Ottawa supported both multilateral and bilateral efforts to end the hostilities in Central America but would not accept, or take, the initiative for participation. The Reagan Administration too has maintained full diplomatic relations with the Sandinistas. It has, however, been a political relationship characterized by mutual suspicion and distrust. The relationship between the Reagan Administration and the Sandinista Government is one of verbal mudslinging. Washington accuses the Sandinistas of being totalitarian Marxists determined to export their ideology to all of Central America. The Sandinistas accuse Washington of plotting to forcibly remove them from power in order to secure a regime more amenable to American interests.

The differences between the Trudeau Government and the Reagan Administration can be traced back to their perceptions of the nature of the Sandinista revolution and of the strategic significance of Nicaragua. The United States, as the most powerful of the Western nations, feels it must

(1) Ibid, p 8036.

take a stand against the spread of a monolithic communist bloc. Thus Washington cannot afford to allow any hint of communism in the hemisphere. It cannot afford to believe that the Sandinistas are not communist because there is too much at stake. Canada rests secure in the protection of the United States and can afford, therefore, to give the benefit of the doubt to the Sandinistas. The Trudeau Government did not see the Nicaraguan Revolution or the Sandinista Government as the inevitable precursor to a communist Central America. Perhaps even if the Trudeau Government had believed that the Sandinistas were a Marxist Government that would have made little difference in Canadian-Nicaraguan political relations. After all, Canada maintained political and economic relations with Cuba.

CHAPTER FOUR

STRATEGIC MILITARY RELATIONS

Prime Minister Trudeau and President Reagan perceived the strategic significance of Nicaragua in a fundamentally different way. By the end of this century Latin America will contain two-and-one-half times the population of the United States.(1) Consequently the Reagan Administration believes that Latin America must remain friendly to the West if the United States is to continue to be strategically secure. In keeping with the tenets of the domino theory no country can be allowed to become sympathetic to the Soviet Union lest other countries follow. Thus Washington sees Nicaragua as crucial to the security of Central America and the United States. The Trudeau Government did not perceive Nicaragua to be strategically significant to Canada. The existence of a socialist or even a communist Nicaragua was not seen by Ottawa to jeopardize the security of the Western world. These major perceptual differences between Ottawa and Washington on the strategic value of Nicaragua have influenced Canadian and American military relations with the Sandinistas.

(1) George W. Ball, Diplomacy in a Crowded World (Boston: Little, Brown and Company, 1976), p 319.

Perhaps the greatest difference between the Trudeau Government's and the Reagan Administration's relations with Nicaragua occurs in the area of military relations. Because the Trudeau Government did not perceive Nicaragua to be strategically important to Canada, it at all times opposed military confrontations in Central America. In Trudeau's opinion military solutions would not solve the problems of the area. According to David Lee, Trudeau's Deputy Permanent Representative to the United Nations,

...We believe that military responses and the export of violence will not serve the interests of the people of Central America, no matter what the political orientations of their leaders may be.(1)

Trudeau believed that the solution to the problems in Central America had to be political, not military.

The Reagan Administration, on the other hand, while officially supporting political solutions in Central America, has been channeling large amounts of military aid to the area. One of the Reagan Administration's worst kept secrets is the role it is playing arming and supporting the Sandinistas' opposition. The Reagan Administration has so far refused to give absolute assurance to the American

(1) David Lee, "The Situation in Central America: Threats to International Peace and Security and Peace Initiatives", Statements and Speeches (November 10, 1983), p 2.

Government that the United States will not encourage and support the Nicaraguan counter-revolutionaries to overthrow the Sandinista Government.(1) Reagan's policy towards Nicaragua apparently includes an armed overthrow of the Sandinista regime.

There is no doubt that the Sandinistas have swayed from their original course of political plurality and non-alignment. Nicaragua now has the largest armed forces by far in Central America. American estimates place the size of the Ejercito Popular Sandinista (EPS--Sandinista Popular Army) at 20,000, backed by a militia and reserves of 80,000.(2) Estimates vary greatly as to the size of the EPS, but all agree that it is extremely large and it is equipped with weapons and materiel from Eastern Bloc countries. American officials claim that from 1979 to 1983 Nicaragua received \$125 million of military equipment from the Soviet Union.(3) The equipment includes heavy artillery, anti-aircraft weapons, assault helicopters, rocket launchers, patrol boats and tanks.(4) The Nicaraguans,

(1) Anne Nelson, "Struggling in an Elephant's Shadow", Maclean's (January 25, 1982), p 30.

(2) Thomas O. Enders, "Nicaragua: Threat to Peace in Central America", Department of State Bulletin (April, 1983), p 76.

(3) Ibid, p 76.

(4) Many people question the utility of these weapons,

Washington claims, are also in the process of obtaining MiG jet fighter aircraft.

Within Nicaragua repression and intolerance have increased in recent years. Even the most stalwart supports of the Sandinistas outside Nicaragua are becoming disillusioned and worried that Nicaragua will become another Cuba. The question which will likely never be answered is whether this repression and military emphasis in Nicaragua is something that the Sandinistas had planned all along, or, if it is the result of paranoia about potential American actions against Nicaragua. Have the accusations of Washington become self-fulfilling prophecies or are the Sandinistas following the course they have chosen? The answer to this question is beyond the scope of this thesis. What is important for the purposes of this chapter is that the increasing repression in Nicaragua, and the extremely large Nicaraguan armed forces are being used by the Reagan Administration to justify military aid and military actions in the area.(1)

especially the tanks, because Nicaragua's roads and bridges are not built to handle them and they cannot go through the jungle. Also, although there are military advisers in Nicaragua, the Sandinistas lack the trained Nicaraguan personnel to run and maintain the weapons, as well as spare parts to replace any damaged ones.

- (1) And the American military aid and actions in Central America in turn caused the Sandinistas to build up their armed forces and step up internal repression.

The Reagan Administration's military policy towards Nicaragua is one of 'symmetry'. Washington cites figures as to the size of the Nicaraguan armed forces, the type and source of weapons, and, the number of foreign military advisers in Nicaragua. In June 1983 President Reagan stated that there were 2,000 Cuban military and security advisers in Nicaragua.(1) He also declared that there were "additional thousands" of civilian advisers from Cuba, the Soviet Union, East Germany, Libya and the Palestine Liberation Organization (PLO).(2) Reagan's position is that if the Soviet Union and Cuba can arm Nicaragua and train the Sandinista forces, then the United States should be able to provide arms and military support to the other countries of Central America. A further facet of the symmetry is that if Nicaragua can provide arms to the insurgents opposing

The situation has become a vicious circle--a classic case of an arms race and military escalation.

- (1) Ronald Reagan, "Central America: Defending our Vital Interests", Department of State Bulletin (June, 1983), p 3.

*Fidel Castro explained the presence of Cuban advisers in Nicaragua by saying "we may not have great financial or material resources, but we do have human resources". He also was bemused by the fact that the contemporary presence of Cubans in Nicaragua was so poorly regarded since no one had protested Cubans helping in Nicaragua after the earthquake in 1972.--Pedro Camejo and Fred Murphy (editors), The Nicaraguan Revolution (New York: Pathfinder Press, 1979), p 69-70.

- (2) Ibid, p 3.

the government in El Salvador, then the United States can provide arms to the insurgents opposing the government in Nicaragua. It is the Reagan Administration's position that the Sandinistas "are achieving military force levels and capabilities that are far in excess of those normally required purely for defensive purposes".(1) Thus the other Central American countries must be provided with arms to protect themselves. President Reagan stated in February 1982:

I believe free and peaceful development of our hemisphere requires us to help governments confronted with aggression from outside their borders to defend themselves. For this reason I will ask Congress to provide increased security assistance to help friendly countries to hold off those who would destroy their chances for economic and social progress and political democracy...Let our friends and our adversaries understand that we will do whatever is prudent and necessary to ensure the peace and security of the Caribbean area.(2)

The Canadian policy towards the militarization of Central America could also be referred to as one of symmetry. It is, however, a different type of symmetry. While the United States stresses a positive symmetry--ie,

(1) John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 22.

(2) Ronald Reagan, "Caribbean Basin Initiative", Department of State Bulletin (April, 1982), p 6.

if the Soviet Union provides arms to the area the US should also--Canada stresses a negative symmetry--ie, neither side in the superpower confrontation should provide arms to the area. David Lee, Deputy Permanent Representative to the United Nations, states that the Canadian Government believes that "foreign intervention of any party will not assist the objectives of peace, stability, social and economic progress".(1) Lee continued, saying:

...our message to all who seek to restore peace in the region is to reverse the pattern of military escalation, so that social change, economic progress and the exercise of freedom will not be stifled. We believe a lasting peaceful solution can only be based on an acceptance by all concerned of the principles of respect for sovereignty, non-interference in the domestic affairs of states and non-use of force in international relations as well as acceptance of the need to withdraw all foreign military forces.(2)

Allan MacEachen, Trudeau's Deputy Prime Minister and in 1983 Minister of State for External Affairs, indicated that Canada would:

...support concrete proposals by the Contadora Group to stop the process of militarization and to verify and monitor the progressive withdrawal of all

(1) David Lee, "The Situation in Central America: Threats to International Peace and Security and Peace Initiatives", Statements and Speeches (November 10, 1983), p 2.

(2) Ibid, p 2.

foreign military personnel from the region.(1)

Canada has consistently condemned the militarization of Central America by the US and by any other outside power. The Trudeau Government did not condemn only one side in the militarization of Central America but declared that neither the United States or Cuba should provide arms to the area. The Canadian reservations about military aid given by the Americans to Central America were, however, expressed cautiously. Mark MacGuigan stated in 1981:

In light of the full circumstances, therefore, as we see them, we are prepared to contest the US policy of military aid but not to protest it; we are prepared to pronounce on it but not to denounce it; we are prepared to criticize it but not to condemn it.(2)

Nicaragua has denied Washington's charges that it is developing an offensive military capability. The Sandinistas cite historical precedent in their fears of American invasion, and the presence of armed counter-revolutionaries ('contras') on their borders as reasons for their large armed forces. The regimes of the countries north of Nicaragua, Honduras and Guatemala, are

(1) Allan J. MacEachen, "Strengthening the UN: The Search for Specifics", Statements and Speeches (September 27, 1983), p 4.

(2) Mark MacGuigan, House of Commons Debates (March 9, 1981), p 8032.

rightwing dictatorships known for their marked lack of sympathy for anything even faintly suspicious of communism. The Sandinistas feel justified in their worry about potential attack.

The Sandinistas deny that the airport expansion programme in Nicaragua is to accommodate Soviet MiG-21 fighter planes. Jaime Wheelock Roman, Sandinista Minister of Agriculture, states that the expansion programme was begun under Somoza on the recommendation of an American-financed transportation study in 1975-1976.(1) In response to American accusations that the Sandinistas have adopted Cuban style airfields a Sandinista official responded:

Of course we have airfields built on the Cuban model. Maybe if the United States had offered us help after the revolution we would have airfields that look like Fort Bragg.(2)

One cannot understand American military relations with Nicaragua without a consideration of events in El Salvador. The Reagan Administration's perception of a Nicaragua-El Salvador connection is crucial to comprehension of American military activities in Central America. The Reagan Administration accuses Nicaragua of supplying the arms that

(1) John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 24.

(2) Ibid, p 24.

leftist guerrillas are using in El Salvador. It also accuses the Sandinistas of directing the insurgency in El Salvador. A Department of State paper claims that:

Since at least mid-1980, Salvadoran guerrillas have been trained in Nicaragua. The Sandinistas have trained the guerrillas in military tactics, weapons, communications and explosives at the temporary training schools scattered around the country on Sandinista military bases. At several military sites in Nicaragua, Salvadorans receive training under guidance from Cuban and other foreign advisers.(1)

The Sandinista directorate has denied that it is providing arms and support for the Salvadoran guerrillas. The Cuban government has also denied sending arms or military advisers to Nicaragua and El Salvador. When asked in an interview with Maclean's how the Sandinistas respond to American accusations of involvement in El Salvador Miguel d'Escoto, Nicaragua's Foreign Minister, replied that "we have always insisted that we are in no way, shape or form involved in giving military aid to the Salvadoran people".(2) When asked if the American Department of State

(1) Department of State, "Cuban and Nicaraguan Support for the Salvadoran Insurgency", Department of State Bulletin (May, 1982), p 73.

(2) Anne Nelson, "A Country Right in the Line of Fire"< Maclean's (February 23, 1981), p 36.

had given any proof of the Nicaraguan involvement, d'Escoto replied:

They have never done so. They say they have photographs taken from a reconnaissance airplane showing that we have certain training camps and airports. But you don't need any sophisticated plane to establish that. And there is no connection between those facilities and aid to the Salvadoran liberation forces.(1)

The Sandinistas insist that any support that they give to El Salvador is only moral. Rafael Solis, a Sandinista leader, in a 1980 speech, indicated that:

...As higher authorities in my country have insisted time and again, we are not providing any type of assistance to any revolutionary movement in Central America. Even if that were our inclination, and it is not, we are too absorbed in the formidable task of reconstruction. The desperate conditions of our own people preclude any foreign involvement.(2)

Solis continued, saying that "there is one form of aid that we have extended--that is, the inspiration provided by the example of our revolution".(3)

The Sandinistas admitted in 1981 that some Nicaraguan government officials "acting in a personal capacity" were

(1) Ibid, p 36.

(2) Rafael Solis, Vital Speeches (February 15, 1980), p 275.

(3) Ibid, p 275.

involved in arms shipments to El Salvador but declared that when "the Nicaraguan government finds out officially it will be stopped".(1) The Sandinistas also admit that there might be some Nicaraguans fighting in El Salvador, but that these Nicaraguans were not sent by the Sandinistas, nor are they representatives of the Nicaraguan Government.(2) Apparently in 1981 the Sandinistas offered to end any support going to Salvadoran insurgents from Nicaragua "if the United States would only provide hard information about the location of the aid".(3)

The Reagan Administration has campaigned several times to provide 'hard information' on the role of Nicaragua in El Salvador. In February 1981 the State Department issued a "White Paper" on Nicaraguan involvement in El Salvador. The White Paper cited "proof that rebel arms in El Salvador were being channeled by Cuba and the Soviet Union through Nicaragua".(4) The 'proof' convinced few people. Despite the fact that there was some evidence of Nicaraguan

(1) Nick Kotz and Morton Kondracke, "How to Avoid Another Cuba", The New Republic (January 20, 1981), p 22.

(2) John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 24.

(3) George Russel, "Pros, Cons and Contras", Time (June 6, 1983), p 15.

(4) Walter Isaacson, "A Lot of Show but No Tell", Time (March 22, 1982), p 16.

participation in El Salvador, the State Department presentation lacked credibility, especially since "many of the intelligence details were provided by a clearly prejudiced party--the Salvadoran armed forces".(1)

The continuing campaign of the Reagan Administration was a grand display of mismanagement, perhaps even disception. The 'smoking Sandinista' witness ran away; two Nicaraguan air force defectors were judged "not ready" to face the press; a Nicaraguan soldier, Orlando Jose Tardencillas Espinosa, produced by the State Department repudiated his story of being sent to El Salvador by the Sandinistas and; evidence was judged "too sensitive" to be given to the public. A second White Paper was released in June 1983 which continued to claim that Nicaragua was aiding the Salvadoran rebels. Although it is almost certain that there is some Sandinista influence in the insurgency in El Salvador, solid evidence in the White Paper was again lacking.

The most convincing evidence the Reagan Administration has provided about the Nicaraguan military buildup and arms conduit is from image intelligence photographs (IMINT).(2)

(1) James Kelly, "Winning Hearts and Minds", Time (March 2, 1981), p 26.

(2) Apparently it has been claimed that some of the photographs shown by the State Department and said to be Nicaraguan airfields were actually photographs of

The IMINT photographs illustrated that the Nicaraguan armed forces were larger than the Sandinistas claimed, but "nothing in the declassified material showed a direct conduit of arms in El Salvador".(3) The Reagan Administration showed the classified evidence to former government officials. Those shown the evidence stated that it was "quite convincing", "credible" but did not deal with the larger question.(4) French officials shown the aerial photographs said:

...they were interesting. But there was no evidence offered that connected these bases with Nicaraguan plans to intervene militarily in El Salvador or anywhere else. We were not at all convinced.(1)

Canadian officials who saw the evidence were less skeptical of its authenticity and worth than the French officials.(2)

airfields nowhere near Nicaragua. Pictures used by the State Department to show the Sandinistas killing Miskito Indians were actually pictures of Somoza's National Guard killing the Indians.

(1) Ibid, p 23.

(2) Other non-government Canadians were more skeptical. When asked if, from his own extensive travels and interviews, he had found proof that arms were being transported from Cuba through Nicaragua to El Salvador, Bishop Adolphe Proulx (Co-Chairman of the Human Rights Committee of the Canadian Conference of Catholic Bishops, also Vice-President of the Inter-Church Committee on Human Rights in Latin America) said: "No. As far as we know from witnesses, there is no proof whatsoever. I believe most of the arms were bought on the American scene".--Subcommittee interview with Bishop Adolphe Proulx, p 8:27.

In fact Mark MacGuigan said that the Canadian Government had "no reason to doubt this evidence".(1)

Electronic eavesdropping was used to supplement the IMINT photographs. The eavesdropping was used to pick up radio communications in Nicaragua. Radio intercepts located several clandestine radios used by Salvadoran guerrillas. These radios' signals were used to determine the location of the guerrillas' central command station. Apparently the station is (or was) in Nicaragua, near the capital, Managua. The State Department admits that the insurgency may be directed from Nicaragua but not necessarily by Nicaragua.

The real extent of Nicaragua's participation, if any, in El Salvador's revolution will probably never be known for certain. There is little doubt that there is some Nicaraguan involvement with the rebels, more than the Sandinistas will admit to, but less than the State Department claims. Therefore, in the face of the Sandinista denials and the less than convincing proof provided by the Reagan Administration, the Trudeau Government did not take a strong position on either side. Ottawa simply continued to call for political, not military, solutions. Charles Lapointe, Trudeau's Minister of State for External Rela-

(1) Mark MacGuigan, House of Commons Debates (March 9, 1981), p 8034.

tions, indicated that "the Government condemned without any hesitation all foreign intervention and armed support in Nicaragua". (1)

As the Sandinistas approached victory in 1979 many members of Somoza's National Guard fled to neighbouring Honduras to avoid reprisals. Despite the fact that the Sandinistas exercised surprising restraint in the avoidance of wholesale reprisals, the former National Guard members joined forces in Honduras to become counter-revolutionaries (contras). The contras initiated raids into Nicaragua with the purpose of forcibly removing the Sandinistas from power. The raids were generally ineffective until early 1982 when the United States started to provide both materiel and logistic help to the contras. Washington wanted to unify the counter-revolutionary forces in order to make them into a broad anti-Sandinista force rather than just a Somocista movement.

The original purpose given for the American support of the contras was the interdiction of weapons moving from Nicaragua to El Salvador. However, it rapidly became apparent that the support was not only for this purpose. Arms transfers from Nicaragua to El Salvador had declined markedly. According to Alan Riding, author of "The Central

(1) Charles Lapointe, House of Commons Debates (April 12, 1983), p 24399.

American Quagmire", the "main shipment of weapons [from Nicaragua to El Salvador] took place in 1980 and relatively few have entered El Salvador since then".(1) The unstated purpose for the Reagan Administration's support of the contras was "to create an anti-Sandinista army capable of destabilizing and perhaps eventually overthrowing the revolutionary regime".(2)

The contras have been funded through the Central Intelligence Agency (CIA). In March 1982 it was announced that President Reagan had approved a \$19 million CIA plan to support a 500-man paramilitary force to destabilize Nicaragua.(3) Reagan approved the funds at a November 1981 meeting of the National Security Council. Reagan justified the support given to the contras by accusing the Sandinistas of betraying their countrymen and calling the junta members "counterfeit revolutionaries who wear fatigues and drive around in Mercedes sedans".(4) Reagan

(1) Alan Riding, "The Central American Quagmire", Foreign Affairs (1983), p 647.

(2) Ibid, p 648.

(3) Walter Isaacson, "A Lot of Show but No Tell", Time (March 22, 1982), p 14. and John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 22. and Margaret D. Wilde, "Church Crisis Mounts in Nicaragua", The Christian Century (April 28, 1982), p 514.

(4) George Russel, "Nothing Will Stop this Revolution", Time (October 17, 1983), p 37.

also justified the support by asking "are democracies required to remain passive while threats to their security and prosperity accumulate?"(1) When asked whether the contras' insurgency was supported by the US, Thomas O. Enders, Assistant Secretary for Inter-American Affairs, obliquely answered:

In light of recent allegations in the media, you will ask me right off whether the insurgency has been created or supported by the United States. No American Administration has ever discussed this kind of allegation--other than in the Senate and House committees created expressly for the purpose-- and this one will not break precedent.(2)

The Reagan Administration refuses to deny that it is supporting the contras to destabilize or change the regime in Managua.(3) Washington's "secret war" with the Sandinistas through the contras is perhaps the Reagan Administration's worst kept secret.

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- (1) Ronald Reagan, "Central America: Defending our Vital Interests", Department of State Bulletin (June, 1983), p 4.
 - (2) Thomas O. Enders, "Nicaragua: Threat to Peace in Central America", Department of State Bulletin (June, 1983), p 78.
 - (3) President Reagan as much as admitted in February 1985 that his administration supported a change of government in Managua. The Calgary Herald. February 22, 1985.

The Trudeau Government, as well as other American allies in Europe and some of Reagan's opposition in the US, have noticed a flaw in the Washington's plan to use the contras to remove the Sandinistas. The threat from the contras, rather than eliciting support from the Nicaraguan people and fracturing the regime, has caused Nicaraguans to rally around the Sandinistas. There may be opposition within Nicaragua, but the Sandinistas would likely be preferred to any solution imposed from outside. The Reagan Administration has to be careful, if they want the contras to be successful, not to become too involved and thus give the appearance that the contras are American puppets. Critics also worry that if the White House continues to provide funds to the contras that the force "could become so well-trained and heavily armed that it might continue its insurrection even if the US tried to get it to stop".(1)

The original \$19 million provided to the contras has been followed by more money, arms and training. The Nicaraguan contras have been trained by CIA agents. There were even training bases located near Miami in the United States. One of the places Cuban and Nicaraguan exiles train for the "liberation" of their homelands is Campamento

(1) George J. Church, "A Big Stick Approach", Time (August 8, 1983), p 12.

Libertad just outside Miami.(1) The camp offers instruction in both conventional and guerrilla warfare. The Reagan Administration initially refused to close down the camps, stating that the activities take place on private property with registered weapons. The presence of the training camps violates American Neutrality Laws. Paul Reichler, an attorney representing the Nicaraguan Government in Washington, states that:

It undercuts the credibility of the US government when we permit international terrorists to train within our borders for operations in violation of our own laws against a government with which the US is at peace and has full diplomatic relations.(2)

Washington has applied the neutrality laws against Haitians training for the purposes of attacking the right-wing Duvalier regime in Haiti.(3) Apparently neutrality laws only apply to those attempting to overthrow regimes with which the Reagan Administration agrees. After much pressure from within the United States Reagan finally agreed to close the camp--some however, may still exist.

(1) Ronnie Lovler, "Training for the Counterrevolution", The Nation (September 26, 1981), p 265.

(2) Ibid, p 268.

(3) Margaret D. Wilde, "Church Crisis Mounts in Eastern Nicaragua", The Christian Century (April 28, 1982), p 514.

Not only have the Administration and the CIA contravened neutrality laws, they have used Canada as a cover for some of their activities with the contras. A DC-3 airplane crashed on March 24, 1984 near the Costa Rica/Nicaragua border. The DC-3 was owned by the American military and was being used to transport weapons to the anti-Sandinista forces when it crashed.(1) The plane was painted with Canadian call letters, CF-ETE, which was an illegal use of Canadian call letters. The Trudeau Government did not publicly protest this action.

The Trudeau Government has enquired into the presence of Canadian bullets among the supplies of the contra forces. Canadian law "forbids exports of arms to a country where armed conflict exists".(2) Canada is the only manufacturer of this type of bullet and the only major sale in the last 15 years has been to the United States.(3) This seems to indicate that the bullets are being provided to the contras by the United States, in contravention of Canadian law.

(1) Pauline Jewett, House of Commons Debates (May 28, 1984), p 4104.

(2) Charles Lapointe, House of Commons Debates (May 30, 1983), p 25834.

(3) Gillian Mackay, "The Trail of Canadian Bullets", Maclean's (June 13, 1983), p 20.

The contras are not a unified force. There exist two major and opposing factions of contras: in the north, based in Honduras, are the Frente Democratico Nacional (FDN) forces, and in the south, based in Costa Rica, are the forces of the Alianza Revolucionaria Democratica (ARDE). ARDE is led by Eden Pastora Gomez, a reknowned hero of the Sandinista Revolution who left Nicaragua in 1982 disillusioned with the increasing radicalization of Nicaragua.(1) The Sandinistas claim that the contras, particularly the FDN (which receives most of the American funding), are made up of ex-members of the hated National Guard. While it is true that between 5% and 20% of the FDN's forces are ex-Guardia members, the fact is that the percentages are decreasing as disillusioned Sandinista supporters swell the ranks of the contras. It is the defectors, such as Pastora, who cannot be accused of Somocism, that pose the greatest threat to the Sandinistas.

The FDN forces have undertaken, as have the other contra groups, countless raids on Nicaragua from Honduras. The Sandinistas have protested these incursions of their sovereign territory in international fora, particularly the

(1) Eden Pastora Gomez was rumoured to have quit ARDE in October 1983 claiming that Alfonso Robelo, ARDE's political leader, was trying to kill him.

United Nations. In response to the accusations President Reagan responded;

Nicaragua's dictatorial junta, who themselves made war and won power operating from bases in Honduras and Costa Rica, like to pretend they are today being attacked by forces based in Honduras. The fact is, it is Nicaragua's Government that threatens Honduras, not the reverse.(1)

Despite President Reagan's accusations Nicaragua has, in fact, been remarkably careful not to pursue the contras into Honduras.

It is not the purpose of this chapter to detail every skirmish--suffice it to say that the Nicaraguan armed forces and the contras have crossed paths hundreds of times since 1979. Casualties, while not debilitating for either side, have nonetheless been significant. Both the Nicaraguan armed forces and the contras have had their share of victories and defeats.

In mid-1983 the FDN forces appeared to have shifted their tactics. Instead of engaging the superior Nicaraguan armed forces, the FDN initiated a programme of economic sabotage. In October 1983 the FDN attacked Nicaragua's main oil port of Corinto on the Pacific Coast. The attack caused a fire in a fuel depot and threatened a fuel storage

(1) Ronald Reagan, "Central America: Defending our Vital Interests", Department of State Bulletin (June, 1983), p 3.

tank. Corinto, a city of approximately 40,000, had to be evacuated. Firefighters from Nicaragua, Mexico, Columbia and Cuba managed after several days to quell the fire. The Corinto raid was followed by a raid on Puerto Sandino, and, an assault on a ship carrying Nicaraguan sugar. Daniel Ortega admitted in autumn 1983 that economic sabotage had cost Nicaragua more than \$100 million.(1) The economic raids, it was hoped, would pressure the Sandinistas into accepting Washington's demands for ending the flow of arms to El Salvador (which the State Department admitted in May 1981 had all but stopped)(2) and liberalizing Nicaragua.(3)

In the winter of 1982 analysts for the Reagan Administration were preparing an option paper on how to isolate Nicaragua by force. The Pentagon, says John Brecher, writer for Newsweek magazine, "concluded that it would be relatively easy to mine the main harbours [of Nicaragua] at Puerto Cabezas and Bluefields on the Caribbean and the Gulf of Fonseca on the Pacific".(4) In the spring of 1984

(1) Paul Ellman, "Nicaragua: The Fire Next Time", Maclean's (October 24, 1983), p 40.

(2) Department Statement, Department of State Bulletin (May, 1981), p 71.

(3) Jared Mitchell, "The Clampdown on Covert Action", Maclean's (May 16, 1983), p 23.

(4) John Brecher, "Taking Aim at Nicaragua", Newsweek (March 22, 1982), p 29.

harbours off Nicaragua's east and west coast were mined. The contras, with CIA help and the Reagan Administration's apparent approval, had laid the mines in order to halt the flow of traffic into and out of Nicaragua. This was done in the attempt to effectively cripple the Nicaraguan economy. Nicaragua took the United States to the International Court at the Hague to obtain a ruling about the mining. Washington indicated that, despite a tradition of cooperation with the Court, in this case it had no intention of abiding by a World Court decision. The Court ruled that the United States had violated international law in the mining of the harbours.

The Trudeau Government expressed its 'concern' about the mining to the Reagan Administration and stated that "we believe that the rule of international law should apply in relation to these matters".(1) The Trudeau Government refused, however, to condemn Washington for the mining, despite the fact that even the Republican-controlled Senate in the United States condemned the action.(2) According to

(1) Gerald Regan, House of Commons Debates (April 10, 1984), p 2900.

(2) Their reluctance to condemn the Reagan Administration for the mining because of insufficient proof may have been overly cautious of the Trudeau Government because the American Government was informed that Reagan gave authorization to the CIA in writing to mine the ports.

Gerald Regan, Trudeau's Minister of State for International Trade,

Canada has taken the position that it is a definite breach of international law for mines to be placed outside of ports of countries which are at peace and where hostilities are not occurring. We believe that the placing of mines in the situation in Nicaragua does not constitute an illegal international act. It is not clear who is responsible for the placing of those mines.(1)

Pierre Trudeau stated that "we are trying to ascertain who is responsible for this act of terrorism which has been and will be condemned by us".(2) The actual act of mining the harbour was condemned by Ottawa but the Trudeau Government was careful not to protest too strongly Washington's role in the affair until conclusive evidence was provided. Trudeau stated "if we can ascertain that the acts are coming specifically from the US administration, we will condemn them."(3) The Government refused to follow the French example and send Canadian minesweepers to help clear the harbours.

(1) Gerald Regan, House of Commons Debates (April 11, 1984), p 2936.

(2) Pierre E. Trudeau, House of Commons Debates (April 11, 1984), p 2937.

(3) Ibid, p 2937.

Although the United States cannot disguise the military materiel it provides to the contras, the CIA is careful to avoid the appearance of direct control of the contras. The command structure is tiered. According to George Russel, writer for Time magazine, who learned from FDN sources, there are three tiers to the FDN's command. The first level, says Russel, is composed of former National Guard officers. The second tier is made up of officers from the Honduran armed forces and members of the Argentine armed forces who help with training. The third tier, the top of the command structure, is made up of CIA members and representatives of the United States Army's Southern Command based in Panama.(1) This complicated structure, states Russel, is to avoid contravening a 1983 Defence Department appropriations bill which forbids funding military activities that are not part of a country's armed forces.

Aside from supporting the contras, Washington has also been supplying funds to the Honduran armed forces. In July 1982 President Reagan told then Honduran President Roberto Suazo Cordova that he hoped to give Honduras \$17 million in supplementary military aid in 1982.(2) Not only did the

(1) George Russel, "Nicaragua's Elusive War", Time (April 4, 1983), p 35.

(2) "The Ham in the Sandwich", Time (July 26, 1982), p 28.

Reagan Administration provide funding to the Honduran military, it also began to involve the American armed forces in the area. Early in 1982 the US established military bases on the island of Amapala in the Gulf of Fonseca and on San Andres Island in the Caribbean, both of them within the continental shelf waters of Nicaragua.⁽¹⁾ The first large-scale American military manoeuvres with the Honduran military took place in the summer of 1982. In early 1983 joint US-Honduran military exercises, called Big Pine I, were undertaken. In August 1983 Big Pine II commenced. During the Big Pine exercises American warships patrolled off Nicaragua's coasts. The exercises were to put Honduran and American forces against an imaginary invading communist army from a neighbouring country. The experience was also designed to give American soldiers practice fighting on Central American terrain, and, to train the Honduran soldiers in American combat and counter-insurgency tactics. President Reagan claimed that the exercises were merely the continuation of manoeuvres which had been taking place since 1965. While this is the case, the scale of the Big Pine exercises is far larger than ever before. Critics suggested that the Big Pine manoeuvres may have the intention of providing a political

(1) Sergio Ramirez Mercado, "The Threat to Our Revolution", The Nation (April 3, 1982), p 390.

message to the Sandinistas. Managua certainly got the warning.

In October 1983 the United States invaded Grenada. The coup by radical leftists, who killed Maurice Bishop, prompted the American invasion. Washington's actions were taken officially to protect American lives in Grenada. The Reagan Administration accomplished the Grenadian invasion with remarkably little public outcry, and claimed it as a victory for democracy. Despite denials from Washington, the invasion of Grenada was seen in Managua as a test of public opinion and a warning to the Sandinistas that the United States would invade Nicaragua if it felt an invasion was necessary. The Big Pine exercises and the invasion of Grenada combined to make the Sandinistas feel increasingly threatened. The revival of the Central American Defence Council (CONDECA), a dormant mutual security pact (founded in 1962 by the initiative of Anastasio Somoza Debayle), and the presence of a US-Honduras mutual assistance pact did not relieve that Sandinistas' perception of threat.

Canada is not a member of the defence pacts in Latin America. Canada was not informed by Washington of the impending invasion of Grenada. Prime Minister Trudeau stated that his government "regretted the action [the invasion]" and that

...unless we had information which showed that this action was necessary

to protect and rescue American nationals, and unless there was no other way of doing it, then the intervention would seem unjustified.(1)

Trudeau, however, "did not want to speculate on a hypothetical situation in Nicaragua or elsewhere".(2)

Despite Reagan's claim of success in Grenada he was having increasing difficulty obtaining funds from Congress for his Administration's activities in Central America. Reagan has been facing a stubborn Congress over whether the United States should be funding the contras, or "freedom fighters" as Reagan calls them. The Democrat-controlled Congress suspects that the original purpose of the contras (the cessation of the arms flow to El Salvador) has been converted to a new purpose of affecting a change of government in Managua. In May 1983 the House Select Committee on Intelligence voted to cut covert American assistance "to military, or paramilitary operations in Nicaragua by any nation, group, organization, movement or individual".(3) This bill was more cautiously worded than previous amendments in the attempt to create an effective barrier to CIA operations against Nicaragua. In May 1983

(1) Pierre E. Trudeau, House of Commons Debates (October 26, 1983), p 28343.

(2) Ibid, p 28343.

(3) Jared Mitchell, "The Clampdown on Covert Action", Maclean's (May 16, 1983), p 23.

the Senate Intelligence Committee adopted a compromise proposal which allowed funds already appropriated for the fiscal year ending September 1983 to be available to the contras. For further funds, however, Reagan would have to submit a plan "defining the objectives of CIA covert action in Central America" and have it approved by both the House and the Senate Intelligence Committees.(1) The adoption of the compromise bill was only a minor set-back for the Reagan Administration, however, because the CIA has other discretionary funds and the means to continue the support in other ways, if the White House desires it.

In January 1984 the National Bipartisan Commission on Central America (the Kissinger Commission) reported to the American Government after a year of interviewing and discussions. The recommendations of the Commission rather than following the anti-interventionist feeling in Congress, closely paralleled the Reagan Administration's opinions on the nature of the cures necessary in Central America. The Report recommended an increase in the amount of economic aid to Central America. It also recommended a major increase in military aid to El Salvador and held little hope of a negotiated settlement with the

(1) Walter Isaacson, "Uneasy Over a Secret War", Time (May 16, 1983), p 11.

Sandinistas.(1) Other than cautiously suggesting that Washington should continue support for the Sandinista's opposition, the Report did not address the question of the contras at all. The Kissinger Commission's Report proved a disappointment to those who hoped that the Reagan Administration's support for military confrontation with the Sandinistas was waning.

This chapter could not possibly cover in detail all the interactions between the contras and Washington, and, the contras and the Sandinistas. Even without every detail, however, it is evident that there were major differences between Pierre Trudeau and Ronald Reagan with regard to military affairs in Central America. Trudeau had condemned military actions throughout the events since 1979 and stressed the need for political solutions. The Reagan Administration is in favour of political solutions but only on its own terms. It is engaged in a not-so-covert war with the Sandinistas to achieve these terms.

The question again becomes why does this difference exist. The answer lies in the perceptions from Ottawa and Washington. President Reagan sees the threat of a monolithic and dangerous Soviet Union in Nicaragua. The presence of communism in the Western Hemisphere cannot be

(1) Russel Watson, "More Money--And More Guns", Newsweek (January 23, 1984), p 28.

tolerated by Washington. Nicaragua, and the threat of its tendencies, must be resisted and for the United States the resistance to communism includes force. Whereas the Reagan Administration accepts the use of force to achieve policy ends, the Trudeau Government did not. Ottawa has long recognized that Canadian security lies in American protection, not in Canadian actions. Canada does not, and could not, resist the fact that countries in the Western Hemisphere may choose socialism. The Trudeau Government did not perceive the Sandinistas as a threat and, thus, would not condone the use of force to counter Nicaragua.

CHAPTER FIVE

ECONOMIC RELATIONS

It could be said that money and its allocation are good indicators of political relations. The allocation of economic assistance or aid, although usually termed apolitical, can say much about a country's perception of events in the world. The perceptual differences between former Prime Minister Trudeau and President Reagan are again apparent in Canadian and American economic relations with Nicaragua. Though not an area of traditional importance Canada has continued giving aid to Nicaragua since their revolution.(1) The United States, on the other hand, has traditionally been interested in and involved with Nicaragua but officially discontinued economic aid to the Sandinistas in 1981. The Reagan Administration has also been accused of discouraging the international financial institutions (IFI's) from allocating assistance to countries such as Nicaragua which Washington perceives as latent Soviet satellites.

(1) Aid or official development assistance (ODA) refers to grants or loans undertaken by the official sector with the promotion of economic development and welfare as main objectives. From The Statistical Annex of Canadians in the Third World (CIDA's year in review, 1981-1982).

There is no question that Nicaragua is in need of financial assistance. Although relatively richer than Honduras or El Salvador, Nicaragua's civil war did serious damage to the economy. An Economic Council for Latin America (ECLA) study indicated that the bombings by National Guard forces resulted in \$580 million in damage to the infrastructure of the agricultural, industrial and commercial sectors.(1) The Department of External Affairs estimates that approximately 15,000 people were killed and 600,000 were forced to flee their homes. Other sources estimate that up to 50,000 were killed in the conflict.(2) Not only did Somoza's forces cause severe infrastructural damage, death and dislocation of the populace, the Somoza regime left a \$1.5 billion debt to the Sandinistas.(3) The Sandinistas found themselves having to pay off the

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- (1) Pedro Camejo and Fred Murphy (editors), The Nicaraguan Revolution (New York: Pathfinder Press, 1979), p 39. The Canadian International Development Agency estimates \$250 million (US) in damage and a \$1.1 billion debt--Nicaragua country profile.
 - (2) Department of External Affairs, External Affairs (November/December, 1979), p 25. Estimates vary as to the death toll. US News and World Report estimates more than 30,000 killed and 100,000 wounded. Carl J. Migdail, "Nicaragua Blinks in Showdown with US", US News and World Report (March 21, 1981), p 25. The estimates may vary no doubt because of using different time parameters for the start of the revolution.
 - (3) Pedro Camejo and Fred Murphy (editors), The Nicaraguan Revolution (New York: Pathfinder Press, 1979), p 40.

short-term, high interest loans that Somoza had taken out to fight the Sandinista forces. Somoza and his supporters also removed money from the state coffers.

While the obvious threat to Nicaragua today comes from the armed forces on Nicaragua's borders, the Sandinistas are more likely to fall due to economic reasons. The Sandinista leaders, while skilled perhaps in guerrilla warfare and leadership, have not excelled at economic management. The Nicaraguan foreign debt rose quickly from \$1.5 billion in July 1979 to \$3.5 billion in December 1981.(1) The governing junta has been unable to keep inflation down, control fluctuating commodity prices, obtain the spare parts necessary to keep industry running, or, provide adequate food to all areas of Nicaragua.(2)

The expropriation of Somocista lands has been a success for the Sandinistas, especially among the poor. Unfortunately those moving on to the state farms are not generally highly skilled at land management or crop production. The Sandinistas have also had problems with the business sector. While the Sandinistas have promised not to expropriate all private property, and have left approximately 60 per cent of the economy in private hands, the

(1) George Russel, "Life in the Bunker Republic", Time (December 14, 1981), p 40.

(2) Here the dollars cited are American dollars.

businessmen still worry about the expropriation of Somocista properties. They refuse to invest and produce until they know in which direction the Sandinistas are heading. Without investment the Nicaraguan economy cannot function. The reluctance of business to invest, combined with the funds channelled into the armed forces to protect the revolution, and the problems of mismanagement all have produced a major economic crisis in Nicaragua. This crisis may only be solved by financial assistance from outside the country.

Immediately following the Sandinistas' victory in 1979 the reconstruction assistance flowed into Nicaragua from all quarters. The United States, under President Carter, initially provided much of the aid for reconstruction in Nicaragua. The Carter Administration, however, ran into difficulties providing assistance to the Sandinistas. Aid promised to Nicaragua was delayed by the American Government which suspected the Sandinistas of Marxist tendencies. The Carter Administration did not fight for the funds because its attention was on the coming election and other foreign policy matters.

When Ronald Reagan took over the presidency the United States was still providing large amounts of aid to Nicaragua. President Reagan soon, however, changed the American aid policy. In February 1981 the Reagan Adminis-

tration cancelled a \$9 million wheat credit and announced the suspension of \$60 million in American aid to Nicaragua.(1)

A plan to destabilize Nicaragua economically was hatched by Reagan officials at approximately the same time as the Administration was considering the use of armed counter-revolutionaries to destabilize the Sandinistas. The delaying or halting of aid was part of the plan. It was easy for the Reagan Administration to recognize the economic difficulties the Sandinistas were experiencing. A cutoff of American aid would augment these difficulties, thus increasing discontent within Nicaragua. At the appropriate moment, so the plan went, the armed counter-revolutionaries would arrive and replace the Sandinistas. The economic destabilization plan was to:

...oppose consolidation of a Communist regime tied to the Soviet Union--give them no encouragement or resources, so that sooner or later they will collapse or be discredited in the eyes of their own people.(2)

The Reagan Administration, or at least some officials in it, recognized that economic hardship was likely to under-

(1) John Piper and Jacqueline Toupin, "The Sandinistas Ride the Wave of a Shaky Victory", Maclean's (March 30, 1981), p 12.

(2) Nick Kotz and Morton Kondracke, "How to Avoid Another Cuba", The New Republic (January 20, 1981), p 20.

mine support for the Sandinistas within Nicaragua. And without American assistance the Sandinistas would have great difficulty financing their programmes.

Whether or not this was part of a conscious economic destabilization programme, the Reagan Administration announced in April 1981 that it would suspend aid to Nicaragua. The reason given for the suspension was the Sandinistas' alleged support of the insurgents in El Salvador. Despite Reagan Administration estimates of the serious economic problems in Nicaragua, no one seemed to admit that the Sandinistas had more pressing uses for their money than the Salvadoran conflict.

In Central America, as in the rest of the world, the purpose of Canadian aid is "to deliver assistance to the poorest people of the poorest countries".(1) The Trudeau Government, through its aid programmes, was pledged to "a confrontation with want, with disparity and with unfairness".(2) Mark MacGuigan stated in 1981 that "Canada ranks first among industrialized nations in terms of percentage

(1) Mark MacGuigan, "The Canadian Approach to the International Promotion and Protection of Human Rights", Statements and Speeches (August 31, 1982), p 5.

(2) Pierre E. Trudeau, "The Character of Canada's Involvement in Latin America", Statements and Speeches (January 30, 1976), p 4.

of aid to development which it gives to the poorest countries".(1)

Paul Gerin-Lajoie, president of the Canadian International Development Agency (CIDA) in the mid-1970s, stated that:

On my first contact with the reality of Latin America, we resolved that our cooperation with your [Latin American] countries would provide support for the agents of change and would clearly manifest itself in your countries' endeavours to further the advancement of the least privileged groups of people.(2)

This quotation illustrates a fundamental difference between Canadian and American policy in the Third World. In the above quotation Gerin-Lajoie states that CIDA will support the agents of change. Support for the agents of change is almost in diametric opposition to the Reagan Administration's support for the status quo ante.

The Trudeau Government stated time and again that Canadian aid is given on the basis of need, not on the basis of ideology. According to Marcel Masse, former president of CIDA, there are a number of criteria applied

(1) Mark MacGuigan, House of Commons Debates (June 16, 1981), p 10655.

(2) Paul Gerin-Lajoie, "Plan of Action for Cooperation Between Canada and Latin America", (Rio Speech, November, 1976), p 8.

to determine which countries will receive Canadian development assistance. Masse stated that:

...our criteria in CIDA are not in terms of left and right [on the political spectrum] but in terms of production--ability of the country to absorb a project and use it efficiently--and in terms of rate of return, but of course a rate of return that takes into account not only economic results but also results in terms of quality of life, education, training, recurrent effects, that type of thing.(1)

Mark MacGuigan stated that "...we try to give our aid in every country so that it is humanitarian, it is not politically motivated or related and it does not benefit the government".(2) MacGuigan stated that he felt that a political dimension to Canadian aid would damage Canada's reputation in the Third World.(3) In terms of economic aid, said MacGuigan, "we [Canada] are believed not to have any ideological axes to grind, but to give things fairly and freely without trying to achieve ulterior motives of our own".(4) Giving aid only to right-wing regimes would

(1) Subcommittee interview with Marcel Masse, p 2:90.

(2) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 24.

(3) Canadian aid is often criticized, however, for the large percentage of it which is tied to the purchase of goods in Canada.

(4) Ibid, p 23.

merely jeopardize Canada's relations with the Third World.

Mark MacGuigan stated that:

...if it [Canadian aid] were not politically neutral, if it were given more to countries with right-wing regimes than to left-wing regimes, or vice versa, as I think we are sometimes urged to do, really, there would be a great deal of resentment with respect to our aid, as indeed there is with respect to the aid of some other developed countries give (sic).(1)

The Trudeau Government was convinced that an emphasis on only left-wing, or on only right-wing regimes would make a farce of the policy of apolitical aid.(2) Thus Allan MacEachen in 1984 refused pressure to cut off aid to Honduras because it was allegedly interfering in Nicaragua, stating that this would not be done for the same reason aid to Nicaragua would not be cut off for alleged interference in El Salvador.(3)

Canada recognizes the poverty in Central America. In the period 1972 to 1981 Canada provided more than \$60

(1) Ibid, p 23.

(2) There have been accusations that the Trudeau Government was not as apolitical in aid contributions as it maintained. Apparently Managua accused Ottawa of giving only \$6.8 million to Nicaragua in 1980-83, while the rightist regimes of Guatemala, El Salvador and Honduras received \$58 million in the same time period. Susan Riley, "Canada's Uneasy Stand on a Tricky Issue", Maclean's (August 8, 1983), p 22.

(3) A. MacEachen. H of C Debates. April 16, 1984, p 3083.

million in bilateral aid to the area.(1) Honduras and El Salvador, as the poorest of the area, received the majority of the funding.(2) Nicaragua, however, continues to receive aid from Canada for a number of bilateral programmes (see Appendix A). The Trudeau Government's opinion, as expressed by Charles Lapointe, Trudeau's Minister of State for External Relations, was:

As far as aid is concerned, I believe this country [Nicaragua] is among the poorest in the world, and that whatever its political affiliation, it has a stable government and its reconstruction plan needs the assistance of all industrialized countries, and I believe Canada is fulfilling its role in the international community as a responsible partner by providing assistance to this country.(3)

Canadian aid was given to Nicaragua on the understanding that the Sandinistas would uphold the aspirations of their revolution. Mark MacGuigan in 1982 stated the terms of Canadian aid:

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- (1) Mark MacGuigan, House of Commons Debates (June 16, 1981), p 10656.
 - (2) El Salvador no longer receives large amounts of Canadian aid as the civil war there has jeopardized the allocation of aid.
 - (3) Charles Lapointe, House of Commons Debates (March 4, 1983), p 23450. External Affairs states that in 1969 only 3% of the money earmarked by Parliament for external aid went to help the economic development of Latin America. Department of External Affairs, External Affairs (July, 1969), p 287.

We have said to the Nicaraguans that we are giving our aid to them on the basis of principles which they themselves have acknowledged to be permanent features of their country; such things as pluralism, mixed economy and human rights. If they are not prepared to live up to their own ideals, which they have put forward on their own accord, then we would be in a different situation such that we would have to consider again what we would do.(1)

Latin America is second only to the United States as the recipient of Canadian foreign investment--at the end of 1976 Canadian direct investment in the area totalled \$2.3 billion.(2) Latin America, however, represents a small part of the Canadian aid programme. Approximately 6 per cent of Canada's aid goes to Latin America and most of that aid is concentrated in Honduras, Haiti, Columbia and Peru as the poorest countries.(3) Although Nicaragua is not a programme country, Canada has also been involved in assistance there. Commercial and economic development ties with Central America have been of some importance. Canadian investment in Central America is significant, totalling about \$300 million in 1981.(4) Most of this investment is

(1) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 24.

(2) Jacques Gignac, "Canadian Economic Relations with Latin America", Statements and Speeches (June 12, 1979), p 3.

(3) Subcommittee interview with Marcel Masse, p 2:88.

(4) Mark MacGuigan, House of Commons Debates (March 9,

concentrated in the nickel extraction industry in Guatemala. Central America is also an important market for Canadian exports, totalling over \$100 million in 1980 of mainly labour-intensive manufactured goods.(5)

The Trudeau Government was one of the governments which sent aid to the Sandinistas after the defeat of Somoza in 1979. Canadian bilateral assistance to Nicaragua has continued (see Appendix A). Even under some pressure within and outside Canada to reduce aid, the Trudeau Government maintained the programme. As Paul Gerin-Lajoie, said of Nicaragua in 1976, "Canada's attitude has always been that aid should strive to reach the people without involving the support for any particular form of government".(1) The Trudeau Government was not entirely happy with events in Nicaragua under the Sandinistas. But, as Mark MacGuigan, in this long quotation, said in April 1981, the Canadian aid would continue:

...We are at present considering an aid program for Nicaragua, including some food aid and we are prepared to give the government of Nicaragua the benefit of the doubt. But I say to you quite frankly here that I have many doubts about the Government of Nicaragua; about the fact that they will not pledge free elections and

1981), p 8033.

- (1) Paul Gerin-Lajoie, Plan of Action for Cooperation between Canada and Latin America", (Rio Speech, November, 1976), p 13.

about the fact that members of the government party... have made it impossible for opposition parties to function in that country. The clearly democratic members of the government have been increasingly excluded from participation in the government of that country. But despite all that, it is a situation in which there is still some reason for doubt, and we are prepared to give them the benefit of the doubt. We will be doing what we can in the months to come to assist Nicaragua.(1)

Since 1979 Canada has had economic relations of many types with Nicaragua: emergency relief, government-to-government disbursements, humanitarian assistance, project funds, lines of credit, and multilateral aid and investment.(2)

The official assistance given by the United States to Central America and the Caribbean is almost entirely bilateral and is "carefully targeted to contribute directly to US interests".(3) In the period from July 1979 to March 1981 the United States "obligated over \$100 million in economic assistance to Nicaragua, \$60 million of that coming from the Fiscal Year 1980 supplementary act".(4)

(1) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (April 2, 1984), p 14.

(2) See Appendix A for Canadian economic relations with Nicaragua since 1979.

(3) Kari Levitt, "Canadian Policy in the Caribbean", Report to the Subcommittee, 1981, p 22A:170.

(4) Walter J. Stoessel, "Review of El Salvador", Department

Since Ronald Reagan was not elected until November 1980 the majority of the aid went to Nicaragua under the auspices of the Carter Administration. The Agency for Inter-American Development (AID) requested \$343 million for economic assistance to Central America and the Caribbean in 1982, which was almost 95% of the American aid for the hemisphere--\$174 million was for Central America and \$169 million was for the Caribbean.(5) In addition to this money were requests for discretionary funds totalling \$230 million for security related emergency economic assistance and military supplies.(6) Since the United States discontinued aid to Managua in 1981 none of this money was available to Nicaragua.

The aid originally given to Nicaragua was designed "not only to feed hungry people but also to strengthen the private sector and deny the Sandinistas an American foreign development to blame for their problems".(1) The American Congress required that funds going to Nicaragua be discontinued if the Sandinistas gave support to violence or terrorism in other countries or denied human rights at home. In the face of the Reagan Administration's campaign to show Nicaraguan involvement in El Salvador, the American

of State Bulletin (April, 1981), p 41.

- (1) Walter J. Stoessel, "Review of El Salvador", Department of State Bulletin (April, 1981), p 41.

government suspended aid to Nicaragua temporarily in March 1981 while Nicaragua's activities were thoroughly reviewed.

After careful review, according to the The Department of State Bulletin, in April 1981:

...the President has defined a comprehensive US policy on assistance to Nicaragua. The policy takes into account Nicaraguan support for violence in El Salvador, the provisions of American law, the positive response of the Nicaraguan Government to our concerns, and US national security interests in the region. It envisages the possibility of a continuing assistance relationship with Nicaragua.(1)

Despite the statement's declaration of the possibility of a continuing assistance relationship, it continued on to say that American economic support to Nicaragua had been discontinued. According to the Bulletin:

Given the Government of Nicaragua's involvement in activities supporting violence in El Salvador, the President [Reagan] has decided to invoke the provisions of section 533(f) of the Foreign Assistance Act. That section calls for a termination of economic support funds (ESF) assistance to Nicaragua if the President determines that its government is supporting violence in another country. It also makes all outstanding ESF loans due and payable in that event.(2)

(1) Department of State Bulletin (May, 1981), p 71.

(2) Ibid, p 71.

The Reagan Administration thus discontinued its economic support to the Sandinistas April 1, 1981, citing evidence of Nicaraguan participation in the Salvadoran insurgency. President Reagan did not call for the immediate repayment of outstanding loans, using his authority under section 614(a)(1) of the Foreign Assistance Act to maintain ESF loans to Nicaragua. Should the situation in Nicaragua "improve" the Reagan Administration "did not rule out the resumption of ESF assistance".(1) In the autumn of 1981 the Reagan Administration set aside \$35 million in development assistance for Nicaragua. This money would not, however, be available to Nicaragua unless "it accepts a pluralistic society and refrains from assisting the Revolutionary Democratic Front (FDR) in El Salvador".(2) At the same time military credits to Honduras, on Nicaragua's northern border, were doubled by Washington.

The cutoff of American aid was seen in Ottawa and parts of Europe as counterproductive. Since most of the American aid to Nicaragua had been to the private sector, the cutoff would likely undermine the moderate and democratic groups that Washington wished to encourage.(3) The

(1) Ibid, p 71.

(2) Kari Levitt, "Canadian Policy in the Caribbean", Report to the Subcommittee, 1981, p 22A:170.

(3) Sara Medina, "Challenging the Sandinistas", Time (Feb-

aid cutoff would also give the Sandinistas fewer options in their source of financial assistance. Countries such as France and Mexico maintained financial relations with the Sandinistas in the hope that their help would keep Nicaragua from moving closer to the Soviet Union.

Canada too was convinced that the American cutoff of aid was poorly calculated. Mark MacGuigan said in April 1981:

In the circumstances we deem it best not to close Nicaragua off from possible development assistance. There is a fear on our part, certainly about intruding judgement at this stage. It might well precipitate a further move in a direction we would not wish.(1)

There appeared to be a recognition in Ottawa that because the Nicaraguan Revolution was motivated in a large part by nationalism, the Sandinistas were reluctant to trade dependence on the US for dependence on the Soviet Union. A cutoff of Western aid might force such a move on the Sandinistas. Mark MacGuigan stated that the Trudeau Government's opinion of the consequences of a cutoff of aid to Nicaragua were:

...I think, and I suspect most Canadians would feel much worse afterwards if events in that country did transpire such that a Marxist dictatorship

ruary 16, 1981), p 40.

(1) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (April 21, 1981), p 16.

emerged and we felt that it was because we had not given help when things were in the balance, that we had driven them into the arms of that camp, that we made them more ideological than they otherwise would be and made them more oppressive than they would otherwise be. (1)

Thus the Trudeau Government did not follow the American example and discontinue aid to Nicaragua. When asked his opinion on the termination of American aid to Nicaragua Mark MacGuigan replied:

...as I understand it, they [the US] are in a particular position because of a law which governs their aid program. We do not have any limitations of that kind and the US action with respect to Nicaragua, although of interest to us, is not of persuasive significance. We will be proceeding with the establishment of our own aid program, based on our own criteria. (2)

When asked what effect the American termination of aid to Nicaragua would have on Canadian aid programmes, MacGuigan replied:

Mr. Chairman, there is no relationship between what we are doing and what the Americans are doing. We are not influenced by that [the American termination of aid]. (3)

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- (1) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 24.
 - (2) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (April 2, 1981), p 22.
 - (3) Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (April 21, 1981), p 36.

In June 1981 Mark MacGuigan stated that Canada would not terminate aid for ideological reasons, nor would it impede trade flows for ideological reasons. Said MacGuigan:

The example of the success of our societies will of itself be the most convincing argument we can present. But short of international consensus... we will not impede trade flows to reflect our view of their [Third World countries] choice [of government].(1)

This policy was in recognition of the Trudeau Government's belief that all countries must be allowed to govern their own affairs without external economic pressures.

When Canada first became interested in Latin America most of Canadian development assistance was channelled through multilateral aid agencies. This was because Ottawa did not feel qualified or experienced enough in the early years to determine Latin American needs adequately on its own. Nor did Ottawa have the administrative machinery set up for bilateral relations. Canada does not now rely as much on the multilateral disbursement of aid. However, a proportion of Canadian funding still passes through these agencies.

In 1981-82 the total of Canadian multilateral assistance programme was \$545.59 million. In 1982-83 the total

(1) Mark MacGuigan, "Canada and Third World Countries", Statements and Speeches (June 16, 1981), p 2.

was \$594.52 million and in 1983-84 it was \$674.58 million.(1) Since by definition multilateral assistance is pooled so as to lose national identity and becomes part of the multilateral organization's assets, it is nearly impossible to determine exactly how much of Canadian, or American, money is allocated to Nicaragua.

Canadian funds to Latin America are channelled through agencies of the United Nations (UN), the World Food Program (WFP), the World Bank (IBRD), the International Development Association (IDA) and the Inter-American Development Bank (IDB). Canadian consultation with Latin American governments on multilateral questions takes place also in the United Nations Conference on Trade and Development (UNCTAD), the International Monetary Fund (IMF), within the General Agreement on Trade and Tariffs (GATT), and the UN Economic Commission for Latin America (ECLA).(2) In 1981-82 Canada contributed \$26.65 million to the IDB, in 1982-83 Canada gave \$27.58 million and in 1983-84 Canada contributed \$23.50 million.(3) Since the Canadian funds are pooled there is "only an indirect link between the

(1) Canadian International Development Agency, Annual Report 1983-84, p 63.

(2) Jacques Gignac, "Canadian Economic Relations with Latin America", Statements and Speeches (June 12, 1979), p 2.

(3) CIDA, Annual Report 1983-84, p 62.

Canadian development assistance provided to these multilateral institutions and their programming activities" in Central America.(1)

Much of the funding contributed to the international financial institutions (IFIs) and the multilateral aid agencies comes from the large financial resources of the United States. Their disproportionate share of the funding payments has led Washington to demand a major voice in the decisions as to where the funding will go. This has led to accusations of American politicization of the IFIs and the aid agencies. The Sandinistas blame their economic difficulties on Washington's attempts to cut off Nicaragua's international credit in the IFIs.

Within Ottawa the Trudeau Government received requests to re-evaluate its position with regard to the IFI's disbursement of support to countries in the Third World. Pauline Jewett, the New Democratic Party's (NDP) external affairs critic, indicated her doubts about the apolitical nature of the IFIs.

...I was focussing particularly on the World Bank, the IMF and several of the regional banks in terms of our [Canada's] own policy objectives...I have-- as do others, I am sure-- very grave doubts if at the moment the IDB [Inter-American Development Bank] is operating in Central America in such a

(1) Mark MacGuigan, House of Commons Debates (May 17, 1982), p 17485.

way as to promote stability and peace. In fact I would say exactly the reverse is the case when you look at the operations of the bank in El Salvador, when you realize the American Development Bank will provide major lending assistance to that country and none whatsoever to Nicaragua. When, in fact, it seems to be increasingly becoming an instrument of the State Department in the US and American foreign policy objectives in Central America.(1)

Maurice Dupras, the Liberal chairman of the Subcommittee on Canada's Relations with Latin America and the Caribbean, claimed that the US has vetoed loans to Nicaragua in the IMF.(2) Dupras also condemned the politicization of the IFIs in general:

...I agree... that these institutions should not be politicized, but they are in regard to Nicaragua and other countries where they do not have their fair share of assistance from IFIs.(3)

Allan MacEachen, who was Trudeau's Deputy Prime Minister and Minister of State for External Affairs in 1983, responded to the criticisms of the IFIs by saying:

I do not think these financial institutions should be politicized and I would not like to see the IDB politicized nor it being used as an instrument of the

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- (1) Pauline Jewett, Minutes of the Committee on External Affairs and National Defence (March 29, 1983), p 14.
 - (2) Maurice Dupras, Minutes of the Committee on External Affairs and National Defence (May 17, 1983), p 12.
 - (3) Maurice Dupras, Minutes of the Committee on External Affairs and National Defence (March 29, 1983), p 17.

foreign policy of any particular country.(1)

MacEachen continued on to say that Canada would "attempt to resist any effort to apply tests other than those which are financial and commercial, in providing developmental loans or concessional financing to countries".(2) The IFIs, said MacEachen, "ought to have their integrity respected as developmental institutions and not political institutions".(3) Officials in the Trudeau Government stated their desire that the IFIs remain apolitical but also recognized that there was little solution to the problem--the United States contributes the most to the institutions and thus expects the most say in funding allocations.

In February 1982 President Reagan proposed what is called the Caribbean Basin Initiative. The Initiative was to help the countries of Central America and the Caribbean realize their economic potential. According to Reagan:

The program I'm proposing today puts these [trade, aid and investment] into practice. It is an integrated program that helps our neighbours help themselves, a program that will create conditions under which creativity and

(1) Allan MacEachen, Minutes of the Committee on External Affairs and National Defence (March 29, 1983), p 14.

(2) Ibid, p 15.

(3) Ibid, p 18.

private entrepreneurship and self-help
can flourish.(1)

Reagan's program would involve tax incentives for investment, economic assistance and technical assistance to the private sectors of the area. The terms of the Initiative allowed participating countries to choose not only which countries they would give aid, but also the manner in which the aid would be given.

The initiative was proposed with American security interests in mind--as Reagan said:

I wouldn't propose it if I were not convinced that it is vital to the security interests of this nation and of this hemisphere...A new kind of colonialism stalks the world today and threatens our independence. It is not of our hemisphere but it threatens our hemisphere and has established footholds on American soil for the expansion of its colonialist ambitions.(2)

Since the Caribbean Basin Initiative was proposed to ensure the security of the hemisphere it also included increasing funds for security to the countries of the area.(3)
President Reagan's request of Congress was for \$824.6

(1) Ronald Reagan, "Caribbean Basin Initiative", Department of State Bulletin (April, 1982), p 3.

(2) Ibid, p 4

(3) President Reagan insisted that in the Caribbean Basin Initiative economic assistance was more than five times the amount of security assistance given under the Initiative. Ibid, p 6.

million in Fiscal Year 1982 for economic assistance to the Caribbean basin.(1) This was an increase of \$403 million over Fiscal Year 1981.

Although the initiative claimed to be extended for the entire Caribbean area, it would exclude countries which did not fit the American criteria. Said Reagan:

We seek to exclude no one. Some, however, have turned from their American neighbours and their heritage. Let them return to the traditions and common values of this hemisphere and we all will welcome them. The choice is theirs.(2)

The money would be extended to countries such as Nicaragua and Grenada under the initiative only if they "returned to the traditions and common values of the hemisphere". The Initiative received criticism about the political overtones it appeared to include. Alan Riding, author of "The Central American Quagmire", stated that "the US programme was not only politically selective (excluding Cuba, Nicaragua and Grenada) but it was also built largely on the dubious premise that private enterprise could lift the region out of its slump".(3)

(1) Ibid, p 8.

(2) Ibid, p 6.

(3) Alan Riding, "The Central American Quagmire", Foreign Affairs (1983), p 655.

Canada, Mexico and Venezuela were to be included in President Reagan's Caribbean Initiative. Although the Trudeau Government supported the Initiative it was dismayed somewhat, not only because of the ideological overtones, but also because of the security assistance element and the aid to be given to El Salvador. At a news conference to discuss the Caribbean Basin Initiative, Mark MacGuigan stated:

...I can say that my country imposes no ideological tests for its aid programs but we do impose certain practical tests and one of those, of course, is the safety of any personnel that we might have in the country(1)

The Trudeau Government was willing to extend aid to Nicaragua but reluctant to risk personnel and funding in El Salvador.

The Trudeau Government continued economic relations with Nicaragua. This was in the recognition that the Sandinistas, regardless of their ideology, provide a stable government to a country in need of financial assistance. The Reagan Administration discontinued economic relations with Nicaragua in 1981, and encouraged the multilateral aid agencies and international financial institutions to do the same. This was the result of the Administration's conclu-

(1) Mark MacGuigan, "Caribbean Basin Initiative Reviewed by Foreign Ministers", Department of State Bulletin (March, 1982), p 65.

sion that Nicaragua had become a Cuban/Soviet proxy and was aiding the guerrillas in El Salvador.

The Trudeau Government recognized that there were differences in policy between Canada and the US. As Marcel Masse, Under-Secretary of State for External Affairs in 1983, stated:

...we tend to believe the solution of the problem [in Central America] resides more in economic development. In other words, it is in attacking the economic causes of the guerrilla warfare that exists in the region, or the economic causes of the problems that exist in the region. But the US tends to believe that to deal with the economic causes mainly, or only, will not solve their problem in time, so they have a tendency to want to act faster; they have a tendency to want to use means that we do not use.(1)

For the Reagan Administration the cutoff of economic assistance and the promise of its re-establishment provided a carrot to lead the Sandinistas towards more acceptable policies. The military aid used to supplement economic aid was the stick used to prompt the Sandinistas to reach for the carrot.

Canadian economic relations with Nicaragua since 1979 are not significant compared to the whole of Canadian economic relations in the world in general. The Trudeau

(1) Marcel Masse, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 17.

Government's assistance, while perhaps important to the Sandinistas, was not enough to warrant an independent Canadian policy. This suggests that Ottawa continued economic relations for a purpose other than achieving prosperity for Canada and Nicaragua. Since economic relations with Nicaragua did not promote Canadian prosperity, it may be that the relations were continued to emphasize the Trudeau Government's perceptions of the situation in Nicaragua, independent of the perceptions of the Reagan Administration.

The continuance of Canadian economic relations with Nicaragua during Pierre Trudeau's tenure, and the discontinuance of American aid under Ronald Reagan may be the result of a different perception of the role that aid is to play. The attitude of the Reagan Administration is that Nicaragua was 'lost' to communism when the Sandinistas took power. Aid to a Soviet satellite, such as Nicaragua, is useless, perhaps even dangerous. The Reagan Administration appears to believe that aid given to Nicaragua will eventually end up used against Washington through Nicaraguan military support given to further revolution in Central America.

Unlike the United States Canada, and most of Europe, perceives aid as a positive instrument. The Sandinistas claim, with some support, that the termination of American

economic assistance is proof that Washington is attempting to destroy the Sandinista regime. They also claim, with some justification, that any aid Nicaragua receives from the Soviet Union is because they could not get it from the United States. The Trudeau Government gave aid with the recognition that, since Nicaragua desperately needed the finances for reconstruction, if the democracies turned away the Sandinistas would be forced to go elsewhere for help. The termination of Western aid to the Sandinistas would force an avowedly moderate and broad-based regime to seek help from the Soviet Union. For the Reagan Administration, assistance would not be used to reward a country that was lost to communism; for the Trudeau Government, assistance would be used to prevent the loss of a country not yet beyond salvage.

CONCLUSIONS

Under former Prime Minister Trudeau and President Reagan there were significant differences between Canadian and American relations with the Sandinistas in Nicaragua. Canadian and American relations with the Sandinistas, under Trudeau and Reagan respectively, differ in all the traditional facets of foreign relations--political, military and economic. Contemporary policies are rooted in the different historical involvement of Canada and the United States in the area, and in the fundamental differences in perceptions of the nature of the Sandinista Revolution and regime.

The United States has had a long history of involvement in Nicaragua. Washington has consistently acted to protect American interests in the country. The Somoza regime and the National Guard were set up by the United States. That the Sandinistas were successful in overthrowing Somoza, even with President Carter's belated support, did not bode well for future relations between Managua and Washington. Ottawa, on the other hand, has not had to overcome a history of support for the Somoza regime,

since historically Canada has not been interested in, or involved with, Nicaragua.

In terms of political relations with the Sandinistas, both Ottawa and Washington have maintained diplomatic relations with Nicaragua. In 1983, however, Managua expelled three American diplomatic personnel and Washington responded by closing Nicaraguan consulates across the United States. The Sandinistas and the Reagan Administration have been engaged in verbal recriminations almost from the day of Ronald Reagan's election. President Reagan admitted in February 1985 that his administration supported a change of government in Managua.

The Trudeau Government did not engage in the verbal diatribes between Managua and Washington. Nor did Trudeau condemn the Sandinistas, although he did show alarm and concern about the increasing repression within Nicaragua. Ottawa's acceptance of the Sandinista regime was in keeping with the Trudeau Government's policy of the right of all countries to self-government no matter what form that government might take. The Reagan Administration, on the other hand, reserves the right to accept only those governments it sees as non-communist.

In terms of military relations, the difference between Ottawa and Washington, with regard to Nicaragua is significant. The Reagan Administration, ostensibly because of

alleged Sandinista support for the Salvadoran guerrillas, has armed and trained counter-revolutionaries fighting to remove the Sandinistas. The Trudeau Government, in general, condemned all military aid given to the area and rejected military solutions to the problems of the region. For Ottawa, only political or economic, not military, solutions could resolve Central American discontent. The Trudeau Government, unlike the Reagan Administration did not see Nicaragua as strategically vital to Canadian security. Prime Minister Trudeau would not, therefore, approve the use of force to oppose the Sandinistas.

The Reagan Administration sees massive Cuban and Soviet involvement in Nicaragua. White House officials see Havana and Moscow injecting military equipment and advisers into Nicaragua for the purposes of destabilizing Central America and, eventually, the United States. This is the justification for American military manoeuvres in Central America and for the military support given to the Sandinistas' opposition. Ottawa, while alarmed at the increasing size of the Sandinista armed forces, has not protested their right to defend themselves nor the source of their weapons or advisers. This is partially in recognition of the fact that since Washington cut off aid to Nicaragua, the Sandinistas obtain their weapons from

moderate Latin American governments and western European nations, as well as the Soviet Union.

In terms of economic relations with the Sandinistas, there were again differences between Ottawa and Washington. In 1981 the Reagan Administration discontinued economic aid to the Sandinista regime, while increasing assistance to other Central American countries, particularly El Salvador. The Trudeau Government, citing relations with Cuba as an example, always denied that Canada's aid programme had an ideological component. Ottawa, under Pierre Trudeau, maintained economic aid to Nicaragua stating that whatever their ideology the Sandinistas provide a stable government to a country in need of aid. Unlike the Reagan Administration, the Trudeau Government refused to give large amounts of aid to unstable El Salvador, preferring instead to give it to more stable countries such as Nicaragua.

While Pierre Trudeau did not differ too blatantly with Ronald Reagan's policies, it is apparent that there was a difference between their government's policies in the traditional elements of foreign relations--political, military and economic relations. This thesis did not intend to condemn either the Reagan Administration's or the Trudeau Government's policies, but, rather to indicate that a fundamental difference did exist. The fundamental difference seems, in all the elements of foreign relations, to

relate back to, and be influenced by, the differing perceptions of the governments on the nature of the Sandinista revolution and regime.

The influence of the perceptions of Trudeau and Reagan cannot be ignored. There must be a reason for the fact that, despite apparent similarities between Canadian and American society and despite the overwhelming American influence in Canada, there are differences between the countries in relations with Nicaragua. It cannot be truthfully said that the Trudeau Government opposed all of the Reagan Administration's policies towards the Sandinistas, but it did take a fundamentally different stand. The differing perception of Trudeau and Reagan on the nature of the Sandinista revolution and the strategic threat posed by the Sandinista regime appears to be the major reason for the difference in relations with the Sandinistas.

As this thesis has attempted to stress, the Reagan Administration from the start regretted the Sandinista victory. Anastasio Somoza Debayle had been a staunch American ally and, despite a poor human rights record and a corrupt regime, the Reagan Administration felt that President Carter should not have allowed his removal by Marxist sympathisers. According to the Reagan Administration, Nicaragua's location near the Panama Canal and near the oil

reserves of Mexico and Venezuela make it vitally important for the continued well-being of the United States. The presence of what the White House sees as Marxist totalitarians in power in Managua threatens American security. The presence of Cuban and Soviet advisers and weapons, plus the large Nicaraguan army, combine to support the Reaganites' perception that the Sandinistas pose a threat to all of Central America and, eventually, the Western World.

The Trudeau Government has not seen the Nicaraguan situation in the same light. According to the Trudeau Government, Somoza was a brutal dictator and the Sandinista victory was a welcomed change. Ottawa did not see the Sandinistas as totalitarian Marxists. Had Ottawa perceived the Sandinistas as communist, or even socialist, it would not have seen this as a threat to Canada. Cuba is far more ideological than Nicaragua and has not yet caused the West's downfall.

The perceptual differences between Trudeau and Reagan were reflected in their foreign policy emphases. The main tenet of President Reagan's foreign policy is the maintenance of the security of the United States. This involves the prevention of communism in the American sphere of influence. Former Prime Minister Trudeau wished his foreign policy to emphasize Canada's independence in the world. His foreign policy was based on the attempt to

achieve economic prosperity for Canada and the world and the attainment of social justice in the world was an instrument used to reach this goal.

The relative positions of Canada and the United States in the world appear to have had an important influence on the perceptions of Canadian and American political leaders. Canada recognizes that it is a middle-power and cannot resist or influence events in the world. Nor has Canada had to acquire the paranoia of a superpower which sees its status threatened at every turn. The United States, as a superpower, knows it has the power to influence events and to change happenings of which it does not approve. The US is also reluctant to give up its superpower status and thus feels obligated to take action at every event that it perceives to be a threat to its position.

Therefore, American superpower status has influenced Ronald Reagan's perception of events in Nicaragua, which in turn has influenced American political, military and economic relations with the Sandinistas. Canada's middle-power status influenced Pierre Trudeau's perceptions of Nicaraguan events, which in turn influenced Canadian relations with Nicaragua. The differences between Ottawa and Washington with regard to Nicaragua under the Trudeau Government may not have been an innovation of Pierre Trudeau. It could be said that Trudeau was following,

albeit more openly, a tradition in Canadian foreign policy of middle-power politics--that is, neither outright opposition to superpower policies nor blind support for them.

Policy-makers cannot, and perhaps would not, separate themselves from their perceptions nor their personal constructs of reality. Therefore, a recognition of the role perceptions play in the making of policy, particularly foreign policy, is important. Perceptions, of course, cannot be the sole determinator of the nature of relations between countries. However, in the case of Canadian and American relations with the Sandinistas in Nicaragua, under Pierre Trudeau and Ronald Reagan respectively, perceptions have been an important force affecting differences in Canadian and American relations with Nicaragua.

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APPENDIX A

In 1980 the Canadian International Development Agency (CIDA) contributed \$668,000 to nine Canadian Non-Governmental Organizations (NGOs) to help them with 15 reconstruction projects in Nicaragua. Glen Shortliffe, Minutes of the Committee on External Affairs and National Defence (May 6, 1980), p 29.

In June 1981, \$4.5 million of food aid in the form of wheat was granted to Nicaragua by the Canadian Government. Mark MacGuigan, House of Commons Debates (November 25, 1981), p 13241.

Canada expended more than \$5.5 million during Fiscal Year 1981-82 to Canadian NGOs working in Central America. Mark MacGuigan, House of Commons Debates (May 17, 1982), p 17485.

The Industrial Cooperation Division of CIDA disbursed more than \$1 million for projects in Central America in Fiscal Year 1981-82. Mark MacGuigan, House of Commons Debates (May 17, 1982), p 17485.

Canada granted \$250,000 to the United Nations High Commissioner for Refugees in 1982 to assist refugee Miskito Indians in Nicaragua. Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 38.

In 1982 Nicaraguan banking officials were brought to Canada to learn banking procedures and techniques. CIDA, Developing Relations (Summary 1982-83, Ottawa: Institutional Cooperation and Development Services, 1983), p 39.

In 1982-83 CIDA had 17 projects in Nicaragua and disbursed \$911,752 to Nicaragua for these projects. CIDA, Developing Relations (Summary 1982-83, Ottawa: Institutional Cooperation and Development Services, 1983), p 39.

In 1982 Canada approved \$106 million in bilateral development assistance for the countries of Central America to be spent over a period of five years. Mark MacGuigan, House of Commons Debates (May 17, 1982), p 17485.

In 1982 an \$18 million line of credit was extended to Nicaragua. Mark MacGuigan, Minutes of the Committee on External Affairs and National Defence (May 27, 1982), p 23.

In 1982-83 CIDA contributed \$9,750 to Canadian University Students Overseas (CUSO) to be used for seeds for Nicaragua. Marcel Masse, Minutes of the Committee on External Affairs and National Defence (May 24, 1983), p 97A:22.

Canada released \$13 million to Nicaragua in early 1984 to buy cattle, dairy equipment and dairy machinery. Bob Ogle, House of Commons Debates (January 24, 1984), p 692.