Sweatshops, Mining, Tourism & "Free" Trade Negotiations: Canada's Involvement In Honduras & Support For The Post-Military Coup Regime

BELOW: an article by Karen Spring, Rights Action

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#### KAREN SPRING SPEAKING TOUR TO ONTARIO & MANITOBA,

February 2011. For more information, or to host a speaking event, contact: Karen (<u>spring.kj@gmail.com</u>).

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#### SWEATSHOPS, MINING, TOURISM & "FREE" TRADE NEGOTIATIONS: CANADA'S INVOLVEMENT IN HONDURAS & SUPPORT FOR THE POST-MILITARY COUP REGIME

By Karen Spring (spring.kj@gmail.com), January 10, 2011

Canada and the United States are the two most active legitimizers of the June 28, 2009 military coup in Honduras, and, since then, the post-coup regime.

Neighbor to the United States, Canada often escapes critical attention to its unjust global economic and political

ventures. However, Canada is making its complicit involvement in post-coup Honduras increasingly obvious through Canada's sweatshop, mining and tourist interests in the country.

Recently, the Canadian government publicized plans of negotiating a so-called "free" trade agreement with Honduras. (There is nothing "free" about any trade) Branching off from the thus far unsuccessful negotiations of the Canadian-Central American "free" trade agreement (CA4), involving Guatemala, Nicaragua, El Salvador and Honduras, Canada has begun laying out plans for a Canadian-Honduran bi-lateral "free" trade agreement. Honduran officials from the post-military coup regime arrived in Ottawa in early December 2010 and are set to continue negotiations in early 2011.

Canadian business and investment interests in Honduras did not just begin after the June 2009 coup – they simply have continued with business as usual.

In April 2010, Canadian Ambassador Neil Reeder arrived in Honduras to meet with Pepe Lobo, leader of the regime that was 'elected' in fraudulent and illegitimate elections five months after the coup (see article "A Good Investment Opportunity: Canadian Government & Mining & Sweatshop Business Executives Meet with Honduran Regime", by Grahame Russell, at <u>www.rightsaction.org</u>, <u>http://rightsaction.org/Alerts/Good\_investment\_040810.html</u>). With mining and business executives and investors in tow, Ambassador Reeder dangled the hope of \$700 million in investments in the Honduran mining and sweatshop industries, clarifying Canada's future economic ambitions in the country.

As trade agreements and investments are being planned and promised, Canada effectively 'whitewashes' the military coup, the illegitimate elections of November 2009, ignores well-documented human rights violations and repression carried out by the Lobo regime and dismisses the existence of the pro-democracy, anti-coup people's movement that demands major structural changes and the re-foundation of Honduras including the drafting of a new constitution.

(For more on Canada's position following the coup, see Yves Engler's article, "Hostility to the Military Coup in Honduras is Increasing. So is

the Harper government's isolation on the Issue", or Rights Action's Honduran Alert #41, "In Response to Mr. Peter Kent: Canada's Increasingly Complicit Role in Honduras.")

FUNDING & PARTICIPATING IN THE HONDURAN REGIME's 'TRUTH COMMISSION'

Honduras was kicked out of the Organization of American States (OAS) shortly after the June 2009 coup and has not been readmitted. Re-admission would bring many benefits to the Lobo regime including 'business as usual' trade, international loans and most importantly, international recognition and the stamp of approval as a Government and Congress that pulled off a military coup.

One condition of OAS re-admission is a 'reconciliation process' that includes a Truth Commission to investigate the events leading up to, during and after the coup against President Zelaya's government.

However, the OAS did not have in mind a Truth Commission set up and controlled by the post-coup regime, which is exactly what is happening. Not only is the Canadian government helping fund the Honduran regime's "truth" commission, but a former Canadian official, lawyer Michael Kergin, is on the commission.

What is the problem with the regime's "truth" commission? Not one social or human rights organization that was affected by or spoke out against the military coup is participating or recognizing it. Victims and families of the victims of repression, torture and murder since the coup have not been consulted nor are participating, calling it a 'Lie Commission' and an opportunity for the Lobo regime to try and gain international recognition, leaving all crimes committed during and after the coup covered up with in impunity.

As a former Ambassador to the United States, Michael Kergin apparently has strong ties with the Canadian mining industry through his work at the Bennett Jones law firm in Toronto. A coincidence? Not likely. In fact, it seems in line with the promotion of one of Canada's major interests in Honduras: Mining.

#### A MINING LAW & TRADE AGREEMENT FAVOURING CANADIAN MINING COMPANIES WILL INCREASE SOCIAL CONFLICT & REPRESSION

The resistance of mining-affected communities and organizations to the environmental and health harms and other human rights violations caused by large-scale mining, and their formation of a national alliance – the Civil Alliance for Democracy – was one reason that President Zelaya's government enacted a 2008 moratorium on handing out further mining licenses.

Everyone in Honduras' pro-democracy movement lists the mining moratorium as one of the reasons the Honduran military, oligarchy and Catholic Church conspired to oust his government in the June 28, 2009 coup.

Rights Action has for years reported on the harms and violations caused directly and indirectly by Canada's Goldcorp's open-pit, cyanide-leeching operation in the Siria Valley. Rights Action has also denounced Goldcorp and other companies for helping to support and 'whitewash' the military coup and the ensuring repression.

Since the enactment of the mining moratorium during President Zelaya's administration, new mining operations cannot begin in Honduras until the Lobo regime approves a new mining law. Today, the post-coup regime has two options, approve a law that is shaped by the demands of the mining harmed communities, many of which are involved in the pro-democracy people's movement, or give into the demands of the Honduran oligarchy and global mining companies and investors and approve a law that favours mining companies.

A law favouring mining companies will likely include few or no environmental regulations, will likely permit the continued use of cyanide and low-cost, open pit processes, will likely provide large tax breaks, and will not oblige companies to consult and obtain the free and prior consent of local communities before initiating their mining operations.

The Canadian government and mining companies that were granted concessions before the moratorium are waiting for the green light to

get the digging started. A new mining law and/or trade agreement would be their green light. The Canadian government is aware of this and by holding out millions of dollars in investments and possibly a trade agreement, it hopes to sway the Honduran government in their favour.

If a pro-mining law is passed, one thing is clear: ignoring the affected communities and demands of the pro-democracy people's movement regarding community consultation, inclusion and protection of the environment will result in increased social conflict, repression, extrajudicial killings, death squads, torture and environmental degradation.

### HOTELS & CRUISE SHIPS: CANADIAN INTERESTS IN TOURISM

In November 2010, five campesinos were massacred by private security forces hired by land-owner Miguel Facusse in the Aguan region in Northern Honduras. (See Annie Bird's article, "World Bank funded Biofuel Corporation Massacres 5 Honduran Compesinos", www.rightsaction.org).

Land conflicts, militarization of the region, threats, disappearances and physical beatings - particularly in the community of Guadalupe Carney – continue in 2011, most recently with the illegal kidnapping and beating-torture of Juan Chinchilla.

No more than 20 minutes from the November 15 massacre site, and while the militarization of the region goes on, Canadian 'porn king' Randy Jorgensen hopes to build a \$15 million port in the coastal city of Trujillo to receive cruise ships and to build a four-park tourist attraction that includes hotels, a shopping centre, and more.

Jorgensen is involved in various other tourist projects on the north coast of Honduras along with other Canadians who hope to develop retirement communities and tourist attractions. (For more information on the Canadian 'porn king', see article by Dawn Paley, "Snowbirds gone wild! Canadian Retirees and Locals Clash in Honduras").

In November 2009, 5 months after the military coup, Rights Action reported on a letter writing campaign initiated by pro-coup North

Americans living on Honduras' north coast and the Bay Islands – including Roatan -, to pressure the US and Canadian governments to effectively support the coup, by legitimizing the post-coup regime led by Roberto Micheletti. (See Rights Action's Alert #89 "Pro-Coup North Americans in Honduras", <u>www.rightsaction.org</u>).

These North Americans were trying to convince their governments that State-sponsored repression was not occurring in Honduras and that tourist and travel advisories should be lifted. Many of the letter writers operate 'property development' projects and businesses in the tourist industry.

Often, tourist projects scattered along Honduras north shore are managed and owned by Canadians who are in conflict with local campesino and Garifuna communities. As an industry that can attract foreign investment, the Honduran regime today is more than willing to promote tourism and accommodate the Canadians, generating social and land conflict with local Honduran communities, displacing and threatening the livelihood of the Garifuna communities and contributing to environmental degradation.

#### INJURED SWEATSHOPS WORKERS: CANADA'S GILDAN REFUSES TO TAKE RESPONSIBILITY

Based in Montreal, Gildan Activewear is a major producer of clothing apparel and one of the three dominant, low-wage sweatshop companies operating in Honduras. Many Canadian and American universities and colleges have contracts with Gildan that supplies clothing apparel to their athletic departments and sports teams.

Unfortunately, the Canadian company has a rotten history in Honduras. Many women working in Gildan sweatshops in Honduras have reported serious injuries including musculo-skeletal problems caused by the repetitive work in the factories. Some have reported major accidents that have caused permanent damage. Although Gildan has full knowledge of the women that have been injured in their factories, they refuse to accept responsibility and appropriately compensate the injured women. Many of these women cannot afford to feed their families and pay the high medical costs as a result of their injuries. \* \* \*

Often slipping below the radar next to the United State's historic economic interests and military interventions in Honduras, Canada is now working hard to help the illegitimate Lobo regime gain international recognition. Why? Because major Canadian business and investment interests are on the line. The Canadian government, businesses and investors are showing they do not care that they are supporting an undemocratic and repressive regime.

(By Karen Spring, Rights Action, <a href="mailto:spring.kj@gmail.com">spring.kj@gmail.com</a>)

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### WHAT TO DO

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# TAX-DEDUCTIBLE DONATIONS

To make a tax-deductible donation for community based organizations in Honduras' pro-democracy movement working to eradicate poverty and exploitation and to re-found their nation-state, make check payable to "Rights Action" and mail to:

UNITED STATES: Box 50887, Washington DC, 20091-0887 CANADA: 552 - 351 Queen St. E, Toronto ON, M5A-1T8

CREDIT-CARD DONATIONS: http://rightsaction.org/contributions.htm; or go to: www.rightsaction.org. (Credit card donations can be done anonymously) FOR DONATION OF STOCK: contact <u>info@rightsaction.org</u>. (Stock donations can be done anonymously – have your stockbroker contact info@rightsaction.org)

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