

Editorial

The Truce in the Softwood Lumber Dispute is Only Temporary

It now appears that a majority of provinces and lumber companies have reluctantly accepted the softwood lumber deal agreed to by U.S. President George W. Bush and Canadian Prime Minister Stephen Harper during their meeting in Washington in June. The agreement still has to be passed by parliament to become law. The agreement includes a cap of 34 percent of market share on Canadian exports of softwood lumber to the United States and the return of 78 percent of the illegal tariffs imposed on imports of Canadian lumber for the past few years. The \$1 billion of tariffs not being returned by the Americans will be divided equally between the Bush administration and the U.S. softwood lumber lobby. This payment to the lumber lobby is widely seen as payment of its legal fees for Round Four of the softwood lumber trade war between the U.S.

and Canada and as a restocking of its war chest in preparation for Round Five.

The agreement is ostensibly supposed to run for seven years. However, either side can terminate it after 18 months with a six-month notice period. It also stipulates that the U.S. cannot re-impose duties for one year after the deal is ended. In other words, for all intents and purposes it is a three-year truce in the softwood lumber trade war that has persisted for much of the past four decades.

In the face of initial broad opposition to the agreement from the lumber industry, Harper adopted a 'take it or leave it' attitude and stated that he intended to declare it a non-confidence issue to ensure its passage in the House of Commons. This would mean that the opposition parties would either

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Canada's Continuing Role in the Occupation of Afghanistan

Recent opinion polls indicate that the majority of Canadians are opposed to the presence of 2,300 Canadian troops in Afghanistan, with a growing majority calling for their immediate withdrawal. The Harper government, however, has made support for the Afghan mission one of the cornerstones of its foreign policy. Prime Minister Stephen Harper, Foreign Minister Peter MacKay and Defence Minister Gordon O'Connor have all made high-profile visits to the troops.

Canadian troops have been on the ground in Afghanistan for close to five years. While the Canadian mission was originally scheduled to end in

2007, the Conservatives, with support from the Liberal Party and some members of the BQ and NDP, voted in May to extend the mission to 2009.

NDP Leader Jack Layton has recently tried to capitalize on the growing tide of public opinion against the Afghanistan mission by stating that with Canadian casualties growing (32 soldiers and one Canadian diplomat have been killed in Afghanistan since 2002) it is time to withdraw. The Bloc Quebecois, sensing the Conservatives' vulnerability on this issue in Quebec, has also begun to openly call for the

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Summit of the Non-Aligned Movement Opens in Havana

The Summit of the Non-Aligned Movement (NAM) officially opens on September 11 in Havana, Cuba. More than 100 countries are expected to send heads of state and other high-ranking government officials to the summit, which will mark the beginning of Cuba's three-year term as president of the organization. Cuban Foreign Minister Felipe Perez Roque stated that one of Cuba's main goals during its presidency will be to strengthen the cohesion and solidity of the movement.

The Non-Aligned Movement emerged during the Cold War in response to the bipolar division of the world between the United States and Soviet Union. With the end of the Cold War it has increasingly emerged as an organization that defends the small and developing countries against the trampling of their sovereignty by the big powers, especially by the U.S. which gives itself the right to intervene anywhere in the world in violation of international law and the United Nations Charter.

The main topics of discussion at the summit will be peace and economic development, with proposals for the total elimination of nuclear weapons, including the nuclear arsenals of the big powers. A link has also been drawn between the war preparations of the big powers and the poverty of the developing countries.

It has been suggested that if the hundreds of billions of dollars currently spent on military equipment were dedicated instead to economic development the enormous inequalities and poverty in the world could be eliminated. There is also widespread support amongst the members countries of NAM for the position of Iran regarding the peaceful utilization of nuclear energy and the right of every country to develop its own nuclear energy program, including the uranium enrichment cycle. The vast majority of NAM countries reject the blatant double standard that currently exists on this front, with some countries denied the right to possess technology for the peaceful use of nuclear power, while others are given the right to possess nuclear weapons and to threaten to use them to impose their will on others.

With the increasingly blatant use of the United Nations Security Council as an instrument of big power politics and as a cover for U.S. aggression and war, the Non-Aligned Movement has tremendous potential as an organization of the weak and dispossessed nations in defence of national sovereignty and against big power bullying. The current summit in Havana is shaping up to be an important step in this direction.

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withdrawal of Canadian troops. The Liberal Party remains divided on the question.

On October 7, 2001, under the pretext of apprehending those responsible for the September 11 terrorist attacks on the United States, American and British forces launched their assault on the people of Afghanistan. Targeting major cities, 50 cruise missiles were launched from ships and submarines, while hundreds of tons of bombs were dropped throughout the countryside. The British and U.S. attack was coupled with a ground assault led by the forces of the Northern Alliance which was controlled by warlords from the north of the country and, at the time, was acting as the U.S. proxy army in Afghanistan. This initial attack was neither sanctioned by the UN Security Council nor was it accompanied by a formal declaration of war. In other words, the aggression was in complete violation of international

law and constituted an act of international terrorism.

Members of the Canadian elite paramilitary unit J2T2 were deployed to provide assistance to British and American troops within a week of the assault. In November, then Defence Minister Art Eggleton officially announced the deployment of 2,000 ground troops, along with naval forces. This announcement coincided with the Bush administration stating that it would not abide by the Geneva Convention on the treatment of prisoners of war for captured suspected Taliban fighters, but rather declared them to be enemy combatants. Under questioning in the House of Commons, Eggleton stated this would not present a problem for the Canadians as they would not be apprehending suspects but rather providing on the ground assistance. In January 2002, published photographs of Canadian elite paramilitary troops

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EU Foreign Ministers Delay Decision on Iran

The foreign ministers of the European Union (EU), meeting in Finland on September 1 to consider Iran's August 22 response to the proposal by the Group of 5+1 and its defiance of the Security Council's deadline to stop uranium enrichment by August 31, decided to delay any decision on sanctions until EU foreign policy chief Javier Solana has further talks with Iran. The indecision within the EU reflects the conflicts of interest within the EU and between the EU and the United States over Iran.

While the United States, which has had its own sanctions in place against Iran since 1979, has virtually nothing to lose commercially, the same is not the case with the EU. On the same day that EU foreign ministers were meeting, the German news agency *Deutsche Welle* reported that Germany's main trade group, the German federation of chambers of commerce DIHK, said that Germany could lose 10,000 jobs if the UN Security Council imposes economic sanctions on Iran. "Economic sanctions against Iran would not solve political problems, as the example of Iraq has shown

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(J2T2) with blindfold captives made it clear that Eggleton lied to parliament.

In April 2002, two U.S. pilots attacked a Canadian military training exercise near Kandahar, killing four soldiers. The Canadian public was outraged and the 2,000 ground troops were withdrawn. However, in December, as it became clear that the Americans were close to launching an invasion of Iraq, 2,000 Canadian ground troops were again deployed in Afghanistan.

Since that second deployment, the number of Canadian troops has steadily increased to the 2,300 currently stationed there. According to the Harper government these troops are assisting with the rebuilding of Afghanistan. However, in reality, the Canadians are solely engaged in fighting Taliban guerillas, who have regained control of most of the country over the last two years. The Canadian International Development Agency, which was charged with providing assistance to redevelopment efforts, pulled out of Afghanistan in 2005, citing security concerns.

dramatically," it said in a statement. It continued: "The German economy would be severely hit in an important growth market. The loss of business in Iran could threaten more than 10,000 jobs in Germany."

The conflict over the Iran nuclear issue has already generated a climate of uncertainty in Germany, the federation argued. German exports to Iran fell by 10 percent in the first six months of the current year. The DIHK said that around 50 German companies have branches in Iran and more than 12,000 firms have representatives there. Iran was the biggest market in the Middle East for German exports in 2005, ahead of the United Arab Emirates and Saudi Arabia. Germany exported goods worth more than 4.4 billion euros (US\$5.6 billion) there in 2005.

In terms of the EU's total world trade Iran ranks as its 24th largest trading partner, whereas the EU is Iran's main trading partner, followed by Japan, China, South Korea, Turkey, United Arab Emirates, South Africa, Russia and Singapore. In 2004 Iran's main suppliers were the EU, China, United Arab Emirates and South Korea, while its main export markets were the EU, Japan, China and South Africa. EU exports to Iran have almost doubled since 1999. The top ten countries for Iran's exports are the United Arab Emirates, Germany, Italy, Turkey, India, Azerbaijan, Turkmenistan, China, Singapore and the Netherlands.

The EU exports to Iran are quite concentrated in three main products, with machinery and transport equipment two-thirds, while manufactured goods and chemicals and related products make up approximately 10 percent each. Iran is an important destination market for EU's iron and steel as well as power generating machinery. More than 80 percent of the EU imports from Iran are energy related (mainly oil products), representing 3.9 percent of the total EU imports in energy products. Iran ranks as the sixth largest supplier of energy products to the EU. Agricultural imports amount to 4.9 percent of total imports.

The Council of the European Union agreed in June 2002 to open negotiations with Iran. These will cover political issues as well as a trade and co-operation agreement. Such an agreement should, once concluded, put Iran's trade and co-operation relations with the European Union on a contractual basis. The negotiations were launched in Brussels in December 2002.

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have to agree amongst themselves on how to ensure that the bill passes or risk an early election. The Bloc Quebecois has reluctantly endorsed the deal after consultation with the Quebec lumber monopolies. Meanwhile, the Liberals and NDP, intent on making the deal an election issue, have labelled it a sellout and an unacceptable infringement on Canadian sovereignty.

For their part, the majority of the lumber barons in Canada, while upset that at least \$500 million will be going to their competitors to fight them in the future, have decided that they can live with the deal because of the dire straits that the industry finds itself in at this time. Rising energy costs and the increased value of the Canadian dollar relative to the U.S. dollar, coupled with the U.S. tariffs, have resulted in a decline in the competitiveness of the Canadian softwood lumber industry and a drop in industry profits. In return, the lumber barons have shifted the burden onto the backs of their workers, demanding concessions and laying off thousands.

The cries of sellout by the opposition parties are disingenuous and for the sole purpose of creating the illusion that they would have done things differently if they were in power. They are pointing out that every arbitration board and court has ruled in Canada's favour over the past 15 years and claiming that the Bush administration would soon have been forced to pay back the entire \$5 billion in illegally imposed duties. However, this ignores the entire record of the Bush administration which proves that it cares little about legalities. Not only has the Bush administration ignored all previous legal decisions on the softwood lumber issue, but continues to defy a U.S. Supreme Court ruling of several months ago that the detainment of prisoners without trial in Guantanamo was illegal. If it ignores its own Supreme Court, why would it feel obligated to obey a lower court or arbitration board ruling?

The fact is that the problems in Canada's softwood lumber industry are a direct consequence of the domination of Canada by monopoly capital. The motive of production under monopoly capitalism is neither to create jobs nor to serve the interests of the domestic economy; the sole motive of production is the generation of maximum capitalist profits. This

motive of production has led to the development of the entire Canadian economy not just the softwood lumber industry as an export-oriented economy. Furthermore, it has led to a situation where over 80 percent of Canadian exports flow to one market, the United States. Given the reality that the U.S. economy is ten times the size of Canada's, it is inevitable that the Canadian economy will be dependent on the American economy and that the Americans are almost guaranteed to come out on top of any trade dispute.

The Liberals, NDP and others are suggesting that their particular policies would reverse this situation. CAW president Buzz Hargrove is currently demanding a 'Made in Canada' policy and is suggesting that the Liberals or NDP could implement such a policy. However, this is all sheer sophistry. So long as Canada is dominated by monopoly capital, alternative policies amount to little more than rearranging the chairs on the deck of the Titanic. The solution to these problems is the fundamental reorganization of the Canadian economy to serve the interests of the working class and people rather than to maximize the profits of the capitalists. Such an economy would have to put an end to the current reliance on exporting energy and natural resources and would base itself on self-reliance and trade for mutual benefit. Such an economy is both possible and necessary, but requires an end to monopoly capitalist domination of Canada's economy.

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