Helping Businesses Profit from Poverty and the Coup

By Richard Sanders

Canada's embassy in Haiti works hard helping Canadian companies turn a profit in this hemisphere's poorest nation. Top Canadian officials worked closely with their allies in Haiti's corporate elite, and its illegally-installed puppet regime, to promote Canadian business interests. Their main efforts focus on winning lucrative "reconstruction" projects and privatizing Haiti's public sector. With poverty rampant, many Haitians slave away in sweatshops for Canadian firms, like Gildan, to which a Liberal cabinet minister gave Canada's top award for "excellence" in "ethical responsibility."

Canada's new embassy in Haiti, with tennis court, helipad,"[1] pool[2] and high-tech, insurmountable wall,[3] is located in Petionville, a posh Port-au-Prince suburb. Completed for $20 million by Quebec engineering giant/war industry, SNC-Lavalin,[4] and opened in the summer of 2004,[5] it is reputed to be "the most modern foreign embassy in Haiti."[6]

One of the embassy's most important functions is promoting Canadian business interests in Haiti. And, Haiti's "interim government" (March 2004-Feb. 2006)—having been illegally installed and empowered by the U.S./Canada/France-led coup—was keen to open its doors as wide as possible to foreign investors.

The Canadian embassy's Trade Commissioner Service says that its mandate is to promote

> "Canada's economic interests in Haiti and support the efforts of Canadian companies who have selected Haiti as a target market for their products, services or technologies."[7]

To do this, our embassy offers "six core services" to help Canadian businesses that want to profit from what our ambassador in Haiti, Claude Boucher, says is "probably the world's poorest country."[8] (See: "Embassy Offers 'Core Services' to Canadian Firms.") (While Haiti *is* the poorest nation in the Americas, it is not the "world's poorest." Boucher's error reveals that—like the embassy he serves—his attention is not on Haitian poverty, but rather on creating wealth for Canadian businesses.)

Appointed in August 2004,[9] Boucher focused much of his next two years justifying Canada's role ousting Haiti's democratic government, providing a diplomatic veneer of respectability for Haiti's newly-unelected regime and helping Canadian companies take advantage of the extraordinarily business-friendly, post-coup environment.

Like Ambassador Boucher, one of the chief responsibilities of Haiti's unelected Prime Minister, Gerard Latortue, was to meet and greet profit-hungry delegations of Canadian businessmen who began scouring the country for lucrative, coup-enabled investment opportunities. One such trade mission toured Haiti between October 19 and 23, 2004. Both Boucher and Latortue were involved in meetings linked to this mission, and the latter welcomed these Canadians to Haiti by saying "It is trying times that one finds out who one's true friends are."[10]

Who were these "true friends" of Latortue's regime? Marie-France Lebreton of the Francophone Business Forum (FBF) described them as "businessmen" representing 12 Quebec and New Brunswick firms specializing in:

> "road infrastructure, telecommunications, energy, urban planning, waste disposal, sustainable development, agroindustry, manufacturing, fishing, fish farming, the environment, renewable energy, water treatment, education and training."[11]

This was the first such Canadian trade mission since Aristide was kidnapped in February 2004. To prepare for the Canadian delegation, the FBF held "meetings and work sessions with government officials, notably with Prime Minister Gerard Latortue and Trade Minister Danielle Saint Lot."[12] (See page 42.) According to Lebreton, the result of these meetings was that "Several letters of understanding and agreements will be signed with private and public Haitian entities."[13] The trouble with this should be obvious. Haiti's

Embassy Offers 'Core Services' to Canadian Firms

Canada's Embassy in Haiti is keen to provide six "core services" to any Canadian firm seeking to turn a profit in the poorest country of the Americas:

"(1) Market Prospect
Help to assess your market potential in Haiti: geographic and/or sectoral info., and advice on doing business.

(2) Visit Information
Practical guidance for your trip: hotels, interpreters, support services, etc.

(3) Key Contacts Search
Qualified contacts & partners in Haiti: buyers, distributors, lawyers, etc.

(4) Face-to-Face Briefing
Market intelligence from our officers.

(5) Company Information
Current info. on businesses in Haiti.

(6) Troubleshooting
Advice on resolving critical business challenges."

Source: "Embassy of Canada to Haiti," Dep't of Foreign Affairs and International Trade website. <www.infoexport.gc.ca>

"public... entities" had just come under the control of Latortue's illegal government. Although it had no mandate from Haiti's electorate, this puppet regime was eager to sell off Haiti's public assets to private, foreign investors.

As Réginald Boulos (see pages 47-49), said enthusiastically:

> "'Haiti today offers a lot of opportunities for foreign investors to be involved in privatization....' The electricity, water and transport industries, he says, are all being audited for privatization. He is also enthusiastic about the telecommunications sector, which represents a big market for foreign investors."[14]

Latortue and Boucher also collaborated on the creation of the Haitian-Canadian Chamber of Commerce and Industry [HCCCI]. In fact, they "presided over the founding"[15] of this bilateral business association in June 2004,[16] soon after Latortue took power. The HCCCI's first president, Robert Hans Tippenhauer (see page 33), who attended high school in Quèbec,[17] described the Chamber as "the link between Canadian investors and Haiti."[18]

Tippenhauer made no secret of his appreciation for Canadian government representatives in Haiti saying "the mere presence of these officials is good for us." He singled out special praise for Boucher saying he was "one the most active ambassadors" in Haiti.[19]

In an interview with activist and writer Anthony Fenton, Tippenhauer outlined his view that because Canada played such a decisive role in ousting Aristide and in empowering the illegal, "transitional" government that took control, Canadian businesses were entitled to have first dibs on the lucrative, "post-conflict" reconstruction contracts. In his more carefully-coded words: "considering the active role that Canada is playing with their lead role in the transition, Canadian firms should have a first look at these projects."[20]

This, of course, is typical. Re-

The Coup Regime's Minister of Commerce

By Richard Sanders

Danielle Saint-Lot is not your average Haitian. For one thing, she is a former head of Haiti's Chamber of Commerce.[1] And, she was made Minister of Commerce, Industry and Tourism by Haiti's unconstitutional regime in 2004. Such credentials were certainly good enough for our government and its corporate allies who were anxious to collect some of the spoils after the illegal, Canadian-backed regime change.

Canada's Foreign Affairs Minister Pierre Pettigrew held a meeting and "photo op" with Saint-Lot on October 8, 2004, in Montreal.[2] She was in there at the invitation the Department of Foreign Affairs to address a meeting of Canadian corporations wanting to profit from Canadian government-funded "rebuilding" programs in Haiti.[3] Later that month, Saint-Lot was preparing the ground back home for a delegation of Canadian businesses that were on a trade mission to Haiti.[4]

As Minister of Commerce, Saint-Lot promoted the so-called "Red Carpet" project—a U.S. government-funded initiative "to ease the path of investors." Presumably, this special treatment was also extended to Canadian investors. As *Business Week* proclaimed, Saint-Lot "champions the clothing and textile industries"[5] of Haiti. Such "champions" are no doubt highly prized, especially by Canadian businesses—like Gildan Activewear of Montreal—which weaves Third World sweatshops into the fabric of Canadian corporate profiteering. (See pages 44-46.)

Saint-Lot has been championing this work for some time. She held government positions during the "Baby Doc" dictatorship and in the military-dominated era just prior to Aristide's democratic rise to power. This is revealed by an elitist, U.S. government-funded NGO, Vital Voices, which notes that: "Throughout the 1980s, she occupied several important positions in Haiti's Ministries of Commerce and Industry and Foreign Affairs and External Cooperation."[6]

After Aristide's landslide victory in the 1990 elections, Saint-Lot moved from the government to the private sector. She was, for instance, the Director of Training for RAMAK, a controversial, radio-development program. Prior to the 2004 coup, RAMAK "received millions in USAID grants towards indoctrinating radio stations in Haiti towards the U.S. embassy rhetoric."[7] RAMAK was a subsidiary of Creative Associates International Inc.(CAII), a Washington-based corporation that makes millions by spearheading U.S. government propaganda efforts in the Third World. CAII's expertise is in melding "development work with political, military and economic influence strategies."[8]

Through RAMAK's 2001-2004 "civic education" program, CAII helped pave the way for the latest coup in Haiti. It was *deja vu* all over again. Back in 1991, the CAII had been "involved with the [first] coup against democratically-elected president Jean-Bertrand Aristide." In 1989, the CAII had assisted "the Contra guerillas in Nicaragua."[9] Not surprisingly, the CAII is now contracted by the U.S. government to "lead the rebuilding of education" in Afghanistan and Iraq (since 2001 and 2003 respectively).[10]

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construction contracts are generally won by companies based in the very "investor" nations whose governments were responsible for the wars, coups, loan indebtedness and/or foreign-aid sanctions that created the problems in the first place. As such, Third World countries blighted by war and poverty, are converted into cash cows that First World entrepreneurs in the "nation-rebuilding" business can then milk.

Such "reconstruction" industries are now raking in about US$200-billion a year. And, although Haiti falls behind the huge windfalls of profit reaped in Iraq and Afghanistan, within a month of the 2004 coup, the *Toronto Star* looked hopefully upon Haiti as "the latest procurement hot spot."[21]

If you still think these supposedly-altruistic, "nation-building" contracts are all about helping poor civilian populations get back on their feet, then think again. Such contracts also include a big slice for "military-support" work. Besides needing military helicopters, armoured assault vehicles, weapons and ammunition, the thousands of foreign troops occupying Haiti also need "housing and feeding," "laundry, ...flush toilets, ...showers and mail" delivery. And, you can be sure that occupying forces received these basic services long before many Haitians ever will. Doug Brooks, president of the euphemisticallly-titled International Peace Operations Association (representing U.S. firms competing for military-support contracts), estimated that Haitian operations alone would yield his member firms $100 million a year.[22]

In the first month of the military occupation, Bill Durch, a senior associate at the Henry Stimson Center (a think tank whose directors include former U.S. State Department bureaucrats, an investment banker and representatives of war-industry giants, Lockheed Martin and Boeing),[23] had high hopes for the UN's Haiti mission, at least in terms of benefits for war-related contractors. Durch said the Haiti mission would "pump up" UN procurement figures, and added, "It's a good time to be a vendor."[24]

So, who are these "vendors" that celebrate a "good time" when countries, like Haiti, have their democracies overthrown and are then occupied by foreign troops whose UN-sanctioned role is to protect an imposed and brutally-repressive regime? The UN, which forks out more than $800 million per year in contracts, publishes an annual list of "approved suppliers." The number of Canadian firms on this list went up 20%, from 176 in 2002,[25] to 212 in 2007.[26] On the list of approved UN vendors in Canada are several of our country's most prestigious and profitable, war profiteers: Computing Devices, Frontec, Military International, Oerlikon Contraves, SNC-TEC and SNC-Lavalin International.[27]

Thanks to the staggering boom in Haiti's poverty and its two-year, post-coup deficit in democracy, SNC was very successful in turning a handsome profit. One of Canada's most diversified firms, SNC-Lavalin has tentacles firmly set in many sectors, including this list from its website: agribusiness, chemicals & petroleum, environment, health care, infrastructure, light industry & manufacturing, mass transit, mining, metallurgy, pharmaceuticals and biotechnology, power, project financing and management, pulp and paper.[28]

But let's not forget war technology. In 2003, SNC reported a "$270-million income from the sale of bullets and ammunition" alone. In May 2004, one of its subsidiaries, SNC-TEC, joined a

> "consortium led by General Dynamics Ordnance and Tactical Systems, and signed a contract to build 200 million bullets for the U.S. Department of Defense...to meet the rising needs of U.S. occupation forces in Iraq [and probably Haiti too].[29]

In 2005, it was reported that SNC "provides 70% of Canada's military ammunition."[30] This, of course, has been used in various conflicts, including in Haiti.

But of all its business dealings in Haiti, SNC's most high-profile success was to design and construct Canada's swanky new embassy. This is a symbolic cornerstone of Canadian complicity in Haiti's coup government because it is from this location that our government runs many of its business, military and diplomatic operations.

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Gildan's Haitian Sweatshops

By Stephen Kerr

Haiti has the lowest wages in the western hemisphere, and the Canadian apparel industry likes that just fine, thank you. A 1998 newsletter from the Campaign for Labour Rights described typical conditions in Haitian garment factories. Workers face

> "threats if they try to organize and claim the right to collective bargaining, illegal firings, verbal abuse, sexual harassment, no access to potable water not enough sanitary facilities, no adequate lighting and ventilation and the constant pressure to work at an enormous speed."

These conditions remain virtually unchanged.

On March 2, 2004, Canada's Department of Foreign Affairs and International Trade (DFAIT) stated, "some Canadian companies are looking to shift garment production to Haiti." DFAIT provides research and Haitian contacts through a variety of sub-agencies to Canadian companies that want to exploit low wages in Haiti.

Montreal-based Gildan Activewear subcontracts work to Haitian-owned sweatshops, and they have opened a new factory in Port-au-Prince that employs 400 to 500 people.

Gildan, one of the largest T-shirt makers in the world, claimed has on CBC radio that it pays workers a premium on the minimum Haitian wage. However, unionized workers at Gildan's Montreal factory earn more than 10 times the Haitian wage, and unorganized Haitian workers employed by Gildan recently told CBC that their wages are not enough to live on. With increases in the cost of fuel in Haiti—the IMF demanded it be deregulated and the price has soared—Haitian workers have once again been demanding their minimum wage of 36 Gourdes per day [US$2.40] be increased to keep up with inflation.

But what's bad for Haitian workers—low wages and appalling conditions—are good business for the T-shirt trade. At the time of writing, a blank Gildan T sells on Ebay for about $1.25. Gildan's sales have nearly doubled, from $344 million in 1999 to $630 million in 2003. In the same period, Gildan stock soared on the Toronto Stock Exchange from $5 to $44 per share. According to UNITE, Gildan has received over $3 million dollars of federal subsidies while it contemplated moving production offshore.

In 2002, Gildan donated $2000 to Paul Martin's campaign for the leadership of the Federal Liberal Party.

In February 2003, Gildan won an award for "social responsibility" given by the Association of Canadian Manufacturers and Exporters (CME) and the government's Canadian International Development Agency (CIDA), which subsidizes Canadian companies to invest overseas. CIDA has been heavily criticized for lending to Liberal Party allies to subsidize projects of dubious social development value.

The cabinet Minster for International Cooperation, Susan Whelan, presented the award at a gala $175-dollar-per-plate dinner whose theme was "Serving the Poor, Profitably" on February 5, 2003. The award was presented at Canada's Museum of Civilization.

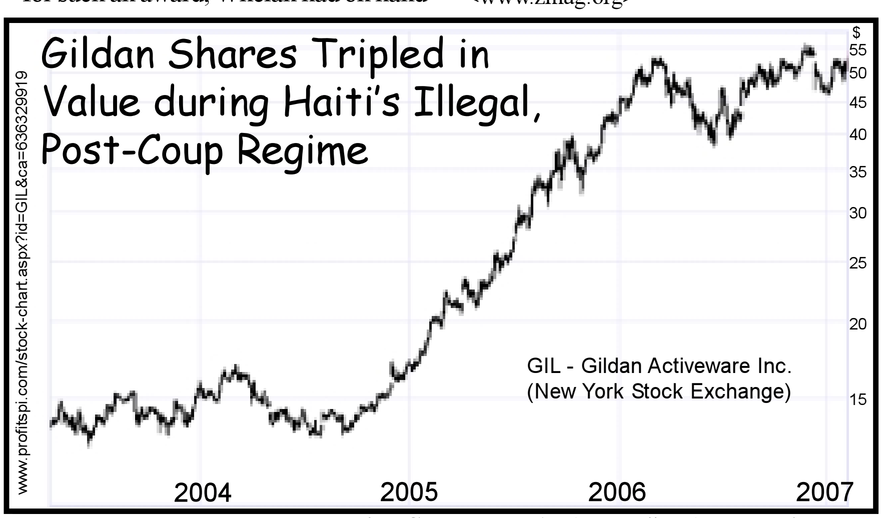
Activists protested the event, and penetrated security during dinner while chanting "one two three four, CME, you screw the poor ... five six seven eight, CIDA only serves the state." CEOs did not appreciate the irony. Nor did the minister. When questioned by the NDP in the House of Commons on the suitability of Gildan for such an award, Whelan had on hand a pat response from the company itself:

> "Gildan Activewear has responded that these third-party allegations are groundless, and according to Gildan the employees were let go because of seasonal variation in demand."

Gildan's workers in Honduras are not impressed with medals from Liberal Party apparatchiks. The CBC TV program "Disclosure" and the Maquila Solidarity Network (MSN) exposed unfair labour practices a full year before Gildan was lauded by the Canada. Gildan's Honduran workers complained of "demanding quotas, supervised bathroom breaks, breathing air full of cotton dust and firings if they try to organize a union."

Source: "Paul Martin's Haitian Adventure," *ZNet*, March 5, 2004. <www.zmag.org>

Gildan, which helped finance Paul Martin's 2002 Liberal leadership campaign, moved some of its labour-busting, Honduran sweatshops to Haiti after the 2004 coup.



Canadian Cabinet Recognizes Gildan for Business Ethics

By Richard Sanders

When Canada's Minister for International Cooperation, Susan Whelan, announced the winners of the 2003 International Cooperation Award,[1] labour activists were shocked that Gildan had won the "Award for Excellence in Corporate Social and Ethical Responsibility." Sponsored by Nexen (a Calgary oil company operating on four continents[2]), the award was co-funded by CIDA and the Canadian Manufacturers and Exporters Assoc.

In 2000, Foreign Affairs Minister Pierre Pettigrew announced Gildan was a Canada Export Awards finalist for firms bringing "success in the global market back home...[to] strengthen local economies with new jobs."[3]

Ironically, Gildan cut more than 200 jobs in the Montreal area alone when Gildan shifted work to their sweatshops in Central America and the Caribbean.[4] Gildan's Laurence Sellyn, said this was done "to get the low costs we need to compete with China."[5]

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Gildan Sweatshops, Slave Wages and Haiti's anti-Aristide Elite

Gildan's main supplier in Haiti, Andy Apaid, is a millionaire sweatshop owner who led the elitist Group of 184, a CIDA-supported, anti-Aristide front group which opposed Aristide's drive to double Haiti's minimum wage. (See pages 47-49.) Here is what two researchers learned in Haiti:

- Apaid's workers mainly women 18 to 30 in age, earned 70 gourdes [US$1.68] a day, sewing from 6:30 a.m. to 5 p.m.
- One woman who had worked at the factory for eight years, said she earned 36 gourdes (US86¢) a day when she began. (In 1995, Aristide more than doubled the minimum wage, from 15 to 36 gourdes [US36¢ to 86¢] a day.)
- The Apaid Garment Factory takes 150 gourdes (US$3.60) from workers' salaries every two weeks for food, which is served to workers during lunch break.
- There is no vacation pay and, technically speaking, no one works overtime.
- One man told us that he makes 70 gourdes (US$1.68) a day, but needs 60 gourdes (US$1.44) to travel by bus to the factory and back home. He said the entire operation was "organized theft."

Source: Andréa Schmidt & Anthony Fenton, "Andy Apaid and Us," *ZNet*, Oct. 19, 2005.

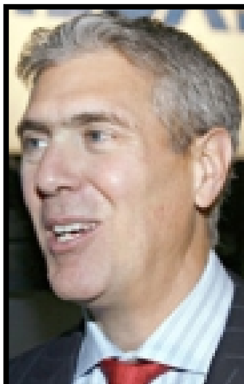
Former Apaid workers said he never honored Haiti's minimum wage. In addition, he forced workers to attend anti-Aristide rallies under threat of termination or reprimand.

Source: Anthony Fenton, "Gildan Activewear," *ZNet*, July 24, 2004.

Gildan Activeware's **Laurence Sellyn** was named Canada's "Top CFO" (Chief Financial Officer) by *Canadian Business* magazine.

Why? Because he: "made good use of tax treaties and economic incentive programs to lower Gildan's realized tax rate to about 6%." (April 25-May 8, 2005.)

For his work, Sellyn received:
$4.2 million (2006)
$1.2 million (2005)
$2.9 million (2004)



Gildan's President and CEO, **Glen Chamandy** has boasted:

"Gildan's labour costs in countries such as Haiti and Honduras are actually cheaper than those in China... The bulk of T-shirts heading to the U.S. are from the Caribbean," Globe & Mail, April 11, 2005.

- Chamandy's shares in Gildan went from a value of $270 million in 2005 to $322 million in 2006. His salary/bonus packages totalled: $1.3 million (2006); $1.6 million (2005); $1.3 million (2004)

ETHICS? In 2006, the Association of Quebec Chambers of Commerce honoured Gildan with the Mercuriade prize for Social Responsibility. The glitzy gala was attended by the Quebec's Conservative-cum-Liberal premier, Jean Charest, and 1000 others from Quebec's business world.

Contrast Gildan's Top Salaries with Haiti's Minimum Wage

- Working 12 hours a day, 6 days a week at minimum wage in Gildan sweatshops, Haitians would have to work 2481 years to earn CEO Glen Chamandy's 2006 salary, and 8016 years for CFO Laurence Sellyn's 2006 salary.
- Assuming he worked 40 hours per week in 2006, Gildan's CEO Glen Chamandy received a Haitian sweatshop workers' annual salary every 50 minutes, while Gildan CFO Laurence Sellyn earned that much every 15 minutes.

Clothes to Die for

By David Evans

Canada is the fourth largest exporter of clothes to the U.S.[1] Over the past two decades, these sales have increased steadily[2] going from "$1 billion in 1992 to...around $5.2 billion in 2000, 2001 and 2002."[3] However, the number of people employed in the trade has decreased.[4] How can this be?

Through the processes known as "transshipments" and "re-exports," all the difficult labour is done for as little as 11¢ an hour [in places like Haiti].

Through trade deals such as the Caribbean Basin Initiative and NAFTA, Canadian businesses re-export clothes that are largely made by Haitian labour.

Over a third of our apparel and textile export is not made by Canadian labour, despite "Made in Canada" labels. Such "neo-imperialism" has been shown to restrict societies' abilities to develop industries, can lead to de-industrialization[5] and negative rates of development, such as in Haiti.[5]

Haiti's de-industrialization is unique in the degree of devastation and the fact that Canadian businesses have a deep responsibility for its creation.

Those who support and profit from this system include all our major clothing retailers and manufacturers.[6]

High-capital investments, like the precious machines for automated production, stay in Canada, where they do not endure the risk of workers impoverished and brutalized by inhuman conditions, rising up in revolution. When the oppression of labour is exported, both capital and capitalist remain well protected. Here, in perfect anonymity, they sip lattes, read the paper, collect dividends and never see the misery inflicted upon others for profit.

As Haiti's first democratically-elected president, Aristide had modest aims, such as increasing the minimum wage to about 20¢ an hour.[7] He believed that Haiti's democratic institutions should vote on polices such as privatization of resources, like water.[8] These aims were commendable, although extremely modest.

Haiti's problems ranged from 12% child mortality, 70% unemployment and 50% without safe, drinking water,[9] had only gotten worse, thanks largely to the "re-export" industry. The Duvalier dictatorships [1956-1986] and military rule [1991-1994] helped foreign interests turn Haiti into a sweat shop, "re-export" economy.[10]

When Aristide's popularly-elected government was overthrown again in 2004, Canadian business interests increased Haitian imports. It became twice what it was before North American and European governments agitated against his government in 2002.[11] Canada's government declared support for democracy and human rights, even as its troops helped the coup. Canadian business interests increased involvement in a country where human rights atrocities also increased.[12]

The pattern is clear. When Haitian workers' rights are promoted, even timidly, Canadian firms avoid Haiti. Two of Canada's greatest proponents of the 2004 coup, cabinet ministers Aileen Carroll and Pierre Pettigrew, represented areas (South Central Ontario and Montreal) where business interests have highly benefited from the "re-export" trade.[13]

Pettigrew gave bold endorsements of the coup leaders. CIDA's financial support, under Carroll's leadership, bolstered the post-coup regime[14] that directly benefited Canadian business interests. In Calgary, she was given an award by an SNC-Lavalin representative for efforts to privatize water supplies in impoverished societies.[15]

With the help of the Canada-Haiti Action Network (see back cover), these politicians were defeated in 2006.[16] The present government continues the Liberal government's work in Haiti. This is consistent with history. Conservative and Liberal governments have acted towards Haiti with no discernable difference.

Canadian foreign policy is perceived to be full of human values expressing solidarity with the world's poor.[17] Nothing could be further from the truth. We are the very mirror image of our ideals. In Haiti, we see the true nature of Canada's engagement with the world. No longer merely the servile agents of capital[18] or the master's lackey in the Caribbean,[19] Canada's businesses have become the owners of plantations.

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Source: "Another Canadian connection in Haiti: Clothes to die for," *Seven Oaks*, Feb. 12, 2006.

The ABCs of Haiti's Elite: Apaid, Boulos and Canada

By Richard Sanders

Although they have never held political office, Andy Apaid, Jr., and Réginald Boulos are arguably the two most powerful men in Haiti. However, unlike the vast majority of Haitians, they are not descended from African slaves. Neither are they poor. Apaid isn't even a Haitian citizen but "was born to Haitian parents in the U.S. and came to Haiti in 1976 as a foreign businessman on a visitor's visa."[1]

However, these two white millionaires of Middle Eastern stock are the top industrialists, financiers and spokesmen for Haiti's virulent right-wing elite. As a result, they are the darlings of the Canadian and American government, and their corporate and NGO allies, who cynically call themselves "friends of Haiti."

To promote the shared interests of their class (at home and abroad), Apaid and Boulos lead Haiti's Group of 184 (G-184), which human rights investigator Thomas Griffin described as a "business-centered coalition" composed of "wealthy individuals, businesses, professional, media and other associations."[2] He notes that in

> "combination with the violent band of armed attackers closing in on Port-au-Prince, it provided the political force in Haiti that led to Aristide's ouster in February 2004."[3]

Established in December 2002, "after a powwow with the International Republican Institute in Santo Domingo [Dominican Republic],"[4] the G-184 rallied Haiti's rich and powerful against Aristide. Its members are funded by the Haitian-American Chamber of Commerce, the governments of the U.S.[5] and Canada (through the Canadian International Development Agency.)[6]

Using deception and subterfuge, Apaid, Boulos and their cronies, fuelled the hatred of Aristide to a fevered pitch and set the stage for the 2004 coup. They financed and spoke at elite-sponsored rallies, provided frequent sound bites for domestic and foreign corporate media, and lead a general strike that most Haitians completely ignored.

After the coup, they hailed its illegally-installed, puppet regime and worked together to pressure UN forces to escalate their raids against Aristide supporters in shantytowns like Cité Soleil, home to 300,000. (See page 18.)

Apaid and Boulos financed and armed a Cité-Soleil gang, led by Thomas Robinson (aka "Labanye"), who was "perhaps the best known of all local gangsters." His goal was to "stifle the political voice of the poor and to wipe out the Lavalas movement."[7]

In December 2004, Labanye thugs massacred Aristide supporters in Cité Soleil. This precipitated a UN attack that killed even more Aristide allies. As one Cité Soleil resident said

> "Labanye, controlled by Andre Apaid and Reginald Boulos, began a heavy attack...and many people were killed. The UN then used this as a pretext to invade our neighbourhood and end our calls for Aristide's return. It is clear they are working together to exterminate us."[8]

Andy Apaid

Apaid's links to Labanye are particularly strong. For his human rights report, U.S. lawyer Thomas Griffin interviewed "Cité Soleil residents, police officers and Cité Soleil leaders" who "stated that Apaid 'bought' Labanyè with US$30,000."[9]

Griffin spoke to eyewitnesses who said that in July 2003, Apaid held a meeting with "several Lavalas street leaders in Cité Soleil." Also present was Leon Charles, who became Chief of Police after the coup. Apaid asked

> "the young men to become the violent arm of his movement to undermine the elected government, and to crush the democracy movement in Cité Soleil. Only Labanyè agreed."[10]

Apaid admits that he then "directed the police to protect Labanyè's life, and 'not to arrest him, but to work with him.'" Apaid also said he had "great influence over Labanyè." This was corroborated by "numerous police officers" who "confirmed that Labanyè is killing for Apaid,...that they remain under orders not to arrest him" and that "the protection order came from Andy Apaid and 'the bourgeoisie.'"[11]

After the coup, Labanyè gang's violence continued . Griffin reports that on September 30, 2004, when "a large group of Cité Soleil residents" tried to join a pro-democracy rally, "Labanyè and his gang began shooting at the crowd.... [and] many were killed." After that, "regular ...political meetings for Lavalas supporters in Cité Soleil" were "cancelled due to fear."[12]

Apaid had previously displayed endorsed violence as a political and economic tool. In a 2003 BBC interview, he "voiced support for rioters in Gonaïves who had torched government buildings."[13] He also "pulled a gun on demonstrators" from a union "who tried to picket in front of his plant."[14]

Apaid has links to Guy Philippe, the former police chief who led the rebel rampage across Haiti in February 2004, burning police stations, killing Lavalas supporters and creating the pretext needed by U.S., French and Canadian forces to impose a new government. Apaid is said to have

> "funded [Philippe's] army. In a telling incident in northeast Haiti... on March 1, members of Philippe's gang attacked striking workers at the request of the employer."[15]

By using violence to oppose Aristide, Apaid followed "the political footsteps of his father." André Sr., "founder of Alpha Sewing in the 1970s," was "close to dictator...'Baby Doc' Duvalier." Apaid Sr. even led a

> "'civil society' (read: bourgeoisie) campaign to support the 1991-1994 military coup against Pres. Aristide, which successfully eased U.S. sanc-

tions on the export of goods from Haiti's assembly sweat-shops."[16]

While at a 1991 business conference in Miami, soon after Aristide's expulsion, Apaid, Sr., was asked how he would react if Aristide returned to Haiti. His reply: 'I'd strangle him!'"[17] Apaid was then president of PROMINEX, a U.S. government-funded project, spending millions of dollars "to encourage U.S. and Canadian firms to move their businesses to Haiti."[18]

The elder Apaid was "one of the chief lobbyists in the U.S."[19] for the military junta that ousted Aristide eight months after his first landslide election. And, he was "a major financial contributor" to Marc Bazin,[20] the World Bank bureaucrat installed as Prime Minister by the military regime in 1992.

In the 1990s, the most profitable part of Apaid's empire was Alpha Electronics. Its products were sold to U.S. war industries, such as Sperry/Unisys, IBM, Remington and Honeywell, for use in radar and sonar equipment.[21]

Apaid, Jr., "like his family before him, is the owner of several of the largest factories in Haiti."[22] U.S. Congress woman, Maxine Waters, noted that Apaid, who "owns about 15 or 16 factories in Haiti" was "accused of not paying his taxes, and that Mr. Aristide was insisting that he pay his taxes."[23]

Apaid's aversion to paying taxes was but one reason for his hatred of Aristide. Apaid also doesn't like paying his sweatshop workers. They receive some of the lowest wages in the Western Hemisphere. The textiles they make for North American firms, have made millions for Apaid and his importers, like Canada's Gildan Activewear. (See pages 44-46). This put Apaid in conflict with Aristide, who doubled the minimum wage. Apaid's free-trade-zone sweatshops "often pay below the minimum wage and...his employees are forced to work 78-hour weeks."[24]

Two weeks before the 2004 coup, Maxine Waters drew the attention of U.S. reporters to Apaid, saying:

> "I challenge the Department of State to find out about this man. Why do we have someone in Haiti [with] an American passport, owning factories in Haiti, triggering a coup, and leading the so-called opposition to a democratically elected president?"[25]

Dr. Reginald Boulos

Boulos, the president of Haiti's Chamber of Commerce, is another industrialist of Middle Eastern heritage who was a leading light in the reactionary right's G-184.

He, and his brother Rudolph, are also key to the "Haiti Democracy Project," a right-wing, Washington-based front that used U.S. government

> "resources and programs and their diplomatic, State Department, Pentagon and UN/OAS [Organization of American States] connections, to help carry out the 2004...coup."[26]

The Boulos family is a long-time fixture in Haiti, owning "the USAID-funded Radio Vision 2000, the Delimart supermarket and *Le Matin*" newspaper.[27] Dr. Carlo Boulos ("papa doc" to Réginald and Rudolph) was appointed health minister by dictator "Papa Doc" Duvalier. Carlo founded Pharval Labs,[28] a pharmaceutical firm with many skeletons in its closet.

For instance in 1992, during the military regime, when a Pharval factory exploded—killing 15 and wounding hundreds—there was "never any explanation or investigation."[29]

In 1996, two poisonous Pharval cough syrups killed 88 children.[30] This tragic story has a Canadian connection:

> "The toxic syrup base—which contained diethylene glycol, used in antifreeze and as a solvent—[was] traced to a shipment received by Pharval Labs, headed by Dr. Reginald and Rodolphe Boulos.... Pharval sold some to 4C (Caribbean Canadian Chemical Co.).... Their customers are the majority of the population, while those with the means buy foreign-made medicines."[31]

The Canadian company, 4C (which brings to mind "3B," the villainous, Canadian-linked pharmaceutical firm in John LeCarré's *Constant Gardener*), is "a leading manufacturer and distributor of pharmaceutical...items"[32] in Haiti. When the deadly syrup was "distributed throughout poor neighborhoods of the capital,"[33] it was not Haiti's elite who died. A decade later, Pharval paid $10,000 each to 70 victimized families.[34] Haitian organizations blamed the deaths on "privatization, because the state has dumped peoples' health into the hands of the private sector."[35]

In 2002, Pharval CEO Rudolph Boulos was investigated for "possible involvement in the assassination of Haitian journalist Jean Dominique who had been very critical of Pharval."[36]

Another scandal "victimizing innocent Haitian children and implicating Dr. Reginald Boulos," was revealed in 1996, when the Washington Office on Haiti (WOH) and the U.S. National Vaccine Info. Center (NVIC) reported that five years earlier, "over 2,000 Cité Soleil children had been innocu-lated with a measles vaccine" that was up to "500 times" stronger than "normal." This "U.S. government test" was conducted by the U.S.-funded Centres pour le Developpement et la Sante (CDS), headed by Reginald Boulos.[37]

WOH and NVIC said the vaccine "resulted in a higher than expected death rate" but "how many Haitian babies died as a result" is unknown.[38]

Boulos' CDS also used Cité Soleil residents as guinea pigs to test 'Norplant,' a subdermal contraceptive.[39] This was "done without...informed consent" and "Norplant removals":

> "were denied or delayed, even to women who suffered extremely severe side effects such as bleeding extensive enough to cause anemia or paralyzing headaches."[40]

Meanwhile, 21 other medical experiments were being done in Cité Soleil.[41] How many were overseen by Boulos?

The good doctor's prestige has not been hurt—at least in the Canadian government's eyes—by his leadership of Haiti's rapacious business elite, his willingness to sacrifice Haiti's poorest of the poor, or his virulent support for the 2004 coup. These are more likely the very qualities that make Boulos an attractive ally for Canada's plutocracy.

In September 2005, Canada's government flew Boulos to an exclusive, two-day session at its Meech Lake resort, near Ottawa. (This was where the 2003 "Ottawa Initiative" discussed Aristide's ouster and the UN occupation of Haiti. See pages 13-14.) One of the big issues on the table in 2005 was Haitian "privatization" and "private sector provision of public services." With Haiti's election on the horizon, and knowing that such policies are widely opposed, participants said privatization had to be "properly pushed." Some said "the international community" should "put pressure on Haitian actors by providing political and financial support" for privatization.[42]

Boulos was the most powerful among the small handful of Haitian business and regime officials brought in to meet a dozen bankers and 15 top CIDA and Foreign Affairs bureaucrats. Diplomats, like Canada's Claude Boucher, and Haiti's Robert Tippenhauer were there. Also on hand, were the event's U.S. and Canadian government-funded co-sponsors, FOCAL and Inter-American Dialogue (IAD).[43] They had worked with Apaid and Boulos' G-184 to foment the anti-Aristide fervour that facilitated the 2004 coup.

It is not an exaggeration to say that Boulos, and fellow agents of Haiti's elite, were brought to this secretive, invitation-only affair, to *conspire* with Canadian bankers, bureaucrats and government-funded agencies. Its criminal nature is also clear since Haiti's illegal regime was represented by Tippenhauer and others. (See page 33.)

Canadian banking and government interests knew it was "controversial" to recruit Haiti's business elite to influence policies, like privatization, that should only be decided by a duly-elected Haitian government. So, to facilitate this "dirty work," they contracted a government-funded agency. This was revealed by former Prime Minister Joe Clark, who—as FOCAL's president —chaired the meeting:

> "There's no question that the private sector 20 years ago was a large part of what went wrong in Haiti. It colluded with some of the worst of the rulers in Haiti.... People were suspicious of the private sector because they didn't want [to] bring it in and have those problems repeat themselves. It was controversial enough that it was not the kind of issue [for] the government or a development bank to address directly. It would be risky for them. So we proposed that we would do it. We being FOCAL. We had a very successful meeting. We had some really excellent people come from Haiti. Proving it could work...allowed governments ....[to] find ways to bring the private sector into the official development of transition plans of Haiti."[43]

Boulos was one of so-called "really excellent people" parachuted in to this government-funded confab to boost corporate influence over Haiti's "transitional" government. At the next FOCAL/IAD session held to empower Haiti's private sector, Boulos was the Haitian chosen to report on the 2005 meeting and "subsequent progress."[44]

Like Andy Apaid, Boulos is not squeamish about using violence against Haiti's poor majority in order to fulfil his economic aspirations. For example, at a May-2005 meeting between Haitian business leaders and the illegal regime's Chief of Police, Leon Charles,

> "Boulos demanded the U.S.-installed government...allow the business community to form...private security firms and arm them with automatic weapons. This was clearly a demand to legalize the business community's own private militias to kill what Boulos, and others in his circle, have referred to as 'Lavalas bandits.' Boulos also suggested the Latortue regime allow businesses to withhold taxes...to buy more powerful weapons for the police."[45]

Displaying a contempt for compromise that typifies the sense of entitlement rampant among corporate elites everywhere, Boulos said: "If they don't allow us to do this then we'll take on [our] own initiative and do it anyway."[46]

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