

Rights Action  
August 25, 2015

**Are the Canadian government, mining companies and even pension funds participating in and/or profiting from Guatemalan corruption and impunity?**

Please write your own letter to your own Member of Parliament, the mining companies, pension funds, ... and repost and re-send this letter.

- What to do?: See below

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August 25, 2015

**Public Letter**

**Are the Canadian government, mining companies and even pension funds participating in and/or profiting from Guatemalan corruption and impunity?**

To:

- Canadian government in Guatemala and foreign affairs
- Canadian mining companies in Guatemala
- Canada Pension Fund, and other pension funds across Canada

To Whom It May Concern:

Under Canada's foreign anti-bribery law, the Corruption of Foreign Public Officials Act, it a criminal offence for Canadians and Canadian companies to bribe foreign government officials. Canadian companies operating abroad are subject to this law.

Canadian companies listed on US stock exchanges are subject to similar US law, the Foreign Corrupt Practices Act, under which billions of dollars of penalties have been assessed against companies engaged in corrupt practices in Latin America and elsewhere.

In April, 2015, CICIG (the United Nations-linked International Commission Against Impunity) and Guatemala's MP (Attorney General) exposed the "La Linea" government criminal network that stole at least \$120,000,000 of public funds, particularly from the payment of import taxes paid by Guatemalan and foreign individuals and companies to import goods and industrial equipment into the country.

Since then, Guatemala has been experiencing a political, institutional crisis as the enormity of the "La Linea" criminal network has become known, after years of operation.

**Vice President "Resigns", Then Arrested**

The bleeding began when Vice-President Roxana Baldetti – alleged “number 2” in the crime network - was forced to resign. She has been since arrested and is in jail, charged with conspiracy, customs fraud and bribery.

### **Two Ministers of Mining “Resign”, Face Possible Corruption Charges**

In May, Guatemala's minister of energy and mines, Erick Archila (who would have had extensive direct political and business dealings with Canadian government and mining company officials) resigned amid accusations of corruption. His successor did not last a week. After the Vice-President “resigned”, cabinet ministers for the environment, the interior, and the new minister for energy and mines were forced to step down amid the “La Linea” corruption scandals.

### **President Faces Charges**

Now, CICIG and the MP have filed charges in the Supreme Court against President Otto Perez Molina, alleged “number 1” in the “La Linea” crime network. The charges could lead to the president being impeached. Since these charges against the President were made public, at least 15 high-profile members of the president’s government have resigned.

There is much more information available about this huge and spreading government crime scandal.

Can Canadian government officials and mining companies confirm:

- they had no knowledge of the “La Linea” government criminal network operating at the highest levels of the Guatemalan government?
- that Canadian government officials did not have bi-lateral or multi-lateral dealings with Guatemalan officials, knowing they were involved in criminal activities and acting with impunity?
- that Canadian mining company officers and directors did not, directly or through their Guatemalan subsidiaries, have business dealings with Guatemalan government officials and/ or private sector individuals, knowing they were involved in criminal activities and acting with impunity?
- that Canadian mining companies did not contribute to and financially profit from the criminally corrupt actions of their political and business counter-parts in Guatemala?

Can the Canada Pension Fund and other pension funds confirm that none of our public pension funds are invested in mining companies – Goldcorp Inc, Tahoe Resources, Hudbay Minerals – that might have, through their political and economic dealings with Guatemalan government officials and politicians, contributed to and/or benefitted from the “La Linea” organized crime syndicate and, more generally, the corruption and impunity that characterize the Guatemala political and legal systems?

I look forward to hearing from you.

Grahame Russell, director Rights Action  
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Grahame is a non-practising lawyer, adjunct professor at the University of Northern British Columbia, writer and director of the not-for-profit organization Rights Action. With Rights Action, Grahame has worked for over 20 years in Guatemala, funding and supporting community-controlled development, environmental and human rights defense projects.

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## **Just Say No To: 'International Business and Investments, Repression, Corruption and Impunity As Usual'**

*"For decades, the international community, including other governments, the mining industry, the World Bank, the Inter-American Development Bank, have been comfortably doing profitable business in Guatemala with repressive, corrupted governments headed by the likes of former General Efraim Rios Montt, found guilty of the crime of genocide in 2013, and currently by former General, now President Otto Perez Molina, facing impeachment for overseeing a \$120 million import tax organized crime ring. As courageous Guatemalans take to the streets and demand justice for these corrupt, repressive leaders, and demand serious reform to how their country operates, who will hold to account the "international community" that for decades has maintained military, political and economic relations with Guatemala's elite sectors, participating in and benefitting from the corruption and impunity?" (Grahame Russell, Rights Action)*

Send, and keep on sending copies of this information, and your own letters, to your own elected politicians (MPs, Congresspersons, Senators), to your media, and to your own pension and investment funds, asking: Why our governments, companies and investment firms do nothing about the poverty, repression and violence, and environmental and health harms associated with North American businesses, while benefiting from these economic, military and political relations?

### **Tax-Deductible Donations (Canada & United States)**

To support community organizations working for locally-controlled development, the environment, human rights, real democracy and the rule of law in Honduras and Guatemala, make check payable to "Rights Action" and mail to:

- Canada: (Box 552) 351 Queen St. E, Toronto ON, M5A-1T8
- USA: Box 50887, Washington DC, 20091
- Credit-Card Donations: <http://www.rightsaction.org/tax-deductible-donations>
- Stock donations: [info@rightsaction.org](mailto:info@rightsaction.org)

### **Get Informed / Get Involved**

- Speakers: Invite us to give presentations about these issues
- Educational Delegation: Join an educational delegation seminar to Guatemala and Honduras to learn more about these issues and struggles
- Daily News: [www.democracynow.org](http://www.democracynow.org) / [www.upsidedownworld.org](http://www.upsidedownworld.org) / <http://www.telesurvtv.net/english/index.html> / [www.rabble.ca](http://www.rabble.ca) /
- Recommended Reading: "This Changes Everything: Capitalism versus The Climate", by Naomi Klein; "Open Veins of Latin America", by Eduardo Galeano; "A People's History of the United States", by Howard Zinn

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