

The Americas Report

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The Americas Report is a continuation of the work of Dr. Constantine C. Menges' original America's Report. For almost two years that report chronicled the efforts of the Castro-Chavez axis and their allies in their efforts to undermine free nations and people throughout the Western Hemisphere. These efforts were in keeping with the theme of the July 1993 meeting of the Forum of São Paulo, which was founded in 1990 by Lula da Silva and Fidel Castro, "Our losses in Eastern Europe will be offset by our victories in Latin America."

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For any questions, comments, or those interested in receiving this report in the future or seeking to have their email removed from our list please contact **Nicole M. Ferrand** at our **new e-mail address:** mengesproject@centerforsecuritypolicy.org. If you have news stories that you think might be useful for future editions of this report please send them, with a link to the original website, to the same e-mail address. If you wish to contribute with an article, please send it to the same address, with your name and place of work or study.

Highlighted Story - Ecuador's Democracy at Risk. By Nicole Ferrand*

As Luis Fleischman, writing for The Americas Report, predicted last November, the Ecuadorian President, Rafael Correa, is creating a constituent assembly aimed at increasing a more authoritarian system of government. Such a system would include the further deterioration of political representative institutions in favor of a stronger executive power. Furthermore, Fleischman pointed out that "Mr. Correa's party is a political movement detached from a structure that sees elections only as means to gain votes, to establish himself in power and later rule without a free functioning legislative branch. Thus, "the assembly will determine the elimination of party plurality in favor of the almighty political leader (with a direct connection to the masses). As soon as he gathers more power, Mr. Correa will proceed to dismantle political pluralism in Ecuador and will move in the direction set by Hugo Chávez" (Luis Fleischman, "Elections in Ecuador", CSP Security Forum, November 9, 2006).

Indeed, President Rafael Correa's proposal to create a Constituent Assembly to rewrite Ecuador's Constitution won an overwhelming 81.7% of the votes in a national Referendum on April 15, 2007. More than 70% of Ecuador's 9.2 million voters participated. The Supreme Electoral Court has resolved to convene elections on September 30, 2007 for the 130 delegates to a Constituent National Assembly.¹

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¹Ecuador lawmakers may seek asylum in Colombia. April 25, 2007. CNN.



Rafael Correa. Source: AFP.

Since being elected President of Ecuador, Mr. Correa had been pushing the idea of a new constitution 'to fight against corruption.' Disenchantment with congress, political parties and the judiciary were key factors in Rafael Correa's presidential victory last year.² But many see the result of the Referendum as a power grab by the President who didn't present candidates for Congress and had little support to advance his policies. One possibility is that the only way out of this stalemate was to dissolve the Legislative body and replace it with a new one that would support his agenda.

Why did Rafael Correa call for a Constituent Assembly?

Mr. Correa won the Presidential elections on November 26, 2006 in a runoff with candidate, Alvaro Noboa, but his party had few representatives in the Congress. With only minor support of a few Representatives from other political parties, his administration had difficulties in trying to create a Constituent Assembly from the start. The relationship between Congress and the President deteriorated since he assumed the Presidency on January of this year.

Things got even worse in March, when Congress removed the President of the Federal Court, Jorge Acosta, for convoking a Referendum without the approval of the legislative body. In response the Electoral Court fired 57 opposition members of Congress. The right-wing opposition deputies were ousted over their refusal to go along with radical constitutional reforms promoted by Rafael Correa. They were soon replaced by 21 substitute delegates. After more than a month of turmoil, Congress finally held its first session on April 10th. Ousted lawmakers continued to meet in parallel, trying to push for some type of legal solution to their removal.³

But just last week, the Constitutional Tribunal ruled that the 57 opposition legislators who were fired last month should be allowed to return to their posts. In retaliation, Congress (with a majority of government-friendly parliamentarians) voted to sack all the judges on the Tribunal. In a shocking move, President Rafael Correa ordered police to block the reinstated legislators from returning to their seats while federal prosecutor, Elsa Moreno, ordered the arrest of 24 deputies, nearly half of the 50 who the country's highest court had ordered reinstated to Congress and charged them with 'sedition.' Prosecutor Elsa Moreno, who is in charge of the case, alleges that the 24 lawmakers 'plotted' against the state and 'acted against the government, refusing to recognize the constitution, and impeding a meeting of the Congress." (They were initially fired for

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² Ecuador, Ever Unstable, Prepares for New Leader's Plans. April 14, 2007. The New York Times.

³ Encuesta a boca de urna en Ecuador. April 15, 2007. El Mercurio, Chile.

allegedly interfering with a national referendum to allow Correa to pursue his aim of rewriting the constitution).

It is reported that 15 of the 50 legislators are in Colombia and have said they will ask for political asylum in that country. (Correa had already warned that if any of the dismissed lawmakers tried to enter by force, "it will be necessary to send them to prison"). In a recent development, Ecuadorian legislator Gloria Gallardo who fled to Colombia this week to seek political asylum returned to Ecuador Friday. Upon her arrival at the airport of Guayaquil, her hometown, Gallardo said that during her stay in Colombia she had denounced the political situation in Ecuador, the CRE radio network reported.⁴ The Latin American Association of Human Rights President, Juan de Dios Parra, sent a letter April 26 asking the Colombian, Peruvian and U.S. governments to deny the Ecuadorian opposition legislators asylum. The letter said asylum is intended "to protect the security and lives of people who are persecuted for their ideas" and that the legislators' lives are not in danger.⁵

Correa's position is supported by Ecuador's Top Electoral Court, which fired the lawmakers in March and says that it – not the Constitutional Tribunal – has the final say on electoral matters. That court's president warned that the six constitutional tribunal judges who voted to reinstate the ousted congressmen could be charged with abusing their authority.⁶

In recent declarations, however, Correa insisted the removal of the opposition lawmakers remain in force, but that 'he opposed the arrest order for the 24 accused of sedition.' He said that "as the one responsible for the peace of the people," he would tell the authorities to rescind the order.⁷

<u>Implications</u>

The huge support Correa received on April 15, 2007 has given him the legitimacy to convoke a Constituent Assembly to change the Constitution. He will likely pursue other radical reforms including increasing state control over the natural-resource industrial sector. The renegotiation of contracts with private oil and gas firms will give the state a majority stake and increased revenue could begin as soon as this year. In addition, Mr. Correa is not planning to renew the lease on the US's base in Manta used for drug surveillance flights. (The ten-year lease expires in 2009). About 300 US servicemen and employees work at the base, and the Correa administration has said it considers their presence an affront to Ecuador's sovereignty. President Correa also insists that it will not renew talks for a free-trade agreement (FTA) with the United States.⁸

Opponents of the president claim he is following in the footsteps of Venezuela's President, Hugo Chavez, who successfully pushed for the election of a constituent assembly packed with his supporters in 1999. As Chávez in Venezuela, Correa won the elections, and then called for a Constituent Assembly to rewrite the

⁴ Ecuador lawmakers may seek asylum in Colombia. April 25, 2007. CNN.

⁵ Ecuador: Deny Legislators Asylum -- ALDHU Head. April 26, 2007. Stratfor.

⁶ Ecuador's Congress dismisses top judges. April 24, 2007. CNN.

⁷ Lawmakers flee Ecuador in political crisis. April 25, 2007. AFP.

⁸ Voters back plans to rewrite the constitution. April 17th 2007. The Economist.

Constitution. Both Presidents have taken control of the courts and have allegedly intimidated business people, journalists and members of the opposition. They have even tried to regulate news organizations. As Mr. Chávez before, Mr. Correa opposes IMF and World Bank policies (He has already expelled the representative of the World Bank in Ecuador for 'blackmailing' him when he was Minister of Economy during the Palacio administration). Coincidently, on April 15th, Correa announced that Ecuador had paid off its entire outstanding debt to the International Monetary Fund, which he has long criticized for imposing harsh conditions on borrowing nations, the same day Venezuela finished paying its debt with the mentioned organization. The government still plans to restructure Ecuador's US\$16.5bn foreign debt.⁹

"Correa is trying to fix a mistake with another mistake," said Ramiro Crespo, president of Analytica Securities, an investment bank. "His lack of respect for political institutions is troubling, but Ecuador's internal conditions may prevent him from getting too far." In contrast to other oil-exporting countries like Venezuela, Ecuador is not benefiting greatly from high oil prices. Economic growth in the last quarter of 2006 slowed to 2.2%, well below the 4% growth in the previous quarter, after output declined in oil fields seized by the government last year from Occidental Petroleum of Los Angeles, which was Ecuador's largest foreign investor. Confusion over Mr. Correa's economic policies has also unsettled investors, with banks lending less to builders and other companies.¹⁰

There are still some challenges for Mr. Correa. Once the Constituent Assembly is formed, the internal battle there could be fierce. Mr. Correa might find it difficult to achieve consensus to push forward the reforms he seeks. Delegates from Ecuador's traditional parties might battle to maintain their groups' privileges and authority. Former President Lucio Gutiérrez (ousted by congress in 2005), whose Partido Social Patriótico (PSP) is now the second largest party in Congress, could attempt to use the assembly to build his political power. Also, a high degree of popular mobilization, in the midst of persistent social and regional tensions, as well as weak and divided institutions, will make social unrest and political destabilization ever-present risks.¹¹

What is apparently clear is that Mr. Correa and friendly political parties are consolidating their control over the courts and the Legislature.

It is likely that the new Constitution will contain many of Correa's (and Chávez's) ideas on political and economic matters. Political uncertainty may push investors to seek greener pastures and some might want to get their money out of the country resulting in capital flight. Unemployment and difficulty with tax collection could follow. Popular unrest will increase if social demands are not met.

A new Constitution and a new legislative body do not mean that the country's problems will disappear. It could be the beginning of a new but unstable era for Ecuador. There are many possible scenarios: the country might be headed for radical

¹⁰ Correa to Rewrite Ecuador's Constitution after Vote. April 15, 2007. Bloomberg.

⁹ Encuesta a boca de urna en Ecuador. April 16, 2007. El Mercurio, Chile.

¹¹ Voters back plans to rewrite the constitution. April 17th 2007. The Economist.

socialism. Correa might be very close to obtaining more, unchecked and unlimited power in order to change the political and economic structure of the nation according to his beliefs. Another possibility is that if Correa believes he has been given a blank check because of the massive support he received last week and he already sees the opposition as an obstacle to 're-found Ecuador,' then he is likely to adopt an exclusivist and authoritarian type of regime.

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News Stories –The following are a summary of several news stories found in different media outlets. To access the information, the hyperlink is below each news story.

Colombia: Uribe visits Bush to discuss FTA & Plan Colombia – CSM.

President George W. Bush met with President Alvaro Uribe in the White House today to discuss the ratification of the Free Trade Agreement and Plan Colombia. Just last week, Sen. Patrick Leahy (D) of Vermont, chairman of the subcommittee overseeing foreign funds, froze \$55 million in military aid to Colombia, and former vice president Al Gore shunned Uribe last month because of the scandal known here as "para-politics." But despite this, Uribe's popularity at home, already high, has risen even as the allegations creep closer to him. The war-weary Colombian public – long aware of politicians' ties to paramilitaries – seems content with Uribe's success in lowering the violent crime rate and his no-nonsense approach to tackling the country's problems. Uribe is Bush's most loyal ally in South America, not only in the fight against drugs and terrorism, but also as a stalwart conservative in a region leaning increasingly to the left. President Bush completely supports Uribe, to whom he refers as a "personal friend."



President Bush praised Alvaro Uribe's efforts against drugs. Source AFP.

http://www.csmonitor.com/2007/0502/p06s01-woam.html

Chavez wants to pull out from the World Bank, IMF - Infobae, Argentina.

Hugo Chavez has said he wants his country out of the World Bank and the International Monetary Fund. He said that the two institutions were taking advantage of small countries. Chavez was on VTV state television when he said, "I want to formalize the exit (of Venezuela) from the World Bank and the International Monetary Fund (IMF) and all that. We don't need a representative there any more," reports Agence France Presser. In a speech, commemorating May 1st, Chavez said he wanted to get Venezuela to exit as soon as possible from the two international finance agencies. Analysts

say that the move is mostly a symbolic gesture, as Venezuela recently has paid off its debt to the IMF. BBC quotes the OPEC nation's leader as saying, "We don't need to be going up to Washington... we are going to get out." "We are going to withdraw before they go and rob us," he added. Chavez also said that he plans to set up a funding agency in South America, known as Bank of the South to fund projects there.

http://www.infobae.com/contenidos/314189-100799-0-Chávez-dijo-que-se-retira-del-FMI-v-del-Banco-Mundial

Chávez wants to control a municipality in Argentina — El Diario Exterior, Madrid.

The Venezuelan President is trying to place his own two candidates in one of the most important municipalities of Argentina, "La Matanza." Those two candidates are Luis D' Elía and Jorge Ceballos. The press alleges that Chavez has even sent an emissary to approach the two candidates and works daily with them. Both "piquetero" leaders know Chávez and both are loyalists of Kirchner Once again Chavez is interfering in other countries' internal affairs. http://www.eldiarioexterior.com/noticia.asp?idarticulo=14220

Venezuela Set to Gain Control of Oil Fields - MercoPress, Uruguay.

Venezuela's military will be on full display on Tuesday as Hugo Chávez, the country's president and a former paratrooper, celebrates winning back Venezuela's natural resources in the oil-rich Orinoco for the people. "Venezuela's privatization of oil has come to an end," Mr. Chávez said recently, promising to hoist the national flag over installations in the area that boasts the largest heavy oil deposits in the world. But in spite of the bombast, this "nationalization" is in fact the start of a renegotiation of contractual terms that will more than likely leave PdVSA with a majority stake. The international oil companies -ConocoPhillips, ExxonMobil, Chevron, Total, BP and Statoil – are being faced with several key issues: whether they will retain a sufficient stake to make staying worthwhile; how they are to be compensated for their reduced share; and whether they have a hope of exploiting reserves technically owned by Venezuela. The market value of the companies' assets in the Orinoco Belt is about \$15bn meaning \$4bn-\$5bn is at stake, although analysts say compensation is likely to be less given Venezuela's threat to pay only book value.

http://www.mercopress.com/vernoticia.do?id=10377&formato=HTML

Chávez: We'll meet all energy needs of leftist allies – La Nación, Argentina.

Venezuelan President Hugo Chavez said Saturday that Venezuela was ready to become the sole energy supplier to Cuba, Bolivia, Nicaragua and Haiti, presenting the countries with his most generous offer yet of oil-funded diplomacy in the region. Chavez said he hoped to sign a deal with the four countries, his main leftist allies in the region, during the summit of The Bolivarian Alternative for the Americas he is hosting this weekend in Caracas. The bloc, known as ALBA, was formed in 2004 by Chavez and his Cuban mentor Fidel Castro to promote trade and cooperation along socialist lines and to oppose a US-backed free trade area. I've come here to propose to the member countries of ALBA - and in that we are already including Haiti - that Venezuela guarantee ... the supply of all your energy needs," said Chavez. "100 percent." Under the proposal, Venezuela was ready to finance up to 50 percent of the total oil bill and would also create a matching fund to finance agricultural projects, food production and small-to-medium size industries, Chavez said.



Venezuela's President Hugo Chavez, center, sits with, from left to right, Nicaragua's President Daniel Ortega, Cuba's Vice President Carlos Lage, Bolivia's President Evo Morales and Haiti's President Rene Preval during the inauguration of the ALBA Summit. Source: AP.

http://www.lanacion.com.ar/edicionimpresa/exterior/nota.asp?nota_id=904649

Exasperated by Chávez, more Venezuelans leave – The Miami Herald.

U.S. embassy officials say inquiries for U.S. visas rose by one-third from March 2006 to March of this year, and requests to obtain U.S. passports -- mostly by people claiming to be sons and daughters of U.S. citizens -- have doubled over the past two years. Inquiries for Canadian visas are up 69% since last year, officials at that embassy say. Venezuelans overwhelmed recent job fairs held here by Canada and Australia, and early morning lines of visa seekers routinely wrap around the Portuguese, Italian and Spanish embassies. "It's an adventure. No one guarantees that you'll get work," Araque said. "[But] there's no economic stability here." While upper-class Venezuelans have been trickling out for years, the exodus appears to have stepped up after Chávez's electoral victory in December secured him another six-year term. http://www.miamiherald.com/579/story/92081.html

<u>Venezuelans Struggle to Food Staples – Infobae, Argentina.</u>

On grocery store shelves, products from sugar to eggs have been particularly scarce in Venezuela. Supporters and opponents of President Hugo Chavez disagree on the causes, but the result is frustrating shopping trips for many. "This is a disaster - there are no eggs, there's no powdered milk, nothing," said Ramos, a 69-year-old retiree, visibly upset. "I need skim milk but because I can't find any, I'm drinking calcium with water. This is like Cuba." Venezuelan grocery stores have sporadically suffered shortages of some foods since 2003, when Chavez imposed price and currency controls that producers say strangle profits and create supply glitches. But there are indications that the problem is deepening despite recent government efforts to punish "hoarders" and "speculators" whom Chavez blames for the scarcities. Survey results released by private pollster Datanalisis this week revealed scarcities of at least nine basic food staples: sugar, beef, powdered milk, chicken, eggs, rice, corn flour, sardines and beans.

http://www.infobae.com/contenidos/313881-100891-0-Escasean-alimentos-básicos-la-economía-Chávez

IACHR sues Venezuela over attacks on RCTV – El Diario Exterior, Madrid.

For the first time in history, Venezuela is facing a legal action in an international body on alleged infringement of the right to freedom of expression. The Inter-American Commission on Human Rights (IACHR) sued the Venezuelan State before the Inter-American Court on Human Rights for violating the fundamental rights of reporters and workers with Caracas-based private TV network RCTV. The body -headed by Florentín Meléndez- filed the legal action against Venezuela after it verified that Venezuelan authorities failed to meet all of the recommendations made in IACHR resolution dated December 20, 2006. In this document, the Commission found that the rights to freedom of expression, personal integrity, legal guaranties and protection of people working at RCTV were infringed. In such

resolution the Commission asked President Hugo Chávez' Government not to attack RCTV reporters and workers, as well as to prosecute and punish anyone who did so, and assure the right conditions for RCTV reporters and workers to perform their duties. IACHR waited until last April 8 to see if the Venezuelan Executive Branch met its recommendations or not. http://www.eldiarioexterior.com/noticia.asp?idarticulo=14160

Venezuela will leave the OAS over TV Channel – El Mercurio, Chile.

Venezuela will be affected by no means in the event of leaving the Organization of American States (OAS)," said Army Major General and Chief of Staff Alberto Müller Rojas "Venezuela can dispense with the OAS, because so far this agency has not provided evidence of its ability to solve ongoing problems in the hemisphere." The analyst was interviewed in the TV show En Confianza aired by official station Venezolana de Televisión (VTV) with regard to the remarks made last Sunday by President Hugo Chávez about the possibility of leaving OAS. The action could be taken if OAS condemns the Venezuelan government for its decision not to renew the broadcast license for TV channel Radio Caracas Televisión (RCTV). "If OAS, after all what happened here, would ever condemn Venezuela, then Venezuela could leave OAS," said Chávez during the summit of the Bolivarian Alternative for the Americas (ALBA) held last weekend in Barquisimeto, the capital city of western Lara state. http://diario.elmercurio.com/2007/04/30/internacional/ portada/noticias/733D411E-E3B3-4EB0-89F8-0898E955D45B.htm?id={733D411E-E3B3-4EB0-89F8-0898E955D45B}

Protests after Chavez likens Aznar to Hitler – Infobae, Argentina.

The head of foreign relations for the conservative Popular Party, Jorge Moragas, asked the Spanish government to complain to Venezuela after its president Hugo Chavez likened Spain's ex-prime minister Jose Maria Aznar to Adolf Hitler. The Venezuelan president said at a student gathering that former Spanish president Aznar is "a fascist who supported the coup in Caracas in April 2002," and added that "he is the Adolph Hitler type, both disgusting and pathetic, a true lackey of (U.S. President) George W. Bush". For Moragas, "the verbal hysteria of the Venezuelan caudillo stinks of totalitarianism." http://www.infobae.com/contenidos/313872-100891-0-Chávez-comparó-Aznar-Adolfo-Hitler

Nicaraguan delegation visits Venezuela to discuss refinery outline – El Universal.

A high-ranking technical delegation composed of representatives of state-run oil company Petróleos de Nicaragua (Petronic) visited Venezuela in order to proceed with the plans for a refinery of 150,000 bpd in Nicaragua. The delegates toured the facilities of state-run oil holding Petróleos de Venezuela (Pdvsa) as part of training and know-how to be provided by Venezuela under the Bolivarian Alternative for the Americas (ALBA) and Petrocaribe Energy Cooperation Agreement, said Pdvsa in a press release. Alejandro Granado, Pdvsa Refining Vice-President and CEO of PDV Caribe, noted that the stage concerning survey of the refinery had been completed. The project, he said, will be in accordance with the environmentally friendly highest standards. http://english.eluniversal.com/2007/04/30/en eco art nicaraguan-delegatio 30A861887.shtml

First 20 Cuban Doctors in Nicaragua – Prensa Latina.

The first 20 Cuban doctors arrived in Nicaragua to accomplish an agreement signed in the context of the Bolivarian Alternative of the Americas (ALBA) and are already caring for the population, confirmed an official source on Monday. Luis Carlos Avila, chief of the medical group, told Prensa Latina that the brigade, made up of 16 specialists in comprehensive general medicine, a pediatrician, an obstetric nurse and a laboratory technician, are working in different places of the North Atlantic Autonomous Region (RAAN). He added that another group will go on Tuesday to the South Atlantic Autonomous Region (RAAS) which,

like RAAN, is inhabited by different indigenous groups. The Cuban doctors will also teach at the Latin American Medicine School to be founded on the Caribbean Coast with 210 Nicaraguan students finishing their degree on the island. The first of the three ophthalmologic clinics donated by Havana began to work on Sunday.

http://www.plenglish.com/article.asp?ID=%7BA775DC70-A9A8-48C8-9088-394E090872C5%7D&language=EN

At risk contract of Glencore in Nicaragua – El Diario Exterior, Madrid.

The Ortega regime says the agreement that grants to the Swiss group powers within the oil Company Petronic are unconstitutional. This week, the government of Nicaragua will decide the future of Glencore, the world-wide leader provider of raw materials. Glencore and the Nicaraguan government signed in April of 1999 a contract that would allow the Swiss company to make manifold activities within Petroleums of Nicargua (Petronic). Among them, to handle a network of tanks of deposits to store and to distribute petroleum; to commercialize the derivatives of crude that are sold to Venezuela; and to distribute and to commercialize petroleum, this last one, a function that in agreement with the Constitution of Nicaragua, only corresponds to the Nicaraguan Institute of Energía (INE). Sources of the Ortega administration confirmed that the possibilities of annulling the contract are of 80%, but detailed that the verdict will be known towards the 20 May.

http://www.eldiarioexterior.com/noticia.asp?idarticulo=14210

<u>United Arab Emirates and Uruguay seek to strengthen relations – Infobae, Argentina.</u>

President His Highness Shaikh Khalifa Bin Zayed Al Nahyan yesterday held talks with the visiting Uruguayan President Tabare Vazquez over current regional and international events. Shaikh Khalifa and his guest explored prospects of bilateral cooperation and reviewed relations between the UAE and Latin American countries. Progress on negotiations for the Free Trade Agreement between the Gulf Cooperation Council and the Southern Common Market (Mercosur) were also discussed. Shaikh Khalifa welcomed his Uruguayan counterpart to the UAE and hoped that his visit would render the aspired results which will further strengthen bilateral trade, economic and investment relations for the benefit of the two friendly peoples.

http://www.eldiarioexterior.com/noticia.asp?idarticulo=14222

Conference on AMIA in which D'Elía participated finishes in a struggle-Infobae, Argentina.

During a conference offered by the Islamic Association in Argentina during the "Feria del Libro" exposition, the head of the Simon Wiesenthal Center questioned the position of Luis D'Elía for his arguments in favor of Iran and his ties to that country. Audience members expressed their disagreements with the exhibition done by the ex-civil employee Luis D'Elía with regards to the AMIA Center attack. The argument took place during a seminar "AMIA: a passage to the truth" in which D'Elía participated (D'Elía is an iron-clad defender of the Iranians). D'Elía argued that it would necessary to investigate to "the Jewish right" The head of the Simon Wiesenthal Center, Sergio Widder, who was between the public, questioned D'Elía's position, who considers that the Iranians are innocent and says they are persecuted by the Argentine justice system. Insults between the assistants took place. The "piquetero" said he "was a victim of intolerance and of xenophobia". The Jewish communities in Argentina and in the US are extremely worried by D'Elía's actions and expressions.



Luis D'Elía. Source: Infobae.

http://www.infobae.com/contenidos/314379-100799-0-Preocupan-comunidad-judía-internacional-las-agraviantes-palabras-D039Elía

<u>Kirchner and Lula reinforce "strategic alliance" and discuss bio-fuels – Infobae, Argentina.</u>

Argentina's Nestor Kirchner and Brazil's Luiz Inácio Lula da Silva strengthened the "strategic relationship" between the two largest members of Mercosur during a presidential summit in Buenos Aires on Friday where bio-fuels and the Southern Bank figured top of the agenda. Brazilian Foreign Affairs minister Celso Amorim said that Kirchner and Lula discussed "the idea of a common strategy not only in the biofuels sector, but in the energy sector in general". As to the controversial issue of the Southern Bank, proposed by Venezuelan president Hugo Chavez, Argentine Economy Minister Felisa Miceli said that the two presidents only discussed the broad lines of the project. Brazil reportedly is not very enthusiastic about the Southern Bank initiative which is supported by Argentina.



Presidents Lula and Kirchner. Source: Infobae.

http://www.infobae.com/notas/nota.php?Idx=313635&IdxSeccion=0

Kirchner promises full support for Mexico's Mercosur bid – El Diario Exterior, Madrid.

Nestor Kirchner promised full support for Mexico's incorporation bid to the South American customs union group. Mexico "can count with full support from Argentina; we will go as far as Mexico wishes to facilitate its full incorporation to Mercosur", said Kirchner. Mexico is currently a Mercosur "observer", and has excellent relations with all founding members, Argentina, Brazil, Paraguay and Uruguay, but is distanced from the group's latest member Venezuela. Relations between both countries have been downgraded following President Hugo Chavez meddling in Mexican politics.

http://www.eldiarioexterior.com/noticia.asp?idarticulo=14170

<u>Kirchner claims truck crash near his home was deliberate</u> – El Diario Exterior, Madrid.

President Nestor Kirchner said Monday that a weekend truck crash in southern Argentina was targeted at his residence, and that he is threatened almost daily. Kirchner said a known anti-government activist was driving the truck that sped through more than 30 city blocks in the city of Rio Gallegos early Saturday, striking cars before overturning near his home. He was not at the home at the time. "I am threatened on a daily basis for many reasons," Kirchner told journalists in Buenos Aires, without elaborating. Critics, however, scoffed at the

suggestion of a deliberate attack and called for a full investigation. Interior Minister Anibal Fernandez said Monday that the truck's 35-year-old driver had been detained, and that a woman was seriously injured in the crash.

http://www.eldiarioexterior.com/noticia.asp?idarticulo=14213

Cuba: Fidel Castro Fails to Appear at May Day Parade – La Nación, Argentina.

Cuban leader Fidel Castro, who resumed some government duties after emergency surgery in July, failed to attend the May Day parade in Havana, missing the celebration for only the third time since taking power in 1959. Raul Castro, Fidel's younger brother, presided over the ceremony as thousands of Cubans waved the blue, white and red-striped Cuban flag at Havana's Revolution Square, according to an emailed statement distributed by the government. Marchers also held up posters condemning the U.S. decision to release on bond Luis Posada Carriles, whom Cuba accuses of plotting terrorist acts against the Communist-ruled nation's government. Fidel Castro's absence from public view during his recovery prompted speculation he was near death. The last time he appeared on television was Jan. 30, when he was filmed walking, chatting and making jokes with visiting Venezuelan President Hugo Chavez, his ally and friend. An article bearing Castro's name was published last night, the fourth in five weeks, in which he reiterated his opposition to U.S. plans to replace gasoline with fuels obtained by processing foods.



State television and radio had been preparing Cubans for the possibility that Fidel Castro would not appear at the May Day parade in Havana today. Source: Reuters.

http://www.lanacion.com.ar/exterior/nota.asp?nota_id=904850

Brazil, Chile sign biofuel cooperation agreements – Infobae, Argentina.

Visiting Brazilian President Luiz Inacio Lula da Silva and his Chilean counterpart Michelle Bachelet on Thursday signed a biofuel cooperation agreement together with ten other pacts that cover such fields as health, education, and tourism. The biofuel cooperation agreement is designed to share Brazil's experience in ethanol production and help Chile develop biofuels and fuel which Lula seeks to promote in other countries. The two South American presidents spoke highly of the agreement in which Brazil commits to aiding Chile in identifying the potential sectors for biofuel production. Bachelet said the development of new energy sources would allow Chile to diversify its energy supplies and stop depending on Argentina's gas deliveries.

Lula and Bachelet. Source: Tribuna Chilena.

http://www.infobae.com/notas/nota.php?Idx=313244&IdxSeccion=0

<u>Peru's Garcia voted decree powers –</u> El Diario Exterior, Madrid.

Peru's Congress granted President Alan Garcia Perez the power to rule by decree for 60 days in the battle against cocaine production and smuggling. Garcia thanked lawmakers for the measure and promised to take "a heavy hand" against drug gangs that have made the South American nation the world's second largest producer of cocaine, after Colombia. Congress voted late Thursday 49-7 to give the Garcia the power issue and reform anti-drug and crime legislation for a 60-day period without requiring congressional approval. Twenty-two opposition lawmakers left the session before the vote to protest the measure. "The war against violence involves everyone. A heavy hand is what the people want and we will do it legally," Garcia said Friday. Peru cannot have "legal voids so that drug trafficking, violent terrorism, corruption, money laundering and gang activity advances".



Alan Garcia. Source: AP.

http://www.eldiarioexterior.com/noticia.asp?idarticulo=14197

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