



The Americas Report

From the Menges Hemispheric Security Project

Center for Security Policy

Vol. Nº 4 – Issue 23–June 12, 2008



Argentina



Bolivia



Brazil



Canada



Chile



Colombia



Costa Rica



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Ecuador



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Guatemala



Haiti



Honduras



Mexico

The Americas Report is the continuation of the work of Dr. Constantine C. Menges' original Americas Report. For almost two years that report chronicled the efforts of the Castro-Chavez axis and their allies in their efforts to undermine the new spirit of democracy and freedom in Latin America, in favor of autocratic forms of regimes throughout the Western Hemisphere. The report also monitors events in the area as they effect regional and US security in this era characterized by the emergence of terrorist groups of global reach seeking international influence. The current Americas Report and the Menges Hemispheric Security Project of which it is a part will continue to support genuine democracy, free trade and the fostering of strong inter-American relationships as well as exposing growing tyrannies in the area.

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For any questions, comments, or those interested in receiving this report or seeking to have their email removed from our list please contact **Nicole Ferrand** at: themengesproject@centerforsecuritypolicy.org or themengesproject@gmail.com.

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Highlighted Story- Can Mrs. Kirchner Last as the President of Argentina?

By Nicole M. Ferrand.*

Word through the grapevine is that **Cristina Fernández de Kirchner won't last as President of Argentina.** After a seventy day rural strike, Fernández's popularity has sunk as protests by farmers continue to threaten food shortages and has frozen farm exports. This has led to road blockages and anti-government demonstrations, not the kind of image Kirchner wanted to project abroad. **Only one in four Argentinians support her and what mostly irritates many is her personal style. Public opinion polls portray her as arrogant, combative and intolerant of opposing views.**¹



Nicaragua



Panama



Paraguay



Peru



The United States



Uruguay



Venezuela

¹ Cristina Kirchner. April 20, 2008. By William Gill. Prospect Magazine.

She pursues policies that quickly establish people as either friends or enemies and her choice of government spokespeople exacerbates the combative nature of her administration.

The Farmers' Strike

Argentina's farm lobby first went on strike in mid-March after the introduction of controversial new taxes on soy, wheat and other key agricultural products. For a few days the crisis seemed to come to an end when the parties agreed to negotiate but angry farmers continued with their demonstrations. Although the economy is growing at more than 6% a year, thanks to a hike in commodity prices, there are some troubling economic and political trends, including inflation. Government figures put price rises at 9% a year, but private sector analysts say the government is playing the numbers.² **If a government calculates year-to-year inflation at 9% and independent studies show it could be nowhere below 25% one of two things must be happening. Those in charge of price variation measurements are either unprepared and are thus incompetent or they lie and should be dismissed.**

The President attempted to solve the problem by fixing prices and reducing exports, mirroring her husband's policies while in office; but prices show no sign of slowing. Cristina prefers to refer to government figures that tell the story of a reduction in the number of poor to eight million (20.6% of the population). But figures from the church and other private groups say 12 million is more realistic. In addition, Argentina has other major problems such as rising crime, as well as serious energy shortages. Compared to other major Latin American countries, foreign investment is insignificant, and shrinking.³

Fernández's handling of the farmers' strike has raised questions about her capacity to govern. From the start, she rejected the idea of sitting down with the protesters while accusing the farmers of being rural 'oligarchs' who are unpatriotic because they don't want to share their profits. In addition, a month ago, her economy minister, Martín Loustean, resigned over the unpopular new tax policy while various pro-Kirchner provincial governors went against her wishes and individually opened talks with the farm lobby.⁴

The current situation with the farmers is a result of a tax imposition on agricultural exports. With soybean and other commodities at record prices, the Government thought it would be a good idea to increase export fees but the measure didn't take into consideration that such high taxes would strangle small producers and that people would suspect the money would be misused by the regime.

Normally, when farmers or other sectors of the economy protest, the 'piqueteros' support them. But in this case the picketers and farmers clashed. On Tuesday, March 25, Luis D'Elía, picketer leader and former sub-secretary of Habitat under President Néstor Kirchner, and scores of his paid companions attacked thousands of peaceful farm protesters. The protesters had gathered at the Plaza de Mayo to protest the new government taxes on the agriculture sector. The protest was covered by all of Argentina's major television networks. The stations showed a gathering of middle to

² Argentina turns against new president as strike worsens. May 25, 2008. The Guardian.

³ Ibid.

⁴ Ibid.

upper-class people banging pots and pans. The group included parents, grandparents, grandchildren and teenagers, among others. To many observers, the protest was peaceful. The protesters were not armed with guns, knives, sticks or pamphlet bombs. Many had smiles on their faces.⁵ Clearly, their intentions were nonviolent. In D'Elía, Mrs. Kirchner has found her thug of the pro-workers Peronist party. [\(To learn about D'Elía, please see “The alliance between Chávez and Kirchner” from March 13, 2007. By Nicole M. Ferrand\).](#) La Nación, a local newspaper, focused on the D'Elía-Kirchner connection and reported that the former was one of several protest leaders whom the government met with regularly to arrange demonstrations and labeled him an official “piquetero,” (official picketer) a violent protester with the government’s approval. **In 2004, D'Elía publicly declared that he had traveled to Caracas to campaign for Hugo Chávez, and that the Venezuelan Government had paid all his expenses.**



President Cristina Kirchner, her husband Néstor Kirchner and picketer leader and former sub-secretary of Habitat under Néstor Kirchner, Luis D'Elía. Source: Infobae.

For the government, the farmers’ protests in Plaza de Mayo were too threatening and had to be discredited. Mrs. Kirchner referred to them as “golpistas”, implying that they literally wanted to overthrow the government. Such a manifestation was too much to bear so a group of roughly 150 thugs, led by D'Elía, stormed the Plaza de Mayo using brute force to push out the protesters. D'Elía, who earlier in the evening had been a special guest at the Casa Rosada, led the attack. **D'Elía declared that the Plaza had to be “liberated from the people who had come to occupy it from Barrio Norte and Recoleta.” (High end districts in Buenos Aires).**⁶

This is bizarre and a stark contradiction because for years her husband and predecessor Néstor Kirchner actively supported protests throughout the country. Just two weeks ago Cristina Kirchner spoke at such an event, leaving the impression that it is all right for some, though not for others, to voice their political beliefs. It is not clear if Kirchner or one of her cabinet members personally directed D'Elía to storm the plaza but neither she nor anyone in her cabinet prevented the assault. In fact, two days after Mrs. Kirchner invited him to appear near her during a major speech at Parque Norte that was broadcast on national television. **One plausible conclusion is that the President not only supported D'Elía’s violent actions but agrees with his style of confrontation.** In an interview, D'Elía said this about the Parque Norte event: “I’m not a member of the

⁵ Kirchner, D'Elía and the Contagion of Hatred. April 8, 2008. The Argentine Post.

⁶ Kirchner, D'Elía and the Contagion of Hatred. April 8, 2008. The Argentine Post.

government. I am simply a Kirchner militant. I can tell you that when I was in Parque Norte I received the recognition, the warmth and the care of everyone who was there.”⁷

Kirchner’s appearance with D’Elía was not just a public validation of the latter’s actions. It was also an implicit warning; the message: “Do this again and you will be met with force.” When **renowned Argentinian journalist Fernando Peña phoned the ‘official piquetero,’ he asked him about the events that took place that night** at the Plaza de Mayo. Here, without editing, is the conversation that followed on Peña’s radio show:

“Peña: Hola, Luis. How are you doing?”

D’Elía: I’m doing great (bárbaro). The score is now 1-to-0. All right, go ahead.

Peña: Tell me what happened Tuesday night? Why did you hit people?”

*D’Elía: **Because I hate them. I hate the damned oligarchy. I hate white people. I hate you, Peña. I hate you. I hate your money. I hate your house. I hate your cars. I hate your history. I hate people like you who defend an unjust and unfair country.*** I hate the (expletive) Argentine oligarchy. I hate them with all the strength of my heart. You understand? I hate them. I’m telling you clearly. I hate them. Sarmiento said it in 1880: the blood of Gaucho’s shouldn’t be spared. You would say that same thing about black people (la ‘gente negra’). For you, and the ‘people’ like you, we are nothing but trash. You are an (expletive), a servant of our (expletive) oligarchy. You pretend to be a transgressor but you don’t have the (expletive) to put up with what we put up with. You live in San Isidro (a wealthy Buenos Aires suburb). And do you know where I’m talking to you from? From Laferrère (a ghetto)...I hate all of you. I hate the Argentine upper-class that has done so much damage and killed so many people in the name of profit.”⁸

Will she leave office?

A recent document from sources very close to the government reveals that various senators and governors are convinced that the crisis will end soon in the formation of a national coalition government or that Presidential elections will be called. Several Peronist senators (from the ‘Peronista’ political party) concluded in a meeting held in the house of one of the legislators that “the Kirchners are finished.” José Pampuro and Miguel Pichetto, the two highest ranking senators attended the reunion. Mr. Pampuro is the Provisional President of the Senate (third in line of succession after the Vice-President) and Mr. Pichetto is the President of the official block.

The problem with a potential coalition government is that the Kirchners are not used to rule with people outside their strict circle of advisors and will find it extremely difficult to take advice from people they don’t trust. When we talk about a coalition government we are not talking about a multi-party government (because there aren’t solid political parties to do so in Argentina); in this case it would be incorporating people who have been members of other political parties into office: people from the ‘Radicalismo’ and the ‘Peronists’ that are not followers of the Kirchners, which, at one point, was a group led by López Murphy and former followers of Elisa Carrió. But the question is: when will the Kirchners recognize that they have failed and that these changes have to occur?

It seems that the Presidential couple cannot accept the fact that the people have turned against them so soon and with such magnitude. This reluctance to face

⁷ Ibid.

⁸ Kirchner, D’Elía and the Contagion of Hatred. April 8, 2008. The Argentine Post.

reality indicates that the Kirchners will try to deepen the confrontation with the farmers to distract the population from other major problems such as inflation. It is well known that delaying a problem only makes it worse so the senators in the meeting agreed that when the crisis explodes it will be necessary to call for elections or form a coalition government. The legislators even talked about the possibility of social unrest in the country that might prompt the scenario described above to occur.

The Differences between Néstor and Cristina

Most official legislators and governors agree that it is easier to talk with Néstor than with Cristina. Although they say he is divisive, not capable of recognizing the real problems in rural Argentina and that he thinks the real reason behind the protests is to overthrow his wife, at times, they say, he is capable of accepting differing voices. But **Cristina does not accept any opposition or constructive criticism and immediately gets upset, tense and no one can have a real and sincere dialogue with her. Her closest advisors can no longer talk to her about reality: “She takes it personally when someone has different views about the economy or other subjects. She takes such comments as personal attacks.”** They cite an incident in Lima, Perú when Mrs. Kirchner decided not to attend an event with other dignitaries and stayed in her hotel room. She called the legislators that had traveled with her to have dinner with her, all of them from her political party. They started to talk about the current situation in Argentina and in unison they all said: “the main problem is inflation not so much the conflict with the farmers.” Mrs. Fernández became tense and responded: “You read newspapers too much. Inflation doesn’t reach 10% annually.” After that, they all agreed that they couldn’t talk to her seriously and that they would only converse about frivolous issues.

The officials that attended the meeting and decided that the Kirchners were finished see **two major problems with Néstor and Cristina:** he desperately needs to be in power but is sometimes capable of listening to opposing ideas. She cannot accept any dissenting voice and believes she is the only one that is right. Such characteristics of the Presidential couple explain their political and even personal isolation.

Mrs. Kirchner’s actions, the inflation, the crisis with the farmers and the people that surround her have had a very negative impact on the Argentinian people and that’s why many want her out. In the history of Argentina, a Peronist leader has never been overthrown by protests; that normally happens to the “Radicales” such as De la Rúa who was forced out of office by the popular demonstrations in the midst of the December 2001 riots, the financial crisis, and the growing popular unrest, which took form under the rallying cry of the Argentine people: *¡que se vayan todos!* (“away with them all!”), referring to the governing class. **Peronists have the support of the picketers and protest experts. But it might be the case this time that since the farmers continue to protest and have the support of the people, the ‘piqueteros’ that are not led by D’Elía, might join them following the group led by the Peronist legislators who want to oust the President. What happened in the meeting of the legislators and governors shows that the Peronista Political Party is clearly divided.**

The question is: who could replace Mrs. Kirchner? Many think **Mauricio Macri** could be the one. He served as a national deputy representing the city of Buenos Aires in the Lower House of Congress, and, since December 10, 2007, is the Head of the Government

of the City of Buenos Aires. He gained recognition as president of one of the most popular football (soccer) clubs in Argentina, Boca Juniors. He was elected in 1995 and reelected in 1999 and 2003, to complete one of the most successful periods in the club's history, winning several international competitions. And **in Argentina soccer is a religion.**

The second part of this article will provide an analysis of Mr. Macri and why, by having served as president of one of the most popular football clubs in Argentina, might give him the ticket to run the country.

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New Feature – From the Menges Hemispheric Security Project, we look forward to hearing from you at our blog: <http://themengesproject.blogspot.com/>

Regards,

The Staff of "The Americas Report."

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

[Argentine Supreme Court agrees to hear case on grain export taxes – ABC Noticias.](#)

Argentina's Supreme Court agreed Tuesday to hear a case brought by a rural governor who represents thousands of striking farmers who want new taxes on grain exports to be struck down. San Luis state Governor Alberto Rodriguez Saa says the March 11 hike in export taxes is unconstitutional. Fernandez has refused to repeal the tax increases, and Justice Minister Anibal Fernandez told reporters Tuesday that she considers the "case closed." Saa's suit asks the Supreme Court to repeal the tax increase and require the central government to pay San Luis province the share of additional tax income it would have received had profits been lawfully distributed.

<http://www.abc.com.py/articulos.php?pid=423062&fec=2008-06-10&ABCDIGITAL=8edc883fb33a7ef79b0505cdb9d88ade>

[Mexico: House Approves funds for Merida Initiative – Houston Chronicle.](#)

The House approved legislation authorizing \$1.1 billion in emergency assistance to Mexico over three years to combat drug traffickers. Separate legislation necessary for spending the funds is winding its way through Congress. The measure has stirred controversy since President Bush and Mexican President Felipe Calderon came up with the idea at their summit in the Mexican city of Merida last year. The plan would provide unprecedented U.S. assistance to Mexico, ranging from military equipment such as helicopters and encrypted communications to training of police. Escalating drug-gang violence has killed an estimated 4,000 Mexicans over the past 18 months, prompting Calderon to deploy some 30,000 soldiers and federal police along the border and elsewhere.

<http://www.chron.com/disp/story.mpl/headline/nation/5830295.html>

[Barack Obama says that Chávez is an "easily led" threat – El Universal.](#)

Candidate for the Democratic Party Barack Obama called Venezuelan President Hugo Chávez an “easily led” threat for the US security and expressed willingness to approach Venezuela and Cuba if elected president. In an interview released on Wednesday by Chilean daily newspaper El Mercurio, the Senator said that Mexico was his priority in Latin America and talked about his plans to make a proposal on a migration reform during his first year in office in case of winning the presidential election on November. When queried if Chávez was a threat for the security of the United States and the hemisphere, Obama answered “Yes, I do think he is, yet a threat that can be managed.”
http://english.eluniversal.com/2008/06/11/en_pol_art_obama-says-that-chav_11A1668039.shtml

Ecuador to open trade office in Iran – El Comercio, Ecuador.

Ecuador will open a commercial liaison office in Tehran to promote trade ties with Iran says the head of the mission Stephenson Bravo. “Next Friday Ecuador will discuss with the Iranian government the opening of a trade representation of Quito in Iran,” said Bravo in Quito on Monday. The office will collect information for marketing products from Ecuador in Iran and facilitate business trips by Iranian merchants to the Latin American nation, added Bravo, who has worked with the World Bank and Ecuador’s Ministry of Industry. Ecuador’s Ministry of Foreign Affairs had announced on May 29 that Iran will open a commercial office in Quito and that Quito would make a reciprocal move in Tehran. Economic activity between Tehran and Quito has increased steadily since Iranian President Mahmoud Ahmadinejad visited the Latin American country last year.
http://www.elcomercio.com/noticiaEC.asp?id_noticia=197721&id_seccion=3

Venezuela launches first missile from a Sukhoi-30 warplane – El Universal.

The Venezuelan government Friday for the first time launched a missile from a warplane Sukhoi-30, during a military drill intended to display the operational and defense capabilities of the National Armed Force, said the Defense Minister. The training exercise, which also included another missile launched from a coast patrol boat, was performed at La Orchila Island, the same place where last May 17 a US warplane violated the Venezuelan air space. Such occurrence led Caracas to send a “note of protest” to Washington. Briceño added that it was “the first time” Venezuela launched “a KH-59 missile from a Sukhoi-30 warplane” to hit a target comprising “two boats that were adrift.”
http://english.eluniversal.com/2008/06/06/en_pol_art_venezuela-launches-f_06A1649121.shtml

Chavez calls on FARC to “end armed struggle and release hostages” – MercoPress.

Hugo Chavez urged Colombian FARC rebels on Sunday to lay down their weapons and unilaterally free dozens of hostages ending to a decades-long armed struggle against Colombia’s government. The surprisingly message to the leaders of the Revolutionary Armed Forces of Colombia (FARC) added that their ongoing efforts to overthrow Colombia’s democratically elected government were unjustified and only favors the empire’s (United States) intervention objectives. “The guerrilla warfare is history” said Chavez adding that “at this moment in Latin America, an armed guerrilla movement is out of place.” Addressing the new FARC leader Alfonso Cano, Chavez said “I think the time has come to free all of the hostages you have. It would be a great, humanitarian gesture. And the release in exchange for nothing.”
<http://www.mercopress.com/vernoticia.do?id=13646&formato=HTML>

Washington Post: Chávez’s turnaround on FARC is due to laptops – El Universal.

The “obvious explanation” for a change of mind of Venezuelan President Hugo Chávez concerning the FARC can be found in the laptops seized last March by Colombian authorities.

The article recalled that **just five months ago, Chávez asked governments to recognize the FARC as a “legitimate belligerent force.” He changed his mind last weekend when suggesting the FARC should free all the prisoners “in exchange for nothing.” Also, he asked them to virtually lay down their arms.** “Chávez hopes to avoid the consequences of supporting a terrorist group against a democratic government, which could include the addition of Venezuela or some of its senior officials to the State Department’s list of terrorism sponsors. Perhaps, too, Mr. Chávez hoped to take credit for what some Colombian sources say may be an imminent move by the FARC to free hostages,” added the Washington Post.

http://english.eluniversal.com/2008/06/11/en_pol_art_washington-post-cha_11A1667879.shtml

Gas shortage in 12 Venezuelan states – *El Universal*.

Users of gas canisters in the states of Anzoátegui, Aragua, Apure, Barinas, Bolívar, Carabobo, Falcón, Lara, Miranda, Portuguesa, Sucre and Yaracuy have recorded continued scarcity for months and even years. Except for specific failures in supply from refineries El Palito, in central Carabobo state, and Bajo Grande, in western Zulia state, all the remaining cases are due to **infrastructure troubles**, namely, lack of tankers to pick up the product from refineries, long travels that delay the shipment to filling plants, lack of enough cylinders to replace the run-out ones and dozens dispatch trucks out of service. Due to the long wait, firewood and charcoal are being used again in urban sectors such as Guarenas and Guatire.

http://english.eluniversal.com/2008/06/09/en_eco_art_gas-shortage-in-12-v_09A1656159.shtml

Venezuela’s Chavez Annuls Intelligence Decree – *VOA News*.

Venezuelan President Hugo Chavez has annulled a controversial intelligence decree that would have forced Venezuelans to become informants and report on their neighbors or face prison time. The move comes just days after Mr. Chavez said the government would amend the law. The new law, which sparked protests, called for Venezuela’s two main intelligence services to be replaced with new agencies overseen by Chavez. It also required Venezuelans to act as informants to secret police and community monitoring groups loyal to the president. Anyone refusing to provide information faced two to six years in prison.

<http://www.voanews.com/english/2008-06-10-voa72.cfm>

Chavez: no room for foreign investors in Venezuela – *Mercopress*.

Venezuelan President Hugo Chávez said foreign investors have no longer “any room in the country” because they are only interested in making money and transferring earnings overseas. However, he invited private companies to joint ventures in “non strategic” areas of the economy. “The only purpose of capitalism has always been to obtain the most profits, that is why company owners take away overseas the money that belongs to the Venezuelan people, which our sovereign motherland” said Chavez.

<http://www.mercopress.com/vernoticia.do?id=13675&formato=HTML>

Foodstuffs up 15.9 percent in five months – *El Universal*.

The numbers provided by the Central Bank of Venezuela show that Venezuelans are entering a cycle where economic growth is losing momentum, whereas prices speed up and make an impact on the purchasing power. From December to May, the cost of food heightened 15.9%; health care services, 21.2%; transportation, 15.8%; apparel, 7.1%; household appliances, 8.3%; personal care products, 10.7%; and restaurants, 19.1%.

http://english.eluniversal.com/2008/06/10/en_eco_art_foodstuffs-up-15.9-p_10A1662799.shtml

US Urges Chavez to Match Words on Colombian FARC with Actions – *VOA News*.

The United States Monday challenged Venezuelan President Hugo Chavez to follow through with concrete actions on his call Sunday for an end to the long insurgency in Colombia. The comments are a major reversal in policy for the Venezuelan leader, who has

been a strong verbal supporter of the Colombian rebels. Chavez's remarks have drawn a cautious welcome from Colombian officials and also in Washington, where State Department spokesman Sean McCormack said Chavez should back up the words on FARC with tangible action. "The Venezuelan government should make every effort, public and in private, to distance itself from any relationship it may have had with the FARC."

<http://www.voanews.com/english/2008-06-09-voa52.cfm>

Press Freedom Groups Condemn Murder of Venezuelan Newspaper VP – *VOA News.*

International press freedom groups are condemning the recent killing of a newspaper executive in Venezuela's capital, Caracas, and have urged authorities there to investigate the case to see if the killing was linked to his work. Both Reporters Without Borders and the Committee to Protect Journalists issued statements this week following the shooting death of Pierre Fould Gerges. He was vice president of the daily newspaper, Reporte Diario de la Economia, which had recently published stories about alleged corruption. Gerges was driving his brother's car on the evening of June 2 when two gunmen on a motorcycle intercepted him and opened fire. He was killed instantly. The Paris-based Reporters Without Borders says the attackers may have mistaken Gerges for his brother, Tannous, the newspaper's president, who had been receiving threats in recent months, mostly by e-mail.

<http://www.voanews.com/english/2008-06-05-voa63.cfm>

Colombian army spots three US hostages – *Jornada, Mexico.*

Colombia's army has located three US nationals in the hands of the FARC, but has not attempted a rescue, Defense Minister Santos said Monday. "We have had very accurate information about the location of the (rebel) leaders, the hostages and the camps. Our people saw the three Americans bathing in the river, they even heard them speaking English," Santos said. He said US nationals Keith Stansell, Thomas Howes and Marc Gonsalves were spotted by military staff from the opposite bank of the Apaporis River in the department Guaviare. The three contractors for the US State Department fell into the FARC's hands in February 2003 when they were on a flight in the southern department of Caquetá and the rebels downed their plane. Santos said the troops did not attempt a rescue because the hostages moved and it was not possible to guarantee their safety.

<http://www.jornada.unam.mx/2008/06/10/index.php?section=mundo&article=032n2mun>

Colombia, Canada conclude negotiations for free trade deal – *El Comercio, Ecuador.*

Colombia has concluded negotiations for a free trade deal with Canada. The deal must still be approved by both nations' legislatures. It will slash tariffs on Canadian farm and industrial products and boost access for Canadian investors and mining and energy service providers. Canada's Foreign Affairs and International Trade Ministry said the deal includes labor and environmental agreements that require enforcement of local environmental laws. Trade between Colombia and Canada reached US\$1.2 billion last year, while Canadian investment in the South American country was US\$726 million.

http://www.elcomercio.com/noticiaEC.asp?id_noticia=197881&id_seccion=6

Brazil's Embraer sells Super Tucano to US defense Service Company – *MercoPress.*

Brazilian aircraft manufacturer Embraer confirmed on Friday it had sold a propeller-driven fighter plane to a unit of Blackwater Worldwide, the world's largest private defense services company, and said it would not be used for operations in Iraq. The sale of the Super Tucano, first reported last Sunday, was cleared by both the Brazilian and US governments, Fernando Ikedo, vice-president of market intelligence for

defense and government markets, told a press briefing in Paris. “We sold a Super Tucano to (Blackwater subsidiary) EP Aviation but for use as training in the US only,” he said.

<http://www.mercopress.com/vernoticia.do?id=13629&formato=HTML>

[Lula defends biofuels and attacks “absurd protectionism” – MercoPress.](#)

Brazilian president **Lula da Silva** said that “**over 800 million people every night go to sleep feeling hungry which is an insult to humanity**” and blamed the “**intolerable protectionism of wealthy countries**” that insulate their farming sectors. Addressing the United Nations Food and Agriculture (FAO) meeting in Rome he also rejected that ethanol production cut food output, “**bio fuels are not the villains,**” on the contrary “**they are an important instrument for generating income and creating jobs**” helping countries to combat food and energy insecurity. Lula insisted that to really understand the true reasons behind the current food crisis “it is essential to sweep aside the smoke that certain powerful lobbies are generating with the purpose of attributing responsibility on ethanol production for the recent food inflation.” Brazilian cultivation of sugar cane for ethanol hasn’t encroached on land used for food cultivation or on the Amazon rainforest, he added. **Ethanol from sugar cane gives off 8.3 times more energy than is needed to produce it, while for corn the ratio is 1.5 times, Lula said.** Two of the main causes of the surge in food prices are record oil prices and “**absurdly protectionist farm policies in rich countries**” Lula da Silva said in his address. “**Subsidies create dependency, break down entire production systems and provoke hunger and poverty. It is high time to do away with them**” **Lula da Silva underlined. It offends me to see fingers pointed against clean bio-fuels -- fingers tainted with oil and coal**

<http://www.mercopress.com/vernoticia.do?id=13600&formato=HTML>

[“Disney Magic” cruise pays record Panama Canal toll – MercoPress.](#)

The US cruise ship “**Disney Magic**” paid a record 331,200 US dollars to cross the Panama Canal. The 295-meter-long cruise owned by a subsidiary of Walt Disney Co, broke the transit record on May 16, the Panama Canal Authority said. Companies shipping goods between Asia and the US East Coast are willing to pay higher prices to cross the canal to save time and avoid docking goods at ports in Mexico and Central America and transporting them over land. The canal also allows cruise ships to journey from the Caribbean to the Pacific. The Disney Magic vessel offers cruises from Florida to Los Angeles, and crossing the Panama Canal is one of the highlights for tourists. Last year the Panama Canal Authority launched a 5.25 billion US dollars expansion plan, but work won’t be completed until 2014. Since last October a new rates system was instrumented and passenger vessels must pay according to the number of liters instead of tonnage as previously. Waiting times to enter the canal increased due to a high traffic levels at the canal.

<http://www.mercopress.com/vernoticia.do?id=13661&formato=HTML>

[Peru deems it unfair Venezuela’s military expenditure –](#)

The Peruvian government thinks that the military expenditure of Venezuela and Chile is unfair and expects a balance in this regard, said in Bogotá Peruvian Minister of Defense Antero Flores Aráoz in an interview released on Thursday. “We feel it is unfair that they spend USD 41 million annually in arms. We would like them to spend less,” the minister told daily newspaper El Espectador with regard to the “rearming of countries such as Chile and Venezuela,” AFP reported.

http://english.eluniversal.com/2008/06/05/en_pol_art_peru-deems-it-unfair_05A1644399.shtml

[Quiroga rebuts Chávez’s “shameless” meddling in Bolivia – El Universal.](#)

Bolivian ex President Jorge Quiroga thinks that Venezuelan President Hugo Chávez's meddling in Bolivian internal affairs is "brazen" and makes him believe that the Bolivian government is a satellite of Caracas. "I have clear that the problem in the hemisphere, which directly affects my country, is the hegemonic project of Hugo Chávez," Quiroga told Bogotá's daily newspaper "El Espectador" during an interview released on Monday. According to Quiroga, Chávez's meddling in his country is to such an extent that Morales "travels onboard Venezuelan light aircraft and helicopters."
http://english.eluniversal.com/2008/06/09/en_pol_art_quiroga-rebuts-chave_09A1657399.shtml

Bolivia protest targets US embassy – Correo, Peru.

Bolivian riot police have clashed with supporters of Evo Morales, the Bolivian President, as they tried to storm the United States embassy in La Paz. Thousands of protesters gathered on Monday to demand that the US extradite the country's former president and defense minister, so they can stand trial. The protest followed comments by Carlos Sanchez Berzain, the former Bolivian defense minister, who told a local radio station last week that a court in the US had granted him political asylum. The protesters blame Berzain and Sanchez de Lozada, the former president who also lives in the US, for the deaths of 60 people in an army-led crackdown on anti-government protests in 2003.

http://www.correoperu.com.pe/paginas_notas.php?nota_id=69889&seccion_notas=9

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To promote world peace through American strength

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