



The Americas Report

From the Menges Hemispheric Security Project

Center for Security Policy

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Argentina



Bolivia



Brazil



Canada



Chile



Colombia



Costa Rica



Cuba



Dominican Republic



Ecuador



El Salvador



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. 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 – THE STATE DEPARTMENT’S PUZZLING APPROACH TOWARDS CHAVEZ.

By Luis Fleischman.*

The undersecretary of State for Interamerican Affairs, Dr. Thomas Shannon, once again expressed a positive attitude towards President Hugo Chavez by talking about the possibility of strengthening relations between Venezuela and the US. Shannon optimistically offered Chavez cooperation between the two countries on drug-traffic control.

Curiously, this generous offer came after John Walters, Director of The National Drug Control Policy Office, pointed out that Chavez



Nicaragua



Panama



Paraguay



Peru



The United States



Uruguay



Venezuela

was becoming a major facilitator of cocaine trafficking to Europe and other parts of the hemisphere. To add to this, former US Ambassador to Colombia, Myles Frechette reported that **the US government has clear evidence, based on information provided by radar technology that airplanes loaded with heroine depart from Venezuela to the United States and other parts of the world.** Frechette added that this is a fact and there is no basis to dispute it. Moreover, Frechette added that the US Administration has known about this activity for years.



Undersecretary of State for Interamerican Affairs, Dr. Thomas Shannon. Source: Aporrea.

Interestingly enough, this information came out days after the liberation of the hostages by the Revolutionary Armed Forces of Colombia (FARC) which confirmed the complicity between Hugo Chavez and the FARC. This complicity was made clearer when Chavez appealed to the international community to remove the FARC from the international list of terrorist organizations. It is also a well-known fact that the FARC is linked to drug-trafficking cartels. In addition, **Shannon's statements came days after Chavez denounced Uribe as being a mafia gangster and after accusing Bogotá and Washington of trying to launch a war between Colombia and Venezuela.**

As Chavez's hostility continued, Shannon made a second conciliatory statement by ruling out the possibility that a war between Colombia and Venezuela could ever happen. Moreover, **Shannon expressed his desire to get closer to Hugo Chavez and pointed out that the "relationship between Colombia and Venezuela is so deep that they will find a way to offset their differences".** This was a **curious remark given Chavez's open hostility to "Plan Colombia"** (aimed at combating drug-trafficking) and to President Alvaro Uribe whom Chavez sees as a puppet of the American empire. These statements also came just one day before **Secretary Condoleezza Rice's visit to Colombia to garner support for the yet to be ratified free trade agreement between the US and Colombia.** One has to wonder what has prompted Mr. Shannon in his now conciliatory stance towards the Venezuelan president.

The undersecretary first offered Chavez cooperation on matters related to drug trafficking when **Chavez himself has provided more than enough evidence of his involvement in drug trafficking.** Indeed, Chavez has facilitated the trans-shipment of drugs through Venezuelan territory and airports as well as openly supporting commercialization of coca (as in Bolivia where President Evo Morales is a close Chavez ally).

However, **this is not the end of Shannon’s poor judgment. He speaks loudly of cooperating with Hugo Chavez and has expressed confidence in the possibility of accommodation with him at the same time when Chavez is suffering political serious setbacks at home.**

Chavez’s agenda was defeated in a December 2nd referendum that would have approved a constitutional reform that –among other things-would have virtually given Chavez unlimited powers. The meaning of that defeat is manifold. On the one hand, these elections delivered a leader long awaited by millions of Venezuelans in a political situation where the opposition had been weak and highly ineffective. That leader was **General Raul Baduel, a former Secretary of Defense and former Chief of staff of the Venezuelan Armed Forces who not only denounced Chavez’ authoritarian project but also encouraged an intimidated Venezuelan population to vote against Chavez.** That defeat generated a momentum that the state department bureaucracy failed to understand. Also, last week political parties and groups from the opposition announced a proposal that would unite all of them in a common front to defeat Chavez in the October 2008 regional and municipal elections. The object of that unity is to create a democratic alternative to Chavez’s authoritarian rule. The groups and parties that are part of this front include old and new parties, liberal, centrists and socialists. They are all united with the purpose of striking a second electoral blow to Hugo Chavez.



General Raul Baduel. Source: Tal Cual Digital.

General Baduel has issued a number of statements publicly contradicting Hugo Chavez in a heroic attitude of defiance. First, he stated publicly that **the armed forces of Venezuela were confused over the apparent support of Chavez to the FARC and the use of Venezuelan territory by the group.** Baduel stated- after meeting with top army officers- that the army understands that the FARC is a guerilla group and as such should not be allowed to operate on Venezuelan territory. **Baduel also criticized Chavez’s direct contact with the FARC during the hostage crisis,** because the Venezuelan President tried to act on his own by bypassing the authority of the Colombian president. In addition, Late last week Baduel publicly called on the Colombian government to ignore Chavez’s statements, according to which the US and Colombia are trying to cause a war between Venezuela and Colombia. Moreover, **Baduel courageously accused Chavez of trying to draw public political support by staging a hypothetical external threat and thus “appealing to a despaired nationalism at a time when the people are beginning to sense an internal crisis”.** This was a brave act of public criticism by Baduel which should have elicited another kind of reaction. Instead, **Shannon and the State Department**

bureaucracy totally failed to understand the momentum that the December 2nd referendum generated and thus appeared to be among Chavez's few friends.

But **Chavez has already rejected Shannon's offers to hold a dialogue, which comes as a slap in the face to the State Department.** It seems that the US foreign policy establishment has failed to understand that the Chavez' regime is oppressing its citizens, its media, its private sector, its constitutional guarantees and its legal system. What is worse the SD has not captured Chavez's essence as a stubborn ideologist, the opposite of a pragmatist seeking accommodation with the United States. Instead of helping to strengthen the opposition by supporting those who are fighting Chavez's authoritarianism, the Department of State has betrayed Chavez's opponents by acting in a most clumsy way.

Indeed, **an astonished Colombian journalist questioned Shannon about why is he opening up to Chavez after Chavez asked for international recognition of the FARC.** Shannon replied that **"there is no evidence that the Venezuelan government has any intentional policy to promote drug and arms –trafficking through the Colombian-Venezuelan border"**. In fact he said that it is more likely that this was the result of (private) "smuggling". Shannon may have forgotten that the Bolivarian Circles- which are groups created by and loyal to Hugo Chavez- are believed to be involved in activities that allegedly include drug-trafficking as well as blackmailing and kidnapping. Maybe this is the non-governmental activity that Shannon refers to. If this is the case Chavez managed to create an illusion of distinction between him and his loyal followers.

In last week's Americas Report, John Thomson, who lives in Colombia and has researched this issue carefully, stated that Venezuelan authorities have enabled some 300 hundred tons annually of Colombian cocaine to be shipped for re-export through Venezuela to Europe and the US. This is a highly profitable business for both Chavez and the FARC. **The question is why the top person responsible for our Latin American policy at the State Department has managed to misinterpret the facts and by so doing has undermined the Venezuelan opposition and further reduced US credibility in the region.**

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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.

[Washington: no 'military assault' planned against Venezuela – El Universal.](#)

The United States Government Monday branded as "wild conspiracy theories" accusations by Venezuelan President Hugo Chávez against Colombia and the US for being allegedly preparing a military attack against Venezuela. "Our focus in the region is on a positive agenda that features things like free trade and economic development, not on any kind of wild conspiracy theories," State Department deputy spokesman Tom Casey said, as quoted by DPA. Casey voiced the most conciliatory message

issued by US President George W. Bush's Government to Venezuela in the last weeks. "Our focus in Venezuela is aimed at having good relations with that country," Casey said.

http://english.eluniversal.com/2008/01/29/en_pol_art_washington-rejects-c_29A1337759.shtml

Bush Calls for Passage of Colombia, Panama Free Trade Agreements – *VOA News*.

President Bush has thanked the U.S. Congress for approving a free trade deal with Peru and is urging lawmakers to pass similar agreements with Colombia and Panama. In his final State of the Union address Monday, President Bush highlighted Colombia in particular. He said failure to pass the deal with the Andean nation would "embolden the purveyors of false populism" in the Western Hemisphere. The Bush administration says the deal with Colombia will boost Colombia's economy and help President Alvaro Uribe's government. **The agreement faces opposition in Washington from Democratic lawmakers as well as labor and rights groups that criticize Colombia's human rights policies.** The trade agreement would eliminate virtually all tariffs between the United States and Colombia. In December, President Bush signed the U.S.-Peru free trade agreement that clears the way for stronger economic ties with that nation. To win support for the deal from skeptical opposition Democrats, the Bush administration had to add provisions intended to protect workers and the environment in Peru. Opponents have argued U.S. jobs will be lost, but the Bush administration says the new deal will help create jobs. Separately, some U.S. officials have said the deal with Panama may be in jeopardy because that country's National Assembly named as President Pedro Miguel Gonzalez, who has been indicted in the U.S. on murder charges. Some U.S. lawmakers have said his role as top lawmaker in Panama could lead them to delay approval of the trade deal or block it altogether.



President George W. Bush. Source: El Pais.

<http://www.voanews.com/english/2008-01-29-voa13.cfm>

Colombia: President Alvaro Uribe with 80% popularity – *MercoPress*.

Colombian president Alvaro Uribe has an 80% support, the highest since taking office back in 2002, according to the latest public opinion polls released this week. The previous poll in November showed Uribe with a 74% support and 14% negative response. The disclosure of the latest polls comes at a crucial moment for President Uribe who is fighting for support from the US Congress for approval of a free trade agreement. The Ivamer Gallup poll was taken between January 17 and 19 with a thousand phone interviews, in Colombia's four main cities: Bogotá, Medellín, Cali and Barranquilla. President Uribe next August will be half way through his second four year mandate. He was reelected with 62.2% of valid votes. Interviews also included questions about President Hugo Chavez from neighboring Venezuela but his public standing in Colombia is almost opposite to that

of Uribe. **The Venezuelan president only has a 10% favorable image while his negative image has ballooned to 76%.** Similarly Colombian opposition Senator Piedad Cordoba, who played a leading role in the liberation of two hostages held by the cocaine funded Colombian guerrilla group FARC, has a positive image of 22% and 74% negative.



Colombian President Alvaro Uribe. Source: La Información.

<http://www.mercopress.com/vernoticia.do?id=12459&formato=HTML>

Condoleezza Rice to visit Uribe – MercoPress.

President Uribe this Thursday receives the visit of US Secretary of State Condoleezza Rice who is pledging for support from Democrat Congress members for approval of a free trade agreement with Colombia. Ms Rice is visiting Colombia with a delegation of ten Democrats from the Lower House. Democrats are blocking the President Bush administration free trade initiative which is opposed by the influential Congressman Eliot Engel chairman of the Latin-American Subcommittee. “I think it will be a great opportunity for the State Secretary and members of Congress to assess directly on the field the impact of President Uribe’s democratic security policies in a city as Medellin”, said Tom Shannon Under Secretary for Hemispheric Affairs in Washington. Democrats who control both houses in Congress are conditioning the ratification of the free trade agreement with Colombia to an end to killings of “trade union leaders” and clarification of the “parapolitical scandal” of alleged links between members of the Uribe administration and extreme right para military groups. The Bush administration has been strongly lobbying Congress for the trade agreement with Colombia, insisting on the democratic and pacifying successes of the President Uribe government in the terrorist torn country. In **December Bush said that “Uribe was a close ally of the US” and warned Democrats that denying support for the trade agreement with Colombia “would be an insult to a good and reliable friend”.**

<http://www.mercopress.com/vernoticia.do?id=12459&formato=HTML>

Colombia: investigation into alleged Venezuelan Mayor-FARC links – El Universal.

Colombian President Álvaro Uribe Thursday said he was ordering an investigation into the reported links between Giancarlo Di Martino, Mayor of Maracaibo, Venezuelan northwestern Zulia state, and Colombian guerrilla groups, following publication of a video footage showing the Venezuelan official delivering supplies to allegedly guerrilla troops on the Colombia-Venezuela border. Should these relations be confirmed, “it would be very serious, and I am speaking to the Defense Ministry and judges” to delve into this issue, Uribe told reporters on the sidelines of the World Economic Forum in Davos, AFP reported. The video footage, disclosed by Venezuelan regional TV station Zuvisión and posted on youtube.com, shows a man identified as Maracaibo Mayor Gian Carlo Di Martino delivering food supplies and other equipment to troops of the rebel Colombian Revolutionary Armed Forces (FARC) and the National Liberation Army (ELN). On Tuesday, when asked about the recording, Venezuelan Executive Vice-President Ramón Carrizález said he had no information on the issue.

http://english.eluniversal.com/2008/01/24/en_pol_art_uribe-calls-for-inve_24A1329083.shtml

[Massive March In Opposition to the FARC Planned – *El Tiempo*.](#)

On February 4 citizens in 27 Colombian cities and in 93 cities worldwide will be uniting in solidarity and participating in a **“Gran Marcha en Contra de las FARC”**. Organizers of the event have asked that participants bring along white flags and t-shirts, Colombian flags, flowers and all sorts of banners to make this “Great March in Opposition to the FARC” the most memorable yet. All of this comes on the back of interesting times here in Colombia as the President Alvaro Uribe Velez completes his mini European tour in Davos at the World Economic Forum having already addressed the European Union and the Governments of France, Spain and Switzerland. Here the Colombian President received assurances from Javier Solana that the leftist FARC guerrilla group will remain on their list of terrorist factions. Javier Solana, Minister of Foreign Affairs for the EU said: “All ideas proposed by President Uribe will be supported by the EU,” and added that the FARC should, “free all hostages unconditionally.” http://www.eltiempo.com/politica/2008-01-27/ARTICULO-WEB-NOTA_INTERIOR-3934749.html

[France asks Colombia for caution regarding siege on the FARC – *El Universal*.](#)

France urged Colombia to refrain from taking any move that may “endanger” the lives of the hostages -including French-Colombian politician Ingrid Betancourt-, following President Álvaro Uribe’s decision to besiege the areas where the terrorists of the Colombian Revolutionary Armed Forces (FARC) is holding people as hostages. “France has a widely known steady position: nothing should be done that may endanger the hostages’ lives,” the assistant spokesman of the French Minister of Foreign Affairs Frederic Desagneaux said. The spokesman would not say whether Uribe’s order to locate and besiege such areas would endanger the hostages’ lives, as their relatives fear, AFP reported. http://english.eluniversal.com/2008/01/28/en_chcol_art_france-asks-colombia_28A1335289.shtml

[FARC Terrorist Gets 60 Years for Abduction of Americans – *AHN*.](#)

A leader of FARC, Colombia’s largest terrorist group, was sentenced to 60 years in a US prison on Monday for his role in conspiring to abduct three US citizens. The sentence effectively means the 57-year-old Ricardo Palmera Pineda, known as Simon Trinidad, will spend the rest of his life locked up for the 2003 kidnappings of the three American contractors after their surveillance plane crashed in southern Colombia. US prosecutors urged the judge to hand out a 60-year term instead of a life sentence in line with the 2004 extradition agreement with the Colombian government. Trinidad was sent to the United States to face the charges after being arrested in Ecuador for using fake identification. Judge Royce C Lamberth, who imposed the sentence, said the hostage taking amounted to acts of terrorism and was “against the law of all civilized nations.” FARC, which stands for the Revolutionary Armed Forces of Colombia, had demanded Trinidad’s release as part of any swapping of its hostages. FARC holds hundreds of hostages, including the three Americans, Marc Gonsalves, Keith Stansell and Thomas Howes. Mr. Palmera, 57, the most senior Colombian guerrilla leader extradited to the United States, had justified the abductions as a tactic of war by the FARC, Latin America’s largest rebel group. At the courtroom where he was sentenced, Mr. Palmera, known by the nom de guerre Simón Trinidad, accused the United States of improperly intervening in Colombia’s affairs and shouted, “Long live the FARC!”



FARC terrorist leader “Simon Trinidad.” Source: Latinamericanstudies.

<http://www.allheadlinenews.com/articles/7009859347>

Venezuela: Baduel rejects belligerent status for FARC – *El Universal*.

Venezuela’s former Defense Minister Raúl Baduel Tuesday rejected President Hugo Chávez’s proposal to recognize the belligerent status of the rebel Colombian Revolutionary Armed Forces (FARC). Baduel -formerly a close Chávez’s ally- compared the Venezuelan ruler’s proposal to the fact of acknowledging an “outlaw” state.

http://english.eluniversal.com/2008/01/29/en_pol_art_baduel-rejects-belli_29A1336921.shtml

Venezuelan Pleads Guilty in Cover-Up of Suitcase of Cash – *NYT*.

Venezuelan lawyer pleaded guilty in Miami on Friday to his role in a plot to cover up the destination of a suitcase stuffed with \$800,000 in cash that United States prosecutors say was intended as a campaign contribution from the Venezuelan government to Argentina’s president, Cristina Fernández de Kirchner. The lawyer, Moisés Maionica, 36, was one of five foreigners charged in December with conspiring to silence Guido Alejandro Antonini Wilson, a Venezuelan-American businessman caught carrying the suitcase by customs officials in Buenos Aires. In a case bitterly disputed by the governments of Argentina and Venezuela, a four-month investigation led American prosecutors to charge four Venezuelans and one Uruguayan with conspiracy and with acting as unregistered foreign agents of the Venezuelan government in what they said was a cover-up scheme. Mr. Maionica admitted in federal district court on Friday to having met with Mr. Antonini and people suspected of being Venezuelan agents, and to having arranged calls between Mr. Antonini and a senior official in Venezuela’s intelligence agency, which the F.B.I. said it recorded. **Since the case broke in December, both Mrs. Kirchner and Hugo Chávez, Venezuela’s president, have lashed out at the United States for its investigation into the mysterious suitcase. Both leaders have accused American officials of using the proceedings to carry out foreign policy against Mr. Chávez’s government and to try to drive a wedge between Argentina and Venezuela,** which have become closer allies in recent years. Mr. Chávez’s government has gone as far as to say the entire operation was a C.I.A. plot to discredit him.

<http://www.nytimes.com/2008/01/26/world/americas/26suitcase.html?ref=americas>

Pdvsa, gov’t face debt maturities at USD 8 billion – *El Universal*.

This year both the Venezuelan Executive Branch and the state-run oil conglomerate Petróleos de Venezuela (Pdvsa) have to face a number of debt maturities. Total payments due in this fiscal year amount to USD 8.03 billion, out of which USD 3.9 billion are in domestic debt bonds (Vebonos). Foreign debt repayments add up to USD 2.12 billion. Based on the figures disclosed by the Finance Ministry, these obligations mostly comprise Eurobonds, with the payments due at USD 1.3 billion. Concerning the Venezuelan oil giant Pdvsa’s obligations, the conglomerate is due to make debt repayments at USD 2.87 billion.

http://english.eluniversal.com/2008/01/30/en_eco_art_pdvsa-govnt-face-d_30A1338405.shtml

Venezuela prevents smuggling of 5,000 tons of food – *El Universal*.

National Guard Commander General Fredys Alonso Carrión said the moves intended to preserve food security in Venezuela have resulted in 4.93 tons of food items seized so far this year. Alonso Carrión explained that even though food items have been seized nationwide, the largest seizures took place in the states of Táchira and Zulia, on the border with Colombia. Therefore, they assumed the food was to be smuggled to Colombia. The National Guard has seized sugar, rice, corn precooked flour, powder milk, and chicken, among others.

http://english.eluniversal.com/2008/01/29/en_eco_art_venezuela-prevents-s_29A1337159.shtml

Chávez to visit Russia and Belarus in February or March – *El Universal*.

Venezuelan President Hugo Chávez late February or early in March is to visit Russia and Belarus again, sources with the Venezuelan Embassy to Moscow told Efe on Wednesday. “We are expecting his visit, but the exact dates are still unknown,” said a member of the diplomatic mission in the Russian capital. Meanwhile, Russian sources succinctly said that Russian Head of State Vladimir Putin was scheduled to welcome Chávez in Moscow before leaving the Kremlin following the Russian presidential vote next March 2. Venezuelan Chargé d’Affairs in Belarus, Américo Días Núñez Wednesday told reporters that Chávez in February or March would visit again Moscow and Minsk, where he was last June. Chávez’s visits last year focused on political, economic, military and technical cooperation with Russia and Belarus, two countries that are tightening their links with the government of Caracas, Efe reported.

http://english.eluniversal.com/2008/01/30/en_pol_art_chavez-to-visit-russ_30A1339239.shtml

Peru rejects Chávez’s and Ortega’s criticisms – *El Universal*.

Alejandro Aguinaga, chair of the Foreign Affairs Committee, Peruvian Congress, joined a number of people rejecting the alleged intervention of Venezuelan and Nicaraguan presidents Hugo Chávez and Daniel Ortega, respectively, who claimed that Peruvian nationalist leader Ollanta Humala is the target of a “persecution.” “This is an unacceptable foreign interference with the domestic affairs of this country. It seems to me that Chávez and Ortega have gone too far away,” said Aguinaga, a member of rightwing Alianza por el Futuro, DPA reported. Earlier, the Peruvian government, through the head of the ministers’ cabinet Jorge del Castillo, rejected the statements made by the two presidents. “This is interference in an issue of domestic politics. Perhaps they are trying to call the attention in their countries, but in Peru we have independence of powers,” del Castillo stressed. Last Saturday in Caracas, during the Sixth Summit of the Bolivarian Alternative for the Americas (ALBA), Chávez and Ortega branded as a “persecution” the fact that a Peruvian attorney requested a 15-year jail sentence and the subsequent expatriation of Humala, for his alleged role in the armed takeover of a police station in the town of Andahuaylas, which was executed by his brother Antauro in 2005.

http://english.eluniversal.com/2008/01/28/en_pol_art_peru-rejects-chavez_28A1335239.shtml

Canada and Peru seal free trade deal – *Alberta Farmer Express*.

Canada and Peru on Saturday concluded talks on a new free trade agreement that will help maintain Canadian ag exports to that country, the Canadian Wheat Board said Monday. CWB CEO Greg Arason on Monday congratulated International Trade Minister David Emerson for sealing the deal. Emerson also announced the signing of a trade deal with a group of four western European nations. Without a Peru FTA, “our exports into this important market could have fallen under a competitive disadvantage to grain from the U.S., which recently ratified its own trade deal with Peru,” Arason said. The CWB, along with Pulse Canada and other commodity groups, in recent years have urged Ottawa to devote more effort to bilateral free trade agreements (FTAs) with other countries and trade blocs, along with multilateral deals such

as through the World Trade Organization. The groups had warned that other ag exporters, such as the U.S., have been busily signing bilateral FTAs with countries where Canadian commodities have long had a strong export presence. It's feared U.S. FTAs in those markets could force Canadian exports to eat unfavorable tariffs. Arason noted that Canada exported about 416,000 tons of wheat and 13,000 tons of barley to Peru in 2007, worth over \$100 million and representing more than 80% of Canada's ag exports to that country. "When the deal is finalized, this grain will have duty-free access to Peru's market and a growing economy with increasing demand for high-quality wheat products and beer," the CWB wrote. "Peru has emerged as one of the most dynamic economies in the Americas, supported by an aggressive commerce agenda and clear stance in favor of trade liberalization," Emerson said in his own news release.



Peruvian President Alan Garcia. Source: Peru.com.

http://www.albertafarmexpress.ca/issues/ISArticle.asp?id=79371&issue=01292008&story_id=&PC=FBC

[Argentina expects Chávez's financial aid](#) – *El Universal*.

Argentinian President Cristina de Kirchner hopes his Venezuelan counterpart Hugo Chávez Frías to continue to give her financial assistance to face some debt maturities this year. According to Argentinean daily newspaper Clarín, the Argentinean government is outlining a strategy to repay debt, and is considering the possibility to use funds from Argentinean state agencies and Chávez's petrodollars. Argentina is facing debt maturities at USD 14.54 billion, out of which it is repaying USD 8.5 billion with tax surplus and Treasury funds, and the remaining USD 6 billion will be repaid with other funds. Sources with the Argentinean Ministry of Economy told Clarín that both funds from state agencies and the Venezuelan financial aid would be enough to afford half the maturities. In Venezuela, official sources said they are assessing the purchase of new Argentinean debt bonds, even though Finance Minister Rafael Isea has not confirmed the plans. The operation is likely to exceed USD 1 billion. **So far, Chávez's government has purchased over USD 5 billion in Argentinean debt titles.**

http://english.eluniversal.com/2008/01/29/en_eco_art_argentina-expects-ch_29A1336803.shtml

[Venezuelan diplomat accused of illegal car trading in Argentina](#) – *El Universal*.

A Venezuelan diplomat and an Uruguayan diplomat are included in a ring of irregular trading of luxury cars imported in Argentina under special licenses, as shown by the first proofs produced in this scandal under scrutiny by the Argentinean justice, local newspapers reported on Wednesday. The proofs point to Uruguayan Myriam Fraschini de Pastori and Venezuelan Orán Jesús Primera Petit, stressed Argentinean daily newspapers La Nación and Clarín, respectively, quoting official sources. According to La Nación, one of the vehicles under investigation was purchased by folklore singer Oscar "El chaqueño" Palavecino from Fraschini de Pastori, who in 2005 was a counselor minister with the Uruguayan Embassy. Marcelo

Arancibia, Palavecino's lawyer, said the singer bought a Hummer H2 "in good faith" at USD 112,000. The title of ownership shows that the truck was imported in Argentina under a special tax-exempted diplomat license. Meanwhile, Clarín reported that judge Marcelo Aguinsky is in charge of the case of Venezuelan colonel Orán Jesús Primera Petit, whom the Argentinean Foreign Ministry granted a diplomat license to import a Lamborghini one month after he ceased in his role as military attaché in the Venezuelan Embassy. The vehicle -valued at more than \$200,000- was promptly cleared in the customs service, without meeting the minimum term of nine months under diplomatic license, as provided under the law.

http://english.eluniversal.com/2008/01/30/en_pol_art_venezuelan-diplomat_30A1339279.shtml

Nicaragua: Chávez's proposed ALBA Army rejected – *El Universal.*

Nicaraguan opposition leaders rebutted as "a smokescreen" and "a senseless adventure" President Hugo Chávez's proposal to organize a joint armed force comprising the member countries of the Bolivarian Alternative for the Americas (ALBA), Efe reported. **The plan "is a huge smokescreen" of President Chávez and endorsed by his Nicaraguan counterpart Daniel Ortega,** "given the incapacity to rule for the poor," said Eduardo Montealegre, of opposition Alianza Liberal Nicaragüense party (ALN). Montealegre, the first runner-up in the vote where Sandinist Ortega was elected, said Chávez's proposal is not serious. "All they want is people to deviate their attention from the real problems facing Venezuela, Nicaragua, Bolivia and Cuba (member countries of ALBA), where people are hit by misery, hunger and lack of medicines."

http://english.eluniversal.com/2008/01/29/en_pol_art_chavez-proposed-al_29A1336489.shtml

Venezuelan aid to Nicaragua at USD 385 million –

Nicaraguan President Daniel Ortega Tuesday said Venezuela's aid to his country in 2007 and so far this year amounts to USD 385 million. Ortega added that during the rest of 2008, President Hugo Chávez has committed to provide other USD 300 million to pave the streets in poor neighborhoods nationwide, among other things, Efe reported. Reporting on the results of the recent Sixth Summit of the Bolivarian Alternative for the Americas (ALBA), held in Caracas, Ortega stated that the funds would be used to support the usury-zero programs and purchase of beans to be sold at "fair prices" to the poor. Surplus beans will be exported to Venezuela. He added that Venezuelan aid does not stop there, as Chávez vowed to provide other USD 72.2 million to extend other programs.

http://english.eluniversal.com/2008/01/30/en_eco_art_venezuelan-aid-to-ni_30A1339359.shtml

Bolivia investigates missing funds from ALBA – *El Universal.*

Newly designated Bolivian Minister of Production Javier Hurtado asked for an audit amidst claims of missing funds from the Bolivarian Alternatives of the Americas (ALBA) under his predecessor, La Paz-based daily newspaper La Prensa said on Wednesday. "We asked for an audit and now we are going to assess all the things that have done so far," Hurtado told the newspaper, as quoted by Efe. Hurtado was designated last week to replace Celinda Sosa. **When Sosa was in office, La Prensa reported that USD 11 million Venezuela lent to Bolivia under ALBA was allegedly missing.** Last week, Dominica joined ALBA, which also comprises Venezuela, Bolivia, Cuba, and Nicaragua.

http://english.eluniversal.com/2008/01/30/en_pol_art_bolivia-investigates_30A1339361.shtml

Mexico: Calderón Meets with Top-Level Mexico-France Group – *Presidencia de México.*

President Felipe Calderón met with the top-level Mexico-France Group to find out about the progress made during their first working meeting. During the conversation, **President Felipe Calderón stressed the importance of France in Mexico's interest in**

fostering trade with the most robust economies in the international community as well as attracting investment that will encourage job creation for Mexicans. He also recalled the fact that during his meeting with President Nicolas Sarkozy in France last year, the two leaders agreed that the main goal of their presidential administrations would be greater rapprochement between the two countries in every sphere. During the meeting, **the Top Level Group drew up a schedule for future meetings** and proposed submitting a report on activities and recommendations for both heads of state, which they will have the opportunity to discuss during the French president's visit to Mexico in May.



Mexican President Felipe Calderón. Source: Europa Press.

<http://www.presidencia.gob.mx/en/press/?contenido=33534>

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