## Report 100 PROJECT ON BUSINESS AND POLITICS IN THE MUSLIM WORLD Weekly Presentation: January 6, 2010 By: Bakare Najimdeen Period: From December 27-January 2, 2010

This week report dwells much on Yahoo/AP/Reuters News, New York Times. The report remains a compilation of strategic political, economic, socio-cultural and Geo-strategic issues around North America/Canada, Western Europe, Latin America/Southern Europe, Southeast Europe and Oceanisia. It obviously begins with a summary of the whole report, a breakdown of easily comprehendible short notes.

## Headlines

US/Canada

- Spy Agencies Failed to Collate Clues on Terror
- Obama to receive prelim report on airline attack
- White House hits back at Cheney criticism
- Media on terrorist alert, again
- Obama blames al-Qaeda for Christmas Day jet 'bomb'
- Airline attack could lead to more scanners

• AP-GfK Poll: Americans seek silver lining in 2010

Western Europe

- Britain blasted as 'powerless' over China execution row
- Sir John Major criticises Tony Blair over Iraq war
- Yemen welcomes British call for extremism meeting
- UK considers body scanners after airline attack
- Dutch to use full body scanners for US flights
- Dutch again summon Venezuela ambassador on comments
- Danish police have shot attacker of prophet cartoonist
- New internet piracy law comes into effect in France
- Pope calls for respect, peace at start of 2010
- Spain takes reins of revamped EU

Latin America

- Honduran leaders' effigies up in smoke for New Year
- 200 gather to cheer Honduras' ousted president
- Haiti's president promises fair election
- Former Gitmo detainees help al-Qaida grow in Yemen
- Hugo Chavez mocks Venezuela coup, Fidel Castro death forecast Southeast Europe

Bulgaria sending more troops to Afghanistan Serbia

- Serbian official quits over failure to get Mladic
- Tadic says Serbian authorities capable of arresting Mladic

- Serbian opposition coalition challenges new Vojvodina statute
- Socialist Party of Serbia eyes reform
- Vukcevic says progress made in organ probe

## Bosnia

- Dodik says Republika Srpska will not give up its property
- RS parliament to discuss Inzko decision

Macedonia

- Macedonia to introduce smoking ban
- Selmani re-elected as leader of Macedonia's New Democracy Party Albania
  - Albania ready to accept Guantanamo prisoners
  - Declaring ethnicity and religion in Albania
  - Northern Albania threatened by floods

Croatia

- Croats vote for president
- Thousands protest arrest of former special police officers in Zagreb
- Croatia sentences former policeman for war crimes against Serbs

Kosovo

- Kosovo parliament adopts 2010 budget
- New Gracanica city council meets in Kosovo
- Kosovo's Kuci expects government reshuffle
- KFOR commander says Kosovo faces no threats from outside

## **Report Summary**

## USA/Canada

## Political Issue

The abortive suspected terror attack on USA plane has added more to the critique of Obama's administration. Going by the preliminary review of the recent event, it appears the US spy agencies created the gap for attack because they failed to seriously consider the intelligence report that came to them. Nonetheless, the president has linked the attack to al-Qaida, making republicans criticism and ex President Dick Cheney creamier. The latter accused Obama of disrespecting the hawkish view that America is at war with terrorist. Thus, President Obama is more interested and demanding for answers on why the U.S. intelligence community never pieced together information that could have prevented Umar Farouk Abdulmutallab. Obama called the situation "totally unacceptable" and put his top intelligence officials on notice that he wanted changes.

## Economic Issue

On the economic front, appreciable numbers of Americans are of the view that the year 2010 will be a better year for them as compared to 2009 wrecked by economic crisis. The hope according to a recent survey by AP-GfK indicates a wishful future by the

Americans knowing full well that the full recovery of their economy is not around the corner.

## Social/Humanitarian Issue

It is all coming back again, the media debate on Islam and terrorism. The attempt to blow up a US plane has reawakened the interest of self acclaimed experts on terrorism and Islam. The media becomes the conference wherein linkage between Islam and terrorism surfaces. The renewal of media interest indicates that Muslim issue will always remain sensitive to the western media.

Following the unsuccessful supposedly terror attack, there has been a growing demand that full scanner should be erected at the airport for security purpose against such threat. The scanner issue is met with mixed reactions few lawmakers are in support of it, while masses are divided on privacy level. The Dutch airport from where the plane headed for the U.S has planned to commence the usage of the full scanner machine.

Food, Environment and Energy Issue

Geostrategic Issues

#### Western Europe

#### Political Issue

Former British Prime Minister Sir John Major added to the criticism of a wrong war championed by the then Tony Blair's government. He asserted that Saddam accused as a bad man does not and should not have warranted any war. He was of the view that many bad men rule around the world as leaders but Britain and its allies never attacked such countries.

Spain is now shouldering the six months rotational EU presidency. Spain a country faced with many internal problems, of course aims to use the presidency to foster jobs growth and economic recovery in the EU. Further, it hopes to fine-turn its relations with Latin America, North Africa and non-EU countries as part of the important issues of the six months tenure.

## Economic Issue

## Social/Humanitarian Issue

It is very much evident that state interest is often times dissimilar of individual interest. The execution of Akmal Shaikh in China for drug trafficking has raised dust in the UK. Some are of the view that Britain only showcase itself as strong global player yet has failed to diplomatically stop Akmal's execution. They say that if Afghanistan and other Muslim lands can be invaded for human right violation why China is an exemption.

The fact of the matter is that Britain-China economic ties are far beyond the ordinary interest of the individual.

The British government might be following the track of the Dutch government by introducing the full scanner machines at the airport. The machine is reluctantly considered by the US and other countries owing to privacy issue.

Danish police shot a Somali man suspected for attempting to kill Mr. Westergaard, the Dane responsible for the caricature cartoons that irked Muslim the world over in 2006. Since the event Westergaard has been under serious police security, owing to the reported move by certain Islamic groups to have place death threat and compensation for anyone that can end Westergaard's life.

Renunciation of violence and respect for children the world over was the centerpiece of Pope Benedict XVI New Year message. He availed his Angelus prayer to send the message of humanity that respect of all people without discrimination and the protection of children from war and violence is pertinent if humanity must see peace.

#### Food, Environment and Energy Issue

#### Geostrategic Issues

British Prime Minister Gordon Brown is willing to host an international conference geared at combatting extremism and terrorist tendency among youth in the Arabian Peninsula. The idea is welcomed by Sanaa, hoping that will facilitate development in the region. The conference will parallel the international conference on Afghanistan crisis. The case of a Nigerian youth in Yemen linked with al-Qaeda makes the conference pertinent that Yemen is not only harmful for Yemenis but also becoming training ground for foreigners.

Couple of weeks back, Venezuela accused the Netherlands of aiding the US espionage on Venezuela. The latter alleged that the islands of Curacao and Aruba are used for that purpose. Meanwhile, the Netherlands strongly condemned such accusation and that has strained diplomatic relations between the two countries. The Netherlands is reiterating that Venezuela retract such insinuation.

## Latin America

#### Political Issue

Ousted Honduras President Manuel Zelaya has received mixed New Year compliment from his countrymen. While some gathered to burn the effigies of Zelaya, de facto leader Roberto Micheletti and Venezuelan President Hugo Chavez of causing the country more harm than good. Other celebrated the ousted president as their hero during the New Year. Zelaya remains holed up in the Brazilian embassy because his status in exile is yet unsettled. Haitian President Rene Preval has used his Independence Day speech to pledge that upcoming legislative elections will be fair. But the speech did not address the disqualification of 15 political groups that has prompted international criticism and opposition threats to try to disrupt the Feb. 28 vote.

President Hugo Chavez used his New Year speech to denounce and joked at the view of Newsweek magazine that Chavez will be overthrow at some stage in this New Year and Fidel Castro will expire. Chavez lambasted the magazine and called it another false propaganda of empire.

One of the Yemeni released from the Gitmo prison is said to have reunited with al-Qaeda in Yemen with a more prominent role. His new status and activity makes the intention of closing down the Gitmo prison by Obama's administration more problematic and worrisome, as some now disapprove of any further release of the inmates.

Economic Issue

Social/Humanitarian Issue

Food, Environment and Energy Issue

Geostrategic Issues

#### **Southeast Europe**

#### **Political Issue**

Rasim Ljajic the Serbian officer in-charge of apprehending Ratko Mladic, who allegedly orchestrated the massacre of more than 7,000 Muslims in Bosnia, has resigned from his duty because of failure to capture the fugitives. Nevertheless, Serbian President Boris Tadic insisted that authorities are capable of arresting the fugitives.

The opposition Democratic Party of Serbia-New Serbia (DSS-NS) coalition filed a motion with the Constitutional Court challenging the constitutionality of the Vojvodina statute. They also asked the court to look into a law on the province's jurisdiction that was passed recently. It strengthens Vojvodina's autonomy and gives it jurisdiction in 20 areas, including regional development, agriculture, tourism, industry, transportation, health care, the economy and privatisation, as well as mining and energy.

Serbian leadership said they would not be forced or hurried to petition Croatia before the ICJ for war crime during the 90s. Croatia has already submitted a petition to the world court on similar issue. Although there is demand within Croatia that such petition should be retracted.

The Bosnian Serb republic premier denounces giving up republic's property as part of reconciliation plan to bring peace among the three major ethnic groups in the federation. Resolving the state property issue is one of five objectives established by the Peace Implementation Council to transition the OHR into the Office of the EU's Special Representative. The inventory was conducted by the Office of the High representative (OHR), after Bosnian authorities failed to start the process.

On a separate note, the Serb republic is also making a referendum threaten against the power giving to foreign judge to adjudicate in Bosnia, a process rejected by Bosnian Serb republic as unacceptable even though the foreign prosecutors will only continue to work on war crimes cases until 2012, while those in charge of corruption, organised crime and terrorism will become advisers to domestic personnel.

Croats have gone to the poll to express their political sentiment that will determine the next president. Croatia a long standing EU aspirant is faced with corruption and economic crisis. A second round vote is expected as none of the contestants are expected to make up to 50% of the vote.

Kosovo is progressing politically, even after its municipal election which though lauded by European community yet with few irregularities. The newly created state has just passed its 2010 budget. Meanwhile there will be a reshuffle in the government aimed at improving the state efficiency. Kosovo is obviously under EULEX and KFOR seeing through its defence. The EULEX commander in Kosovo said the latter has no external threat save for internal threats in form of economic woes and tensions among different ethnic groups.

#### Economic Issue

#### Social/Humanitarian Issue

Serbian authority said it has almost completed its findings relating to organ sale allegedly done in northern Albania, a case involving Kosovo Albanians during the 90s war. Capturing war fugitives and bringing them to book is prioritised by the region's governments, although few from concerned countries like Croatia are not comfortable with the arrest of former police officers who served in the unit and war veterans.

Quite understandably, the purpose of this effort is the exoneration from past mistake and two, for vengeance sake. Hence the past of the region will continue to determine its present and will lay the foundation on how future should be understood.

The upcoming Albanian census is receiving mixed feeling because it intends to show ethnicity, religion and mother tongues of citizens. It is somewhat believe that such will aid the cause of the Greek minority as many take money wanting to be known as Greek. Thus, such might undermine the identity of Albania as many are shying away from their ethnicity. Similarly, the census will also depict the extent to which Albanians are religious, although some has blamed the country for failing to be part of the visa liberalization scheme due to its acclaimed 70% Muslim population.

#### Food, Environment and Energy Issue

Geostrategic Issues

Albania is playing its role as a US ally and at the same time eyeing the EU membership with all vigour. Albania will be one among European countries showing willingness to accept inmates from Gitmo prison.

## Oceanesia

Political Issue

Economic Issue

Social/Humanitarian Issue

Food, Environment and Energy Issue

Geostrategic Issues

#### **Report Details**

#### USA/Canada

WASHINGTON — The National Security Agency four months ago intercepted conversations among leaders of Al Qaeda in Yemen discussing a plot to use a Nigerian man for a coming terrorist attack, but American spy agencies later failed to combine the intercepts with other information that might have disrupted last week's attempted airline bombing. The electronic intercepts were translated and disseminated across classified computer networks, government officials said on Wednesday, but analysts at the National Counterterrorism Center in Washington did not synthesize the eavesdropping intelligence with information gathered in November when the father of Umar Farouk Abdulmutallab, now accused of the attempted bombing, visited the United States Embassy in Nigeria to express concerns about his son's radicalization.

The father, a wealthy Nigerian businessman named Alhaji Umaru Mutallab, had urgently sought help from American and Nigerian security officials when cellphone text messages from his son revealed that he was in Yemen and had become a fervent radical. A family cousin quoted the father as warning officials from the State Department and the Central Intelligence Agency in Nigeria: "Look at the texts he's sending. He's a security threat." The cousin said: "They promised to look into it. They didn't take him seriously." The new details help fill in the portrait of an intelligence breakdown in the months before Mr. Abdulmutallab boarded a plane in Amsterdam with the intent of blowing it up before landing in Detroit.

HONOLULU – President Barack Obama is to receive a preliminary report Thursday on how a 23-year-old Nigerian with suspected terrorist ties managed to board a plane he is accused of attempting to bomb on Christmas Day, along with recommendations on how to prevent a sequel. The report is just the first step in what is shaping up to be an Obama-led effort to change the nation's intelligence practices after an attack that failed not because of U.S. anti-terrorism policies, but despite them. Administration officials said the system to protect the nation's skies from terrorists was deeply flawed and, even then, the government failed to follow its own directives.

White House homeland security and counterterrorism adviser John Brennan was scheduled to send Obama a first summary of the nation's efforts to track more than half a million potential terrorists. Officials said it was unlikely Obama would speak publicly about the report, although the vacationing president probably would talk several times throughout the day with his national security team.

Obama has demanded answers on why the U.S. intelligence community never pieced together information that could have prevented Umar Farouk Abdulmutallab, charged with trying to destroy a Detroit-bound airliner, from ever getting on the plane. Obama called the situation "totally unacceptable" when he met with reporters Tuesday and put his top intelligence officials on notice that he wanted changes. Administration officials have spent the last week poring over reams of data, looking for failings that allowed Abdulmutallab to board the Northwest Airlines flight from Nigeria by way of Amsterdam. Officials have been sending details to Brennan, who has emerged at the center of the review. Al-Qaida in the Arabian Peninsula, an offshoot of Osama bin Laden's group, claimed it was behind the attempt to bomb the Northwest airliner.

Senior U.S. officials told The Associated Press that intelligence authorities are looking at conversations between the suspect in the failed attack and at least one al-Qaida member. The officials, who spoke on condition of anonymity to discuss intelligence matters, said the conversations were vague or coded, but the intelligence community believes that, in hindsight, the communications may have been referring to the Detroit attack.

Officials said the link between the suspect's planning and al-Qaida's goals was becoming clearer as the review progressed. "There were bits of information available within the intelligence community that could have — and should have — been pieced together," Obama said earlier this week.

HONOLULU - Using the White House's blog, a top aide to President Barack Obama on Wednesday dismissed former Vice President Dick Cheney's criticism about Obama's approach to dealing with terrorists as "the typical Washington game of pointing fingers and making political hay." Cheney was taking part in the "same old Washington blame game" when he questioned Obama's actions after an attempted terrorist attack on a Detroit-bound plane on Christmas Day, White House communications director Dan Pfeiffer said. The Republican former vice president said Obama was "trying to pretend we are not at war" with terrorists. "We are at war and when President Obama pretends we aren't, it makes us less safe," Cheney said. "Why doesn't he want to admit we're at war? It doesn't fit with the view of the world he brought with him to the Oval Office. It doesn't fit with what seems to be the goal of his presidency — social transformation — the restructuring of American society." The jab — the latest from the hawkish former vice president — prompted Pfeiffer to write on the White House's Web site: "I don't think anyone realizes this very hard reality more than President Obama." In his latest broadside at Obama, Cheney took issue with the administration. "As I've watched the events of the last few days it is clear once again that President Obama is trying to pretend we are not at war, Cheney told Politico. "He seems to think if he has a low-key response to an attempt to blow up an airliner and kill hundreds of people, we won't be at war. He seems to think if he gives terrorists the rights of Americans, lets them lawyer up and reads them their Miranda rights, we won't be at war. He seems to think if we bring the mastermind of Sept. 11 to New York, give him a lawyer and trial in civilian court, we won't be at war." Al-Qaida in the Arabian Peninsula, an offshoot of Osama bin Laden's group, claimed it was behind the attempt to bomb a Detroit-bound airliner. Nigerian Umar Farouk Abdulmutallab, a 23-year-old passenger, was arrested Friday after he allegedly tried to bring down the Northwest Airlines flight carrying 289 people by setting off an explosive device he had in his underwear. He was unsuccessful and nearby passengers helped restrain him.

It all came rushing back — the "War with Islam?" graphics, the terrorism experts, the breathless reports of a "suspicious van" parked near Times Square, and Chris Matthews mincing no words when describing the Al Qaeda threat.

"They're the enemy. They're going to use any means they can to get us," he said Tuesday on "Hardball" before moving on to the next segment and what's being done to keep "killers off our airplanes." Whether online or on air, many journalists and networks stars gave up their holiday vacations to participate in round-the-clock coverage of the plot to blow up Northwest Airlines Flight 253. And given "systemic failure" cited by President Barack Obama it's understandable that the media would devote the majority of its resources to the unfolding drama, presenting a clearer picture of Umar Farouk Abdulmutallab, the 23-year-old Nigerian at the center of the story, and how intelligence agencies didn't connect the dots before a near-catastrophe over Detroit.

One reason for the sustained coverage, according to Georgetown University professor Bruce Hoffman, who has been studying terrorism for decades, is that a link to Al Qaeda became clear quickly. That, the uptick in travel around the holidays — and the apparent symbolism of an attack planned for Christmas Day — as well as a holiday news vacuum, ensured the most sustained media focus on terrorism since British police foiled a 2006 scheme to detonate explosives aboard 10 planes. But many of the questions being asked in the last decade's final days go back to those posed at the beginning of the decade, in the aftermath of Sept. 11, like some twisted version of Groundhog Day.

All week, partisan pundits and terrorism experts have debated the merits of torture and racial profiling, whether the U.S. needs to intervene in a foreign country that's providing a safe haven for terrorists — this time Yemen, not Afghanistan — and whether the government is taking the threat of Islamic terrorism seriously. "Our enemies believe they're doing this for their God," said Fox News strategic analyst Ralph Peters on the air Monday. "And when you face religious fanatics, who are determined to kill you, it is a zero-sum game. Court-martialing Seals is not going to impress our enemies. Killing them will impress them." Peters said that Islamic terrorists will take away from this event "that we're afraid to admit what our enemy's all about," adding, "let's see if there's an attack on Easter." Later that night on Fox, Karl Rove took issue with Obama's early statements and treatment of the threat while speaking with Tucker Carlson, a fill-in host for Sean Hannity. "Please, Mr. President, don't play us for suckers," Rove said. "This is not an isolated extremist. It is part of an international conspiracy which struck us on 9/11 and has been attempting to hurt us every day since then."

Judy Miller, the former New York Times reporter whose stories on faulty intelligence are commonly included among the biggest blunders in pre-Iraq War coverage, criticized embattled Secretary of Homeland Security Janet Napolitano as someone who "has been allergic to the idea of combating terrorism since the day that she was appointed." At the same time over on MSNBC, host Rachel Maddow mocked Al Qaeda in the Arabian Peninsula for claiming that the attempted bombing Friday was a response to recent air strikes, noting that factually the dates don't add up. "So, nice try nihilist dirtbags," Maddow said, "but it's back to remedial propaganda class for you."

US President Barack Obama has for the first time publicly accused an offshoot of al-Qaeda over the alleged Christmas Day bomb plot to blow up a US plane. He said it appeared Yemen-based al-Qaeda in the Arabian Peninsula had armed and trained the accused, 23-year-old Nigerian Umar Farouk Abdulmutallab. The group admitted responsibility in an internet statement last week. Mr Obama has already condemned lapses that allowed the accused, who was on a terror database, to board the jet. In his weekly radio and video address posted on the White House website early on Saturday, Mr Obama said more details of the alleged plot were becoming clear.

"We know that [Abdulmutallab] travelled to Yemen, a country grappling with crushing poverty and deadly insurgencies," said Mr Obama, who is on holiday in Hawaii.

"It appears that he joined an affiliate of al-Qaeda, and that this group, al-Qaeda in the Arabian Peninsula, trained him, equipped him with those explosives and directed him to attack that plane headed for America."

US officials have not until now publicly accused al-Qaeda over the incident on Flight 253 from Amsterdam to Detroit. Mr Obama has come under heavy criticism from Republicans, who accuse him of not doing enough to prevent attacks on the US. Some Democrats, too, have joined the clamour for an overhaul of intelligence procedures.

The US president - who last week ordered two security reviews - used much of his latest address to outline his administration's measures to keep America safe. He said these included withdrawing troops from Iraq, boosting troop levels in Afghanistan and targeting militants in Yemen, where the suspect spent time before the attack. "All those involved in the attempted act of terrorism on Christmas must know you too will be held to account," he said. The US Congress, meanwhile, is preparing hearings to question intelligence officials on security failings that allowed a man who US officials had been warned about, and who had a valid US travel visa, to allegedly smuggle explosives on to a transatlantic jet.

WASHINGTON – The Christmas Day attack on a jetliner over Detroit, combined with technological improvements to protect people's sense of modesty, could lead to dramatically wider use of full-body scanners that can see through travelers' clothing. Dutch officials said Wednesday they will immediately begin using the machines at Amsterdam's airport, where the Nigerian accused of trying to blow up the Northwest Airlines plane began his flight. And a key European lawmaker also called for greater use of the scanners, which are designed to spot explosives and other non-metallic objects that a metal detector would miss. In the U.S., the Transportation Security Administration has not said whether it will accelerate its plans to roll out the machines. TSA already operates 40 of them in U.S. airports, has bought an additional 150 and plans to buy 300 more. That covers only a small slice of the 2,100 security lanes at the nation's 450 airports. But TSA could find the climate more favorable for an expansion.

At least one congressman who has pushed for restrictions on full-body scanners said he would moderate his stance if the technology could better respect privacy. According to several companies that make full-body scanners, software — rather than human screeners — eventually could be capable of detecting suspicious objects on travelers' bodies as they pass through the machines. "This is a solution everyone can live with," said Rep. Jason Chaffetz, R-Utah, who sponsored a measure that would prohibit the use of whole-body imaging for "primary" screening, in place of metal detectors. The House approved the measure 310-118, and it is pending in the Senate. "The goal should be to be more effective, but less invasive." Body scanners that peer through clothing have been available for years, but their introduction has been slowed by objections from privacy advocates such as the American Civil Liberties Union, which has denounced the machines as a "virtual strip search" because they display the body's contours on a computer screen with great clarity.

WASHINGTON – The bank account is thin, but the future looks pretty good.

That, oddly enough, is the view of many Americans who predict 2010 will be a better year than this one, even if they fear that the U.S. economy and their own financial circumstances won't improve. A whopping 82 percent are optimistic about what the new year will bring for their families, according to the latest AP-GfK poll. That sunny outlook seems at odds with other findings. Nearly two-thirds think their family finances will worsen or stay about the same next year. And fewer than half think the nation's economy will improve in 2010, even though Americans rated 2009 as a huge downer.

Mari Flanigan of South Milwaukee, Wis., is one of those who feel fairly optimistic that things will go better at a personal level in 2010 even though her financial situation might grow worse. Flanigan, 36, is unemployed after selling a family business that faced increasing competition. "Financially, I'm scared," she said in an interview.

Rather than seek new work, however, she is thinking of returning to school to become a social worker. "I'd rather make less money and do something I love," Flanigan said, noting that happiness and optimism are not strictly tied to finances. The poll found that nearly three-fourths of Americans think 2009 was a bad year for the country, which was rocked by job losses, home foreclosures and economic sickness. Forty-two percent rated it "very bad." That's clearly worse than in 2006, the last time a similar poll was taken. The survey that year found that 58 percent of Americans felt the nation had suffered a bad year, and 39 percent considered it a good year. Fewer than half as many people, 16 percent, said their family had a "very good year" in 2009 as said that in 2006. Behind the gloominess, however, are more hopeful views that seem to reflect Americans' traditional optimism or, perhaps, wishful thinking. Three in five Americans said they're optimistic about what 2010 will bring for the country. Even more are hopeful about what the year will bring for their families.

## Western Europe

LONDON (AFP) – Relatives of a British man executed in China accused Britain Wednesday of being diplomatically powerless due to its economic dependence on the Asian giant, after Beijing ignored London's clemency appeals. Two cousins of Akmal Shaikh also accused the West of double standards for citing human rights abuses to justify its invasions of countries such as Afghanistan but failing to take the same approach towards Beijing. Shaikh, a 53-year-old father-of-three whom supporters say was mentally ill, was executed on Tuesday for drug smuggling despite extensive British ministerial lobbying that continued almost up until his death. But in a letter to the Guardian newspaper, his cousins Amina and Ridwan Shaikh lamented the lack of real British influence in the case. "This is an example of Britain's powerlessness in the world. Their strategy of being shoulder to shoulder with the US in the 'war on terror' has not given them the status they so desperately desire," they said.

The cousins noted that "one of the justifications we are told for invading countries like Afghanistan is 'human rights violations'." "If it is accepted by all that there are gross violations taking place in China, why aren't they, too, invaded? This is purely to do with the fact that China is a powerful country economically. "Britain's economic dependence far outweighs these 'individual cases'." Shaikh was arrested in September 2007 in Urumqi in far western China with four kilograms (nine pounds) of heroin, but campaigners say a criminal gang duped him into carrying the drugs. He was the first national from a European Union country to be executed in China in 50 years, according to London-based charity Reprieve, which had been providing him with legal counsel. China's ambassador Fu Ying was hauled into the Foreign Office hours after the execution on Tuesday to be told of Britain's anger, in what was described as a "difficult" meeting. But in Beijing officials insisted that Shaikh's legal rights had been fully protected, while a foreign ministry spokeswoman expressed "strong dissatisfaction and opposition to Britain's accusations." Britain has vast trade and economic ties with China, and has long underlined the need to engage closely with the emerging global powerhouse despite criticism notably of China's human rights record.

Former Prime Minister Sir John Major has criticised Tony Blair's handling of the Iraq war and his presentation of the case for invasion in March 2003. Sir John said he had reluctantly backed the war because he believed what Mr Blair had said as prime minister. But now, he said, big questions had been raised by the unfolding evidence to the Chilcott Inquiry into the war. He told the BBC the argument that Saddam Hussein was a bad man and must be removed was an "inadequate" one. Sir John said it now seemed there were doubts before the invasion about whether there were weapons of mass destruction in Iraq.

In an interview with BBC Radio 4's Today programme, he said he wanted to know whether the cabinet had known about those doubts. He said: "I had myself been prime minister in the first Gulf War, and I knew when I said something I was utterly certain that it was correct, and I said less than I knew. "I assumed the same thing had happened and on that basis I supported reluctantly the second Iraq war." Sir John said he did not know whether the invasion was potentially illegal, but he added that in the mid-1990s President Clinton's administration had raised the question of regime change with his officials. They replied that any attempt to remove Saddam Hussein as a bad man had

to be legal and viable. Sir John said the argument that someone was bad was an inadequate argument for war. "There are many bad men around the world who run countries and we don't topple them, and indeed in earlier years we had actually supported Saddam Hussein when he was fighting against Iran. "The argument that someone is a bad man is an inadequate argument for war and certainly an inadequate and unacceptable argument for regime change." Tony Blair is due to answer questions at the Chilcott Inquiry in the next few weeks.

SANAA (AFP) – Yemen on Saturday welcomed Prime Minister Gordon Brown's announcement of an international meeting in London on January 28 on combating extremism in the Arabian Peninsula country. "It's a step in the right direction that will mobilise international support for Yemeni development and its efforts to battle unemployment and the effects of poverty," the Saba news agency quoted an official spokesman as saying. "Eradicating poverty and joblessness in developing countries is the best way to fight extremism and ensure that no environment is created that would encourage this phenomenon and attract young people to it," he added.

On Friday Brown's office said the London meeting at the end of the month would run "in parallel" with a conference on Afghanistan which is expected to be attended by senior ministers or leaders from about 43 nations.

Long-standing concerns that Yemen has become a haven for Islamic terror groups were thrown into sharp relief when a Nigerian man allegedly trained in the country was charged with trying to blow up a US airliner on December 25. Umar Farouk Abdulmutallab, 23, reportedly confessed to being trained by an Al-Qaeda bomb-maker in Yemen for his alleged mission to blow up the plane as it came in to land in Detroit, sparking a major international security scare.

The United States revealed this week that it was sharply increasing its military and economic aid to Sanaa to fight a growing threat from Al-Qaeda, and Brown said it was vital to mobilise international support. "The international community must not deny Yemen the support it needs to tackle extremism," he said. Brown has invited "key international partners to a high-level meeting in order to discuss how best to counter radicalisation in Yemen", his office said in a statement. The aims of the meeting would include identifying what Yemen's government needs to help it fight violent Islamic extremism and coordinating assistance for areas most at risk of becoming radical, it said.

LONDON – Britain is considering introducing new technology such as full body scanners to improve airport security after the attempted Christmas Day airline attack, Prime Minister Gordon Brown said Friday. The failed attempt to bring down Northwest Airlines Flight 253 to Detroit last week was a "wake-up call" for Britain to move quickly to combat changing terrorist techniques by updating its security measures and improving the way it shares information about terror suspects, Brown said. "These enemies of democracy and freedom ... are concealing explosives in ways which are more difficult to detect," the prime minister said in an article posted on his official Web site.

Brown said traditional pat-down searches and sniffer dogs are no longer enough to identify hidden explosives and weapons. Together with the U.S., Britain is examining the use of more sophisticated equipment — including full body scanners and advanced x-ray technology, he said. The U.S. and many other countries have been reluctant to

introduce body scanners that peer underneath clothing because of privacy concerns. Privacy advocates say they amount to a "virtual strip search" because they display an image of the body onto a computer screen. But reacting to last week's attempted airline bombing — in which 23-year-old Nigerian Umar Farouk Abdulmutallab boarded his flight from Amsterdam to Detroit carrying undetected explosives — the Netherlands announced Wednesday it will immediately begin using full body scanners for flights heading to the United States.

The controversial scanners are currently on trial at Britain's Manchester Airport. BAA, the authority that owns six U.K. airports including London's Heathrow, has said it would await a European ruling on privacy regulations before considering a similar move.

Brown also stressed that the British government is working to prevent young people at British universities and colleges from being targetted by terrorist recruiters. Some security experts and the British media have speculated that Abdulmutallab — who was president of University College London's Islamic Society when he studied for his undergraduate degree there — may have been recruited by al-Qaeda extremists on campus. "Although we are increasingly clear that he linked up with al-Qaeda in Yemen after leaving London, we nevertheless need to remain vigilant against people being radicalized here as well as abroad," Brown said. The leader also said he has ordered an immediate review aiming at tightening Britain's passenger screening methods and improving its watch-list system.

THE HAGUE, Netherlands – The Netherlands announced Wednesday it will immediately begin using full body scanners for flights heading to the United States, saying that could have stopped the attempted Christmas Day airline bombing.

The U.S. had not wanted these scanners to be used previously because of privacy concerns but now the Obama administration has agreed that "all possible measures will be used on flights to the U.S.," Dutch Interior Minister Guusje Ter Horst told a news conference. Umar Farouk Abdulmutallab boarded Northwest Airlines Flight 253 to Detroit from Amsterdam's Schiphol Airport on Friday carrying undetected explosives, law enforcement authorities said, adding that 23-year-old Nigerian tried but failed to blow up the plane carrying 289 people. "It is not exaggerating to say the world has escaped a disaster," Ter Horst said, calling the situation a "professional" al-Qaida terror attack. Amsterdam's Schiphol has 15 body scanners, each costing more than \$200,000. But until now neither the European Union nor the U.S. have approved the routine use of the scanners at European airports. A key European legislator urged the European Union to begin rapidly installing the new equipment across the 27-nation bloc, but no other European nations immediately followed the Dutch move. Body scanners that peer underneath clothing have been available for years, but privacy advocates say they are a "virtual strip search" because they display an image of the body onto a computer screen.

Ian Dowty, a lawyer with Action on Rights of the Child, said allowing minors to pass through the scanners violates child pornography laws. "It shows genitalia," he told The Associated Press. "As far as English law is concerned ... it's unlawful if it's indecent."

For that reason, British authorities have exempted under-18s from body scan trials at places including Paddington Station in London as well as Heathrow and Manchester airports. New software, however, eliminates that problem by projecting a stylized image

rather than an actual picture onto a computer screen, highlighting the area of the body where objects are concealed in pockets or under the clothing.

AMSTERDAM (Reuters) – Dutch Foreign Minister Maxime Verhagen on Friday denied fresh accusations by the Venezuelan government that the Netherlands is supporting U.S. spy flights over Venezuelan territory. Verhagen condemned the comments as "inaccurate, unjust and really out of place" in a statement on Friday and said he would summon Venezuela's ambassador again to explain the remarks. Twice in the past two weeks, the government of President Hugo Chavez has publicly claimed that the Dutch have let the U.S. military launch spy flights from bases on the territories of Aruba and Curacao under the guise of drug surveillance missions. On December 17 Chavez said the Netherlands was planning "aggression" against Venezuela in concert with the United States, and on Thursday his government again charged the Dutch with "complicity" in such plans. Verhagen said the Netherlands had made clear to the Venezuelan government that the civilian airports in the Dutch islands have been made available to the United States solely for unarmed drug surveillance missions. The United States has for years had a military presence on Curacao and Aruba, with about 250 Air Force crew and ground staff involved in counter-narcotics and surveillance operations over the Caribbean region. In its statement on Thursday, the Venezuelan government questioned whether that was their true purpose. "The Bolivarian Republic of Venezuela doubts the installations that the Netherlands government has put at the disposition of U.S. military contingents are used in the fight against drugs," it said. The Foreign Ministry, which summoned the Venezuelan ambassador last month, said on Friday it wanted to see the ambassador again "quickly" to clarify the new comments. The alleged threat of U.S. intervention in the oilproducing South American nation has become a central element of Chavez's discourse and a rallying cry for his supporters. While he is Latin America's loudest U.S. critic, foes say Chavez is hyping the idea of a foreign threat to distract Venezuelans from pressing domestic problems such as economic recession, rampant crime and inadequate public services.

Danish police have shot and wounded a man at the home of Kurt Westergaard, whose cartoon depicting the Prophet Muhammad sparked an international row. Mr Westergaard was at home in the western town of Aarhus when a man broke in. He pressed a panic button, then police entered and shot the man. Danish officials said the intruder was a 28-year-old Somali linked to the radical Islamist al-Shabab militia.

The cartoon, printed in 2005, prompted violent protests the following year. One of 12 cartoons published in the Danish newspaper Jyllands Posten, it depicted the Prophet Muhammad with a bomb in his turban. In 2006 the paper apologised for the cartoons, but other European media reprinted them. Danish embassies were then attacked by Muslims around the world and dozens killed in riots.

Mr Westergaard went into hiding amid threats to his life, but emerged last year saying he wanted to live as normal a life as possible. His house has been heavily fortified and is under close police protection. Police said the man had entered Mr Westergaard's house armed with a knife and had shouted in broken English that he wanted to kill him. He said he had grabbed his five-year-old granddaughter and run to a specially designed panic room where he raised the alarm. Mr Westergaard told Jyllands Posten he was shocked that his granddaughter had witnessed the attack. He has now been taken to a safe location, but said defiantly that he would be back, the newspaper reported.

Jakob Scharf, who heads the Danish intelligence service Pet, said the attack was "terror related" and that the suspected assailant has close contacts to Somalia's al-Shabab group.

He had been under surveillance for activities unrelated to Mr Westergaard, Mr Scharf said. Police said he was shot in the knee and the shoulder after threatening officers who tried to arrest him. Preben Nielsen of Aarhus police, said the man was seriously hurt but his life was not in danger. The BBC's Malcolm Brabant, who interviewed Mr Westergaard when he emerged from hiding, says the incident will raise questions about security measures put in place by the Danish secret service to protect the artist. Islamic militants have placed a \$1m price on Mr Westergaard's head. Although he is one of 12 cartoonists whose drawings of the Prophet were published in Jyllands-Posten, he has the highest profile, our correspondent says.

Paris... The first effects of France's new law against internet piracy will begin to be felt as the New Year begins. The law was passed after a long struggle in parliament, and in the teeth of bitter opposition from groups opposed to internet restrictions.

Illegal downloaders will be sent a warning e-mail, then a letter if they continue, and finally must appear before a judge if they offend again. The judge can impose a fine, or suspend their access to the internet. The Creation and Internet Bill set up a new state agency - the Higher Authority for the Distribution of Works and the Protection of Copyright on the Internet (Hadopi). The law was backed by President Nicolas Sarkozy and the entertainment industry. Its supporters say it is a model for other countries around the world that want to protect their creative industries and make clear to ordinary webusers that not everything is for free. Michel Thiolliere, a French senator and member of the Hadopi, says that if the law is explained properly, then people understand it.

"The internet is a fabulous world, but it needs rules, if you want to get cinema, music or video games in the future. "What we think is that after the first message... about twothirds of the people (will) stop their illegal usages of the internet. "After the second message more than 95% will finish with that bad usage." The law has many opponents, who say either that it is too draconian, or that it has already been overtaken by technology and that serious downloaders will simply sidestep it. But for supporters, it is a long-overdue necessity. For them, it is a way of reminding law-abiding citizens who have been tempted by an abundance of apparently free material available on the web, that it does come at a price.

VATICAN CITY – Pope Benedict XVI on Friday called for respect of all people without discrimination and the protection of children from war and violence as he celebrated the start of the New Year. Jan. 1 is also the Roman Catholic Church's World Day of Peace, and the pontiff issued an appeal to all armed groups to "stop, reflect and abandon the way of violence," even if it seems impossible. "You will feel in your hearts the joy of peace, which you have perhaps long forgotten," Benedict said during the Angelus prayer. He said peace begins by recognizing that men are brothers, not rivals or enemies. "Peace begins with a look of respect that recognizes in another man's face a person, regardless of the color of his skin, nationality, language or religion," he said during a Mass in St. Peter's Basilica earlier in the day. The value of respect for all should

be taught from an early age, Benedict said. Noting that classes containing children of different backgrounds are common, he said that "their faces are a prophecy of the kind of humanity we are called upon to create: a family of families and peoples." The 82-year-old pope put children, especially those hurt by conflict or forced to leave their homes, at the heart of his call for peace. He said they make it evident that men are brothers because "despite differences, they cry and laugh the same way, have the same needs, communicate spontaneously, play together." The painful images of children at the mercy of war and violence, their faces "disfigured by pain and desperation," are a silent appeal for peace, Benedict said. The pope celebrated the Mass in St. Peter's Basilica a week after he was knocked down by a woman on Christmas Eve. He was unhurt in the fall and has kept up his busy holiday schedule. The Vatican said the woman was mentally unstable and identified her as 25-year-old Susanna Maiolo, a Swiss-Italian national. She remains in a clinic for treatment. In his comments, Benedict also renewed his call to protect the environment, saying that the degradation of man leads to the degradation of the planet.

From 1 January Spain takes the helm of the EU - a role which will define how member states work with the new EU president and foreign policy chief. Spain's sixmonth term as holder of the EU presidency comes just a month after the Lisbon Treaty took effect. EU summits will be chaired by Herman Van Rompuy, the former Belgian prime minister who is now President of the European Council. But Spain will steer other top meetings and host summits with non-EU countries. Critics say the Lisbon Treaty allows too much scope for overlapping roles, as the six-month rotating presidency continues, potentially allowing a member state to further its own agenda.

A key aim of Lisbon is to develop continuity in EU policy-making and reduce the disruption caused by the six-month rotation. Spain will chair important EU ministerial meetings on the economy, eurozone policy, the environment and energy, as well as other sectors. A major EU goal in the next six months is to agree on a replacement for the Lisbon Strategy - a blueprint that was supposed to make the EU the world's most competitive economy by 2010.

Mr Van Rompuy will chair a special EU economic summit on 11 February.

Then on 25 March EU leaders will try to agree on the economic strategy for the next decade. It has already been outlined by the European Commission, which has called for a "smarter, greener social market". Jobs and growth top Spain's agenda as the EU struggles to recover from the global economic crisis. Spain's unemployment rate has doubled in the past two years. The rate hit 19.3% in October - the worst figure in the 16-nation eurozone and the second highest rate in the EU behind Latvia. Another major challenge is to restore the EU's role as a world leader in the battle against climate change. The Copenhagen summit in early December was widely seen as a debacle for the EU, which wanted a much more ambitious final deal.

Spain has already signalled that it will let Mr Van Rompuy chair summits with third countries in Spain, with Spanish Prime Minister Jose Luis Rodriguez Zapatero at his side. A key test of the new diplomatic protocol will be an EU-US summit in Madrid on 25 May. Who will shake President Barack Obama's hand first?

The world will be watching closely to see if the Lisbon Treaty improves or muddies the EU's international image. The UK's Catherine Ashton will chair EU foreign ministers' meetings, as the new High Representative for Foreign Affairs. But first she must get the

approval of Euro MPs at European Parliament hearings in January. The 27 nominees for European Commission posts will each be questioned in turn by MEPs at the 11-19 January hearings, with a vote on the full Commission set for 26 January.

#### Latin America

GERMANIA, Honduras (Reuters) – The main players in Honduras' dramatic 2009 coup went up in smoke on Friday as one village said good riddance to a difficult year. Hondurans burned life-sized dolls of ousted President Manuel Zelaya and de facto leader Roberto Micheletti in a traditional New Year ritual near Germania, a small town south of the capital Tegucigalpa. Villagers also set fire to an effigy of Venezuelan President Hugo Chavez, who supported fellow leftist Zelaya and even threatened military action. "The three of them are guilty for everything that has happened, they have greatly hurt us," said Luis Lagos, 22, an upholsterer who also makes the dolls, known as monigotes. Soldiers grabbed Zelaya on June 28 and threw him out of the country in his pajamas, sparking Central America's worst political crisis since the Cold War.

The Honduran president has failed to be reinstated and has been holed up since September in the Brazilian Embassy, where he welcomed 2010 playing his guitar and singing with his family and supporters. His future is unclear since Honduras elected a new president in November. Monigotes are made of pieces of foam, fabric, leather and rugs. Traditional at New Year, they are popular across Honduras and other Latin American countries.

TEGUCIGALPA, Honduras – About 200 people gathered outside the Brazilian Embassy to show support for ousted President Manuel Zelaya inside while they celebrated New Year's Eve with food and music. Supporters of the deposed leader, who has been in the embassy since late September, began arriving at dusk Thursday and were allowed on one of the streets next to the compound, which is blockaded by Honduran troops. "I am here for celebrating and being near President Zelaya," Aida Rhodes, 50, said as people danced and a group of women distributed meals.

Zelaya, who was ousted in a June 28 coup and sent into exile, sneaked back into the country and took refuge in the embassy as he mounted a failed effort to prevent an election to choose his successor. The ballot had already been scheduled before Zelaya was forced out of office after he ignored Supreme Court orders to drop plans for a referendum on changing the constitution. President-elect Porfirio Lobo is to take office Jan. 27, the final day of Zelaya's term. In an interview with Radio Globo, Zelaya sent good wishes for 2010 to his supporters and to the civil servants in his government. He added that said he was not giving up his struggle against those who ousted him.

"My fight is for the transformation of Honduras; it does not end on the 27th of January," he said.

GONAIVES, Haiti – Haitian President Rene Preval has used his Independence Day speech to pledge that upcoming legislative elections will be fair. But the Friday speech did not address the disqualification of 15 political groups that has prompted international criticism and opposition threats to try to disrupt the Feb. 28 vote. The opposition accuses the presidentially appointed electoral council of favoring Preval's new Unity party. Preval's speech also promises to focus the last of his five-year term on restoring agriculture, electricity and roads in the impoverished Caribbean country. The annual address in Gonaives marks Haiti's Jan. 1, 1804, independence from France after a slave revolt.

SAN JUAN, Puerto Rico - As a prisoner at Guantanamo, Said Ali al-Shihri said he wanted freedom so he could go home to Saudi Arabia and work at his family's furniture store. Instead, al-Shihri, who was released in 2007 under the Bush administration, is now deputy leader of al-Qaida in the Arabian Peninsula, a group that has claimed responsibility for the Christmas Day attempted bomb attack on a Detroitbound airliner. His potential involvement in the terrorist plot has raised new opposition to releasing Guantanamo Bay inmates, complicating President Barack Obama's pledge to close the military prison in Cuba. It also highlights the challenge of identifying the hardcore militants as the administration decides what to do with the remaining 198 prisoners. Like other former Guantanamo detainees who have rejoined al-Qaida in Yemen, al-Shihri, 36, won his release despite jihadist credentials such as, in his case, urban warfare training in Afghanistan. He later goaded the United States, saying Guantanamo only strengthened his anti-American convictions. "By God, our imprisonment has only increased our persistence and adherence to our principles," he said in a speech when al-Qaida in the Arabian Peninsula formed in Yemen in January 2009. It was included in a propaganda film for the group. Al-Shihri and another Saudi released from Guantanamo in 2006, Ibrahim Suleiman al-Rubaish, appear to have played significant roles in al-Qaida's expanding offshoot in Yemen. While the extent of any involvement in the airliner plot is unclear, al-Rubaish, 30, is a theological adviser to the group and his writings and sermons are prominent in the group's literature. After the group's first attack outside Yemen, a failed attempt on the Saudi counterterrorism chief in August, al-Rubaish cited the experience in Guantanamo as a motive. "They (Saudi officials) are the ones who came to Guantanamo, not to ask about us and reassure us, but to interrogate us and to provide the Americans with information — which was the reason for increased torture against some," he said in an audio recording posted on the Internet.

Pentagon figures indicate that al-Shihri and al-Rubaish are a small if dramatic minority among the released detainees: Overall, 14 percent of the more than 530 detainees transferred out of Guantanamo are confirmed or suspected to have been involved in terrorist activities since their release.

CARACAS (Reuters) – Venezuela's President Hugo Chavez scoffed on Wednesday at U.S. magazine Newsweek's predictions that he would be toppled by a military coup and his Cuban mentor Fidel Castro would die in 2010. In a lengthy televised New Year's address, Chavez, who has taken Castro's position as Latin America's leading critic of U.S. power, described Newsweek as "the empire's magazine." "They feed on hatred and the wishes of the imperialism that they represent -- big money, big newspapers, the TV stations of the global bourgeoisie," he said.

In a list of 10 predictions for the world next year, Newsweek foresaw in Venezuela a year of soaring inflation, power blackouts, food shortages, spiraling crime and tumbling popularity for Chavez, with the mood on the street turning "mean" even among the poor who put him in power. "The military steps in to depose Chavez and restore order, as 21st-century socialism spins toward the familiar 20th-century tableau of scarcity, poverty, and chaos," it said in a year-end edition. The fiery Chavez, who has been in power for a decade, said the only way there would be an uprising against him would be if the internal opposition brought an army from abroad. "Our counter-attack would be tough, I warn them," he said, drawing applause from an audience of ministers and supporters. Newsweek also forecast the death of Castro, 83, next year. "Fidel Castro has been ailing for years, and 2010 looks to be his last year on earth," it said.

Chavez, who seldom gives a speech without sending a greeting or "Viva!" to the former Cuban leader, said Newsweek's was the latest of many false predictions of Castro's demise. "They've been announcing for it for many years," he said, adding he recently saw Castro demonstrate his good health by talking for more than five hours. Chavez said he joked to his brother and Cuban President Raul Castro about it. "I told Raul, 'this guy's going to bury you, me and all of us'." Chavez was in a buoyant mood despite news this week that Venezuela's economy had shrunk an estimated 2.9 percent in 2009 -- its first contraction in five years. Critics say that is evidence of the failure of his decade-long experiment in "21st century socialism", but Chavez blames OPEC-mandated oil output cuts and the global crisis. Either way, Venezuela has hit the recessionary cycle after most other nations. Rallying supporters for a political battle in 2010, Chavez called for "patriotic passion" to resist an opposition attempt to quash his majority in the National Assembly

#### Southeast Europe

SOFIA, Bulgaria – Bulgaria says it will send 30 more troops to the NATO-led force in Afghanistan early next year. The government said in a statement Wednesday the troops will join a Bulgarian unit guarding the airport in the southern Afghan city of Kandahar. Bulgaria currently has 497 troops in Afghanistan, with 270 of them guarding the Kandahar airport, which has been plagued by insurgent attacks. Defense Minister Nikolai Mladenov says that another 70 troops could be sent to Kandahar by the end of 2010. Bulgaria joined NATO in 2004 and has also provided troops for international operations in Iraq, Kosovo and Bosnia.

BELGRADE, Serbia – A Serbian official in charge of capturing war criminals resigned Tuesday because his team has failed to arrest Ratko Mladic, who allegedly orchestrated the massacre of more than 7,000 Muslims in Bosnia. Rasim Ljajic submitted his resignation letter to Prime Minister Mirko Cvetkovic, who is expected to formally accept it. Ljajic had pledged earlier this year to quit if Mladic, the former Bosnian Serb army commander, is not captured by the end of 2009, and Ljajic apparently concluded there is little chance of that happening by Thursday. "I am informing you that I am resigning the post for well-known reasons," Ljajic said in the letter. Mladic has been at large since he was indicted in 1995 by the tribunal in The Hague, Netherlands. He had lived freely in Serbia under protection from the nationalists before going into hiding a few years ago. Serbia's pro-Western government officials have insisted that they don't know where Mladic is hiding and that they are doing all they can to find him. Earlier this month, Serge Brammertz, the chief U.N. prosecutor for former Yugoslavia, praised Serbia's efforts to capture Mladic in a report to the U.N. Security Council. This freed up

Serbia's efforts to begin the process of one day joining the European Union. Mladic's arrest remains crucial for further progress in the EU accession process.

BELGRADE, Serbia -- President Boris Tadic insisted on Tuesday (December 29th) that authorities are capable of arresting former Bosnian Serb military commander Ratko Mladic. In an interview with the RTS, Tadic stressed that Mladic should face international justice in The Hague for his role in the war in former Yugoslavia. The president added that Tuesday's resignation of Rasim Ljajic as co-ordinator of the Action Team for locating and arresting the remaining fugitives is an act of political responsibility.

BELGRADE ,Serbia -- The opposition Democratic Party of Serbia-New Serbia (DSS-NS) coalition filed a motion with the Constitutional Court on Thursday (December 24th) challenging the constitutionality of the Vojvodina statute. They also asked the court to look into a law on the province's jurisdiction that was passed recently. It strengthens Vojvodina's autonomy and gives it jurisdiction in 20 areas, including regional development, agriculture, tourism, industry, transportation, health care, the economy and privatisation, as well as mining and energy. Vojvodina will also get its own representative in Brussels, though it will not be able to sign international agreements -- only regional ones. Critics say the statute is a move in the direction of eventual independence for Vojvodina.

BELGRADE, Serbia -- President Boris Tadic said on Thursday (December 24th) that Serbia should not hurry to file a genocide lawsuit against Croatia at the International Court of Justice. His comment followed media reports suggesting an expert team in Belgrade had wrapped up its work on the case, to counter a lawsuit Croatia filed about ten years ago. Zagreb wants compensation from Serbia and Montenegro for the human toll and material damage suffered during the 1991-1995 conflicts among the former Yugoslav republics. Croatia says the Serbian army killed more than 20,000 Croats in ethnic cleansing campaigns. Tadic said on Friday "In my opinion it would have been better if ... issues regarding the civil rights of both Croat and Serb citizens could be solved in processes which did not have such deep implications."

Separately Thursday, the leader of the Croatian Independent Democratic Serb Party, Milorad Pupovac, said in Belgrade that he has already asked Croatian President Stipe Mesic to withdraw the lawsuit against Serbia before his term ends in February."The last thing Serbs living in Croatia need is reviving the debate about genocide," Pupovac said, adding that instead of suing each other, the two countries should negotiate.

BELGRADE, Serbia -- Interior Minister Ivica Dacic, leader of the Socialist Party of Serbia (SPS), said on Saturday (December 26th) that the party will undergo a major reform in its policy, programme, and leadership next year. He added that the country needs political stability, not early elections. He also said that by forming a coalition with the Democratic Party, the Socialists have done a lot for Serbia and its citizens, resulting in visa liberalisation and applying for EU membership last week.

BELGRADE, Serbia -- The war crimes prosecutor's office has made progress in an investigation into alleged organ harvesting, prosecutor Vladimir Vukcevic said on Sunday (December 27th) in an interview with Belgrade-based daily Blic. He said his office has identified people who were present in a house in northern Albania when organ removals took place. Serbia is investigating claims that Kosovo Albanians abducted hundreds of Serb prisoners of war, taking them from Kosovo to Albania where their organs were harvested for sale abroad near the end of the conflict in 1999. The claims appeared first in a book published last year by former UN war crimes tribunal chief prosecutor Carla del Ponte. Vukcevic says some potential witnesses are unwilling to testify, fearing revenge. He added that new information was delivered several days ago to Council of Europe Special Rapporteur Dick Marty, who is investigating the case

SARAJEVO, Bosnia and Herzegovina (BiH) -- Republika Srpska (RS) Prime Minister Milorad Dodik said on Saturday (December 26th) that Bosnian Serb authorities will look through the recently completed state property inventory in mid to late January but stressed that RS will not give up property. The inventory was conducted by the Office of the High representative (OHR), after Bosnian authorities failed to start the process. Resolving the state property issue is one of five objectives established by the Peace Implementation Council to transition the OHR into the Office of the EU's Special Representative.

SARAJEVO, Bosnia and Herzegovina (BiH) -- The parliament of Republika Srpska (RS) meets in special session Monday (December 28th) to discuss High Representative Valentin Inzko's decision to extend the mandates of foreign judges and prosecutors working in BiH's courts. Foreign judges and prosecutors will continue to work only on war crimes cases until 2012, while those in charge of corruption, organised crime and terrorism will become advisers to domestic personnel. The RS government rejects Inzko's move under his Bonn Powers as unacceptable and has warned it may ask parliament to approve a referendum on the issue

SKOPJE, Macedonia -- The government announced on Thursday (December 24th) that effective on January 1st, smoking in all restaurants and bars in the country will be completely banned. Violators will have to pay a fine of 150 to 300 euros, while the owners of bars and restaurants who allow customers to light up would face fines of 2,000 to 4,000 euros. Currently, smoking is allowed inside designated areas of bars and restaurants. The new ban has owners worried that business will be affected. They have threatened to organise protests in January.

SKOPJE, Macedonia -- Imer Selmani was re-elected on Saturday (December 26th) as leader of the New Democracy Party at its first congress held in Skopje. Selmani said that because the country has no alternative to membership in NATO and the EU, the ruling parties must make every effort to resolve the name dispute with Greece. He described the Ohrid Framework Agreement as a pillar of the multiethnic state.

TIRANA, Albania -- Kresnik Collaku, Tirana's deputy ambassador to the United States, confirmed on Saturday (December 26th) that Albania is ready to accept suspected

terrorists who have been housed in the US detention facility at Guantanamo Bay, Cuba. He did not however, specify the exact number of prisoners Tirana would take. On January 22nd, US President Barack Obama said the Guantanamo prison "will be closed no later than one year from now".

Albanian Prime Minister Sali Berisha caused a stir recently when he said the upcoming 2011 census should record citizens' ethnicity, religious affiliation and mother tongue. Doing so would provide updated information about the country's minority populations, which have not been officially counted since 1989. But critics say minority numbers could be inflated and threaten the country's integrity. A 1989 census found that minorities comprise 5% of Albania's population. That figure has been widely disputed, with Greeks in particular claiming they account for about 10% to 12% of the country's estimated 3.6 million people. A higher recorded number of ethnic Greeks would fuel demands for autonomy, some say, alleging that fraud could be carried out as part of an orchestrated campaign to boost the numbers. According to politician Sabri Godo, such a scheme might target elderly or poor citizens in the southern border areas, providing them money in exchange for recording their ethnicity as Greek. Bloggers' opinions are divided. "Albanians are very poor today and that makes them do and say anything to obtain financial stability," writes Shqiperiaemadhe, agreeing with Godo. "What the Greeks could not take by arms, they are making up by money," adds vlonjati. Another blogger, shkup, compares the situation to neighbouring Macedonia, where an estimated 30,000 Macedonians obtained Bulgarian citizenship to overcome the crippling EU visa regime by signing documents alleging Bulgarian origins. "And now the Bulgarian government seeks protection from the EU of a Bulgarian entity in Macedonia," he laments.

The Speaker tries to calm things down, calling on his compatriots to "to take it easy and be more confident in Albanians as they will not throw away their identity for money". Peja sees little risk and many benefits to gathering data on ethnicity. "Having knowledge of this may bring an end to the chaos in our country," she writes. "It also provides the opportunity to see how many Muslims there are." Others agree the census could shed light on Albania's religious make up, a subject of much contention. Fundamentalists and their political allies fear the collection of data, asserts Shqiptari, because it will show that most Albanians are atheistic or irreligious. Widespread claims that Albania is 70% Muslim, writes Solidarnost, are based on guesswork rather than facts. "These hypothetical numbers have punished us, for instance with the visa liberalisation issue," he writes. Worries about threats to Albania's territory are groundless, he adds. "We are member of NATO, where borders are untouchable."

TIRANA, Albania -- Five ministries have joined an emergency task force to monitor the situation in the north where the Fierza hydro plant and the Drin River threaten to flood surrounding areas. Heavy rains have pushed levels in both to near maximum capacity, threatening those living nearby. Energy Minister Dritan Prifti said on Tuesday (December 29th) that the government is ready to intervene in case of emergency, adding that shelters have been established in Shkodra, Lezha and Mat and are ready to accept people if necessary.

ZAGREB, Croatia -- Voters went to the polls Sunday (December 27th) to elect their next president amid a deepening economic crisis and fears of growing corruption. A dozen candidates are running to replace incumbent Stipe Mesic, whose second term ends in February. Latest polls suggest a second round will be required on January 10th, as none of the candidates is expected to attract 50% of the votes Sunday. Front runners are expected to include Ivo Josipovic, of the main opposition Social Democratic Party, and independent candidate Nadan Vidosevic. Other contenders are fellow independent Milan Bandic and Andrija Hebrang, of the ruling Croatian Democratic Union.

ZAGREB, Croatia -- About 4,000 people gathered in Zagreb on Saturday (December 26th) to protest the arrest of five former members of a special police unit suspected of committing war crimes against civilians during the 1991-1995 war in Croatia. The protest brought together former police officers who served in the unit and war veterans, many of whom wore uniforms and waved army flags. The rally, which lasted about three hours, started in a suburb, went through the city and ended at the central cathedral. "We want to tell everyone to stop criminalising the veterans and the war in Croatia," Josip Klemm, head of the association of former special police officers, told the crowed. The arrests were announced on December 19th as part of an investigation into war crimes against Serb civilians committed in the southern village of Grubori, as the war in Croatia ended. Three of officers are suspected of killing a group of mainly elderly Serb civilians; the other two are suspected of covering up the crime.

ZAGREB, Croatia -- The District Court in Split sentenced former military policeman Josip Bikic to four years in prison Tuesday (December 29th) for war crimes committed against Serb civilians at the Lora military prison in Split during the 1991-1995 war in Croatia. Bikic, 41, surrendered to authorities last year. He was found guilty of torturing and killing Serb prisoners of war in 1992. He admitted his guilt and is remorseful. Authorities are searching for three other former military policemen charged in the same case.

PRISTINA, Kosovo -- Parliament adopted the 2010 budget Tuesday (December 29th). The measure was supported by 66 of the 120 lawmakers. Opposition members walked out, saying they did not have enough time to review some amendments that were presented only a day before the vote.

PRISTINA, Kosovo -- The newly established Serb-dominated Gracanica Municipal Assembly held its first session on Tuesday (December 29th), following the November local elections. Mayor Bojan Stojanovic said he is happy to take on the task and welcomed Pristina's support. The Independent Liberal Party holds a majority with 12 of the 19 seats in the local assembly, which is being boycotted by two independent members who are protesting alleged manipulations in the election process.

PRISTINA, Kosovo -- The government will undergo a "reshuffle" in January after both coalition parties have agreed to the move, Deputy Prime Minister Hajredin Kuci said on Saturday (December 26th), adding the changes will not "shake" the coalition, but rather will strengthen it. The reconfiguration will follow an overall evaluation of work done by ministers so far. The final decision, Kuci said, is up to Prime Minister Hashim Thaci, who will make it after consulting with governing partners.

Thaci's Democratic Party is currently the largest party in Kosovo, governing with President Fatmir Sejdiu's Democratic League of Kosovo.

PRISTINA, Kosovo -- Kosovo faces no external security threats, KFOR Commander General Markus Bentler said in an interview with radio Blue Sky on Friday (December 25th). "I'm very convinced and we have emphasised this on many occasions that the real risk doesn't come from outside," he said when asked about a new military base Serbia has opened near the Kosovo border. If any risk still exists within Kosovo, it is because of economic woes and tensions among different ethnic groups, Bentler said. Security, he stressed, is in the hands of the Kosovo Police, EULEX and KFOR.

# BUSNESS AND POLITICS IN THE MUSLIM WORLD News Monitoring Report No. 100 on Latin America Reference period: Dec.25, 2009 - Jan.01, 2010 Presentation: Jan.06, 2010

Usman Choudry

## Argentina

## Headlines

**Economic News** 

• Argentina's economy may grow in 2010

## Brazil

## Geo-strategic/Political/Social News

- Despite Apperances to the Contrary Brazil is Not Pressuring Paraguay on Venezuela
- Without Justice's Support Brazil Asks Foreign Help to Punish Dictatorship's Crime
- Le Monde Names for First Time Ever Man of the Year. And Chooses Brazil's Lula
- Egypt-Brazil launch new mechanism for strategic dialogue
- Seven people killed in Suriname violence
- Olympics and Olympic Sports Jacques Rogge insists Rio will be ready for Olympics

• Brazil to Invest More in Airports to Prepare for 2014 World Cup

# **Economic/Environmental/Energy News**

- Brazil's 2010 Tax Revenue May Grow 11%, Bernardo Says (Update2)
- Brazil keeps climate targets despite failed summit
- Brazil signs law cutting CO2 emissions
- Brazil adopts measures to treat polluted soil
- Odebrecht Signs \$608 Million Peru Power Plant Pact (Update1)

## Mexico

## **Political/Social News**

- Journalist Killed in Mexico
- Mexico City Mayor refused to veto the bill introducing gay marriage
- Cartels endanger U.S. and Mexico
- Rising violence: Mexico needs help to defeat the drug cartels
- Who the Hell Is Winning This War?

# **Economic/Energy News**

- Mexico City Government Sees Number Of Tourists Up 35% In 2010
- Mexico Sees Higher Electricity, Natural Gas Use In Next 15 Years

# Venezuela

# Geo-Strategic/Political/Social News

- Venezuela's president threatens to oust Toyota
- Despite Apperances to the Contrary Brazil is Not Pressuring Paraguay on Venezuela

- Measures that Chavez opponents call undemocratic
- Venezuelan seeks to revive anti-Chavez movement
- Diplomatic tensions undermine trade with Colombia
- Chavez says Obama "illusion" over
- Chavez says Colombia poses main threat to Venezuela
- Uribe disallows verbal attacks against Venezuela
- Venezuela criticizes US "attempts of destabilization" in Iran
- Venezuela and China Consolidate "Strategic Alliance," Expand Bilateral Trade

## **Report Summary/Argentina**

The Argentinean economic minister is optimistic about the growth of Argentinean economy as he said it will grow up to 7 percent in 2010 in spite of suffering global financial crises. But on the other hand some critics came on his statement that he is too optimistic about the growth of Argentina's economy.

## **Report Summary/Brazil**

The foreign minister of Paraguay said that after an approval from Brazilian senate, Brazil doesn't put any pressure on Paraguay to vote for Venezuela's entry in Mercusor. The matter of Venezuela's entry in Mercosur has been jammed in Paraguayan senate as it happened in Brazilian senate due to Venezuelan president's aggressive behavior towards Paraguayan lawmakers.

The minister of Human Rights of Brazil said that the current government has taken most steps for Human Rights as compare to the previous governments. He was indicating towards the an enquiry committee made by the president of Brazil named as Truth Commission which shall investigate the torture and the disappearance of the Brazilian citizens during last military dictatorship which remained from 1964 to 1985. For this purpose Brazil has also seek for help from some other countries such as Spain, Italy and Argentina to know and search the disappeared and murdered persons. Almost 396 cases of deaths and disappearance had filed during the military dictatorship. But to run and investigate the commission's inquiry, army is becoming problem as it do not want.

Le Monde wrote in French Daily newspaper that Brazilian president Lula is a successful president of the year 2009 due to his democratic policies, struggle to reduce poverty and not modifying or amending the constitution. He said that the Brazilian president is an example for the developing countries. La Monde not only praised him but also indicated towards unresolved issues as Primary and secondary low-level education, deficient health care system, heavy bureaucracy, inefficient police and a lazy justice. Also a correspondent of Rio de Janeiro news wrote in favor of him that he is a perfect man in every field as diplomacy, commerce, energy, climate, immigration, space and drugs etc. even the president Obama has also declared him the most popular politician of the world.

The foreign ministers of Brazil and Egypt met in Cairo and discussed a plan of meeting between the foreign ministers of both countries every year for the strategic dialogue. The spokesman of Egyptian foreign ministry said that the purpose of the meeting is to expand the relations, cooperation and coordination on bilateral, regional and international levels. Prior to it the ministers of both countries had talk on several issues of mutual interest such as human rights issues, disarmament and nuclear non-proliferation, food security and intellectual property at United Nations' meetings at New York, Vienna and Geneva.

A wave of violence appeared in Surinam i.e. a northeastern state of South America when a Brazilian migrant stabbed in a local resident. Seven people killed and several vehicles were torched in its response in the town. As the number of Brazilian migrants in increasing in Surinam who are coming here to work with different corporations, the tensions between locals and migrants are also increasing. Brazil is sending its two official representatives to evacuate the situation.

The president of International Olympic Committee said that Brazil is going to host the 2014 FIFA world cup which will show that whether Rio is ready to host Olympic Games that is going to be held just after 2 years of FIFA world cup. The president of IOC said that Brazil would have to tackle such as issues perfectly as to ensure security, control violence and good stadiums for games etc. He said a power breakdown appeared in November which took a vast area of Brazil into darkness and such problems are to be solved. The World Bank said that the games will improve Brazil's economy and Brazil will be the fifth largest economy of the world. The government is preparing for the FIFA world cup to facilitate the guests as it has invested a huge amount of money on the renovation of its airports.

The budget minister of Brazil said that Brazil may rise its tax collection as at 11 percent next year as it is trying to meet its fiscal targets. The policy makers of the central bank said that now the country is recovering from the economic recession quickly. The minister said that the wages of 28 million will be increased up to 9.7% this month and pension payments will increase till 6.1 percent.

The environmental minister said that Brazil will meet its target of greenhouse gas emission in spite of a failure summit of climate change at Copenhagen as it could not give a new agreement in an alternate of Kyoto Protocol which is going to expires in 2012. He said to maintain the target is important not meeting's success. Brazil targets to reduce 20 percent of its greenhouse gas emission till 2020 which becomes 20 percent reduction of its 2005 level. Lula is passing a new law by consulting the scientists and experts which will set the responsibilities and regulations for the farming, industrial, energy and environmental sectors. Brazil is not only reducing its carbon emission but also encouraging other developing countries to reduce it.

For the poor countries \$US30 billion (\$A33.57 billion) are set to donate in climate change conference which are to be given from 2010-2012 to play a role in climate

change. The environmental ministry has settled several measures to be taken by the corporations and individuals which are polluting the environment. These companies and individuals are asked to provide the plans to make the environment clean. Between 2004 and 2008, 2,527 areas of Sao Paulo, Rio de Janeiro and Rio Grande do Norte are indicated as creating environmental problems.

Brazilian construction and engineering company has signed a contract with Peru's Energy and Mines Ministry to build a \$608 million hydroelectric plant in Peru's central Andes. The plant will generate the electricity for the rural areas by using water in Huanuco and its production will be double as 10,000 megawatts by 2021 as the demand will also increase till that time.

## **Report Summary/Mexico**

A journalist has been killed by some anonymous killer and a U.S based committee for the protection of journalists demanded the Mexican government to investigate the killer as soon as possible. The newspaper officials told media that the killed journalist was opening the case of the local mayor's corruption and the mayor can be behind his death. Media reporters told that almost 17 journalists have been killed since 2005 in revenge of writing against drug cartels and the corruption of politicians.

The mayor Mexico City has refused to veto the bill which introduces the same sex marriages. The allowance of the same sex marriages was criticized severely from the bishops of Catholic churches but the mayor says that we will make Mexico City a platform where the couples will come across the world to get marriage. The members of National Action Party (PAN) are also criticizing the marriage of same sex as they say it is against the values of our society and unnatural.

Mexico has prevailed by the dangerous drug cartels since the president Felipe Carlderon swift action against the cartels. Politicians, journalists, police chiefs and the common people are becoming the victims of these cartels and the number of the victims has crossed the figure of 16,000. Even the military persons are also being targeted in some areas where big cartels are residing. Analysts write against the government that the war against the drug cartels is going to fail as in spite of spending a huge money and four year time, the cartels are still prevailing it means they are still powerful. But on the other hand the government officials argue that the killing of many drug lords means the war is going towards right direction and the government is going to win the war.

The energy minister of Mexico said that the energy consumption in Mexico will increase till 3.6% in 2024 and the consumption of natural gas is also expected to increase till 2.8% annually to reach 11.2 billion cubic feet per day in the same year. He said it means Mexico still has to import gas for next 15 years.

The tourism minister of Mexico said that 10.4 million people visited this year in Mexico and it is hoped that 14 million visitors will come next year. He said that the economic benefits which were gained by these foreign and domestic tourists were 43.5 billion pesos (\$3.3 billion). It is said that the outbreak of Swine flu in Mexico especially

in the tourist area and the economic recession caused the less tourist visits to Mexico. Tourists are also turning to Mexico in 2010 as Mexico City is among the seven cities of out of South Africa where FIFA World Cup matches are shown on large screens.

#### **Report Summary/Venezuela**

The president of Venezuela threatened to the largest automobiles company that if they won't sharing technology with locals and they won't manufacture the 4x4 vehicles for the poor areas of Venezuela then he will expel the companies from the country. He was saying that he do not hesitate to expel U.S automobile companies from the country if they are not sharing the technology with the locals and they will not feel shortage of company because many Chinese automobile companies are willing to come to Venezuela.

Venezuela is trying to get the full membership of South America Trade Block Mercosur but its entry was challenged in the Congress of Brazil and Paraguay. Now the Congress of Brazil has approved its full membership but only the upper house of Paraguay is to be approved. It was considered that Brazil is putting pressure on Paraguay to approve the membership of Venezuela but yesterday the president that he does not have any pressure to approve Venezuela's membership. The membership of Venezuela was a controversial issue in the congress of Brazil and Paraguay due the aggressive behavior of its president Hugo Chavez. As Chavez is criticized due to his undemocratic behavior as he does not bear the political opposition, by not renewing the license of a dozens of radio stations which were criticizing on government and to sentence the members of opposition parties.

The pressure on the liberty of media and opposition made people annoy and almost 10,000 people from different classes of society as wealthy businessmen to boisterous students gathered in a stadium and chanted the slogans of change in the leadership. They were demanding the change by saying that change is possible. But in spite of this entire people do not want the previous politicians back who were ruling ten years before told by a member of a think tank 'Inter-American Dialogue at Washington'. On the other hand, the poor of the country are still favoring Chaves as he has taken some social welfare steps for them just like free health care for them. And according to an analyst he has still many chances to win the elections in 2010 and then presidential elections in 2012. Chaves gave a message to its countrymen that after a long struggle we became able to come out of capitalist hell and imperialism.

Venezuela and Colombia had been the main figures in the Andean Community and in recent years the president of both of the countries planned to increase the trade relations up to USD 10 billion. In recent past years trade between both countries went 7.23 billion but a decline in relationship came in 2008 when Colombia allowed U.S military forces and anti narcotics agents of U.S to stay in it which annoyed the president of Colombia. A freeze in a diplomatic relationship of both countries appeared when Venezuela stop diplomatic relations with Colombia. Colombia suffered a lot of this freeze in relationship as Venezuela was its second largest trading partner and trade between the both countries declined till USD 485 million last year.

Chaves declared Colombia "Israel of South America" because he is feeling threat of war from Colombian side. He said at any time Colombian guerillas can invade Venezuela as they did in Ecuador in 2008 when the forces from Colombia side attacked a Colombian rebel's camp. He alleged U.S for backing Colombia to declare war on Venezuela. Chavez also became ready to fight with Colombia as it deployed its soldiers and tanks on border. But the president Uribe of Colombia refused that he has such as statement to declare war and even he clarified that till the time i am the president I won't go for international war.

The Venezuelan president said that U.S is behind all of the protest which are being organized in Iran to destabilize the government. Chaves is the best friend of Ahmadinijad and call him his brother even recently he titled him "anti-imperialist gladiator." The officials from Washington refused to favor Chaves' statement t condemned strongly the behavior of Iranian government and asked to release the protestors who are captured. The president of Iran also alleged U.S and Zionist that these are promoting violence in the country.

The officials of Venezuela and China met at Caracas and signed some agreements as Venezuela will increase the supply of oil to China as 600,000 barrels per day and China will invest more in Venezuela in the field of agriculture, infrastructure, mining, and energy. Venezuela is the fourth largest oil supplier to China and both countries are increasing their relationships by respecting the needs of each other as Chaves said he would be agree to supply even one million barrels of oil to China if it needs. Venezuela intends to import several goods from China as cars, electric appliances and pharmaceuticals. In recent years the trade between the both countries has increased as it was almost half million dollars but now it is approximately \$5 billion. Chaves has made good economic relations with of the world, including Africa, Southeast Asia, the Middle East, and Eastern and Western Europe, and Latin America since 1998.

The president told that the environmental policies in developing countries are not affective just due to the non serious behavior of the capitalist countries. Whatever the policies are being made by the UN, they are not taking it serious and doing according to their will. He said the rich countries are affecting climate most than any other country.

## **Detailed Report/Argentina**

Argentina's <u>economy</u> could grow up to 7 percent in 2010 as the worst of the global financial crisis eases, Economy Minister Amado Boudou was quoted as saying in a local paper on Saturday.

When asked by the daily La Nacion if the country could grow up to 7 percent next year Boudou said: "Yes, we are not afraid of reaching the highest level possible."

Critics say the Argentine government is usually too optimistic with its <u>economic</u> expectations.

Private experts forecast the economy will contract in 2009, though the government says the economy will grow slightly.

Boudou also said the government could allow retail "holdout" creditors not to subscribe to fresh capital in a swap of defaulted debt that aims to allow the South American country to return to the international debt markets.

Argentina plans to launch an offer next month to swap some \$20 billion (13 billion pounds) in defaulted debt that is still in the hands of "holdout" investors who did not accept a controversial debt restructuring in 2005. A deal with those investors is essential for Argentina to be able to issue an international bond.

Earlier this month Argentina filed a shelf offering with the U.S. Securities and Exchange Commission for the sale of up to \$15 billion in debt instruments in the United States.

Boudou reiterated that a 60 percent participation in the debt swap would be "very good."

Argentina plans to swap defaulted sovereign bonds for new issues.

Argentina has been shunned from the international capital markets for eight years since a default of nearly \$100 billion. The country is now trying to regain investor confidence as it faces tight financing next year.

Boudou has wooed international investors in recent months with a series of marketfriendly gestures.

# **Detailed Report/Brazil**

Paraguay is the only remaining Mercosur's full member which still has to vote for Venezuela to join the South American trade block, following last week's Brazilian senate divided approval.

The Paraguayan government now says Brazil is not putting any pressure on the Paraguayan Congress to vote the full incorporation of Venezuela to the group.

"Brazil has not officially requested any thing of the sort," said Paraguayan Foreign Affairs minister Hector Lacognata asked on the issue. Venezuela's incorporation depends now only on Paraguay's approval.

Last August, Paraguayan president Fernando Lugo withdrew the initiative after been informed he did not have the sufficient support in the Senate. The catch-all ruling coalition of President Lugo does not have a majority and is also divided on the issue.

Last July Brazil's Lula and Lugo signed several agreements which contemplate some of Paraguay's claims regarding the huge Itaipu dam power plant, the largest operational in the world and shared by the two neighboring countries.

These agreements need congressional approval and the Brazilian side apparently is delaying their consideration.

Asked in Asunción specifically about the possibility that the Brazilian congress could be sitting on the initiatives so as to demand Paraguayan legislators a quick approval for Venezuela to join Mercosur, - of great interest for Brazil and Brazilian corporations-, Lacognata rejected such a possibility.

"Brazil officially has not requested that, I doubt they'd do it because the two issues are not linked in any way," replied Lacognata.

So far the ruling coalition of President Lugo has been unable to muster the necessary votes in the Senate to approve Venezuela's incorporation.

The Paraguayan Senate, as happened with the Brazilian Upper House which froze the matter for months, does not have a short memory and clearly remembers some of Venezuelan President Hugo Chavez offensive and derogatory statements towards Paraguayan lawmakers such as "oligarchy pawns."

The president of Brazil, Luiz Inácio Lula da Silva said it was "worthwhile" to fight against the military dictatorship, which lasted from 1964 to 1985. He made the statements during the launching of a Human Rights program, which includes the possibility of creating a Truth Commission to investigate crimes committed under that regime.

"The attitude of ministers Dilma Rousseff (cabinet chief), Tarso Genro (Justice) and Paulo Vannuchi (Human Rights) was very much worthwhile," said Lula, all of them persecuted and tortured by the military dictatorship.

"If someone arrested and tortured Dilma (Rousseff) believing it was the end of her struggle, I'm saying now that she is possibly a candidate to the presidency of this country," representing the Workers Party, he added.

"We must turn our disappeared companions into heroes, not persecuted, and reaffirm they are not with us because they fought for a better world."

Lula then mentioned Communications minister Franklin Martins who was part of an armed group that in 1969 kidnapped US ambassador Charles Burke Elbrick, one of the most outstanding guerrilla coups against the military regime.

"Franklin participated in the kidnapping of the US ambassador," because he was fighting for more "freedom" in Brazil said Lula.

The event was organized by the Human Rights Secretariat during the presentation of the III National Program on Human Rights, which has the objective of creating a Truth Commission.

The Brazilian president made no reference to dates but anticipated it was his intention to draft into a bill all the initiatives contained in the plan.

However he was particularly insistent that the whole issue must be addressed with the utmost seriousness and without fueling resentments or hatred. The issue is still highly contentious and sensitive in Brazil.

"From the time I was a union leader I don't like making things on the rush, I like to think things over, quietly and certain of what I'm doing." He added that what matters "is that we are in the world to accomplish a mission, in spite of the fact many times we go to sleep disappointed."

The Truth Commission draft will supposedly include testimonies and reconstruction of murders, disappearances and tortures committed by the Brazilian police and military forces.

"So far we have compiled 396 cases of deaths and disappeared but we believe people still have to come forward and report other situations," said Janaína Telles coordinator of the Dossier on Dead and Disappeared Political prisoners in Brazil, which was first published this year.

Telles said that the commission has requested other countries such as Italy, Spain and Argentina to help with the investigation of disappeared Brazilian citizens, "given the lack of support from Brazilian justice"

In 1979 the military regime approved an Amnesty bill, still in force, which forbids taking to court any suspect of having been involved in crimes against opponents of the dictatorship.

"The idea of the Truth Commission is not ideal but it's an advance," said Human Rights minister Vannuchi, who underlined that no Brazilian government has done so much in human rights issues.

But the Brazilian press also points out that Monday's ceremony had been scheduled for December 10, Human Rights international and had to be postponed because of discrepancies with Defense minister Nelson Jobim who is completely against the initiative arguing it "will only open wounds from the past."

The Brazilian military are also against the initiative and have repeatedly stated there are no records or archives on "such issues" belonging to the Armed Forces.

Defense minister Jobim who is also a distinguished jurist was not present at Monday's event.

Brazilian President Luiz Inácio Lula da Silva for French daily Le Monde is "Man of the Year" for "personifying a giant." It is the first time in its history the French publication, which was founded in 1944, has made this designation.

Lula, who is leaving his term of office in 2010 without performing an amendment to Brazilian Constitution, "knew exactly how to be a democratic figure and fight against poverty," Le Monde wrote about him.

The newspaper described the Brazilian leader as "a referent to emerging countries and also to the developing world." Lula, 64, has, according to the French publication, "positioned his country in the world."

The Brazilian president will be leaving his term of office at the end of 2010, without intending to perform a constitutional amendment and, thanks to this, being unable to get re-elected. Le Monde portrays him as the one president who was able to "offer a new image to Latin America." And adds: "Lula's excellent reputation is Brazil's renovation."

The article, written by Rio de Janeiro news correspondent Jean Pierre Langellier, outlines Lula's profile and praises his administration. "Lula seems to be interested in everything: diplomacy, commerce, energy, climate, immigration, space, drugs," the articles describes.

Lula was the first Latin American president Barack Obama received in the White House. According to Le Monde's view, he came ahead because the former union leader has successfully directed a country that is complex, focusing on economic development, inequality and the protection of the environment. Obama referred to him "as the most popular politician in the world."

The profile the article describes includes pros and cons. As it states: "Even though Lula has cut poverty figures and millions of Brazilians have improved their ways of living, his country remains to be one of the most unbalanced nations in the world, strongly divided between a rich south and a forgotten north."

A to-do list and "unresolved matter issues" are also included in Le Monde's article. Those are: "Primary and secondary low-level education, deficient health care system, heavy bureaucracy, inefficient police and a lazy justice."

Lula has been in the media spotlight all through 2009, thanks to his policies and the way in which he has positioned Brazil in the international focus.

Cairo, Dec 27 (KUNA) -- Egyptian Foreign Minister Ahmed Abul Gheit and Brazilian Foreign Minister Celso Amorim announced on Sunday their agreement to launch a new mechanism for strategic dialogue between the two countries, to be held at the ministerial level once a year under the chairmanship of the Foreign Ministers of the two countries.

Spokesman for the Egyptian Foreign Ministry, Ambassador Hossam Zaki said after the meeting in a statement that "the two ministers considered that the launching of this dialogue shows the specificity of relations between the two sides and mutual keenness on expanding the scope of cooperation and coordination on bilateral, regional and international levels." He added that the strategic dialogue will include different co operations such as diplomatic, political, economical, commercial, scientific and cultural in addition to fact that the two sides agreed to develop a joint plan to establish a number of cooperation programs between the Institutes of Diplomatic Studies, affiliated to the ministries of Foreign Affairs of both countries.

Furthermore, Zaki said the two sides on the convergence of views of the two countries at the overall situation in the Middle East, particularly the Palestinian cause and the situation in Iraq in addition to the Iranian nuclear file.

The Egyptian official said that Abul Gheit presented to his Brazilian counterpart, the Egyptian interest in cooperation with a number of forums and regional groupings such as the "AIPSA" that includes India, Brazil, and South in addition to the establishment of political dialogue between the founders of Egypt and the (MERCOSUR).

The two ministers discussed a number of issues of common priority the most important agreement to continue the coordination between the two countries delegations at the headquarters of the United Nations in New York, Geneva and Vienna on human rights issues, disarmament and nuclear non-proliferation, food security and intellectual property.

Earlier, the Egyptian President Hosni Mubarak met here Sunday with visiting Brazilian Foreign Minister Celso Amorim on the latest situation in the Middle East region.

At least seven foreign migrants are dead and hundreds more homeless after rioting and attacks against migrant workers in Suriname, a republic on the northeast coast of South America, left a town in ashes, a Brazilian priest aiding victims said on Sunday.

The Reverend Jose Vergilio said the riots in the town of Albina, which began late on Thursday after a Brazilian allegedly stabbed a local man to death, have made the area uninhabitable for an estimated 300 people who fled.

Police have only confirmed one death without providing details. Vergilio's account suggested a higher toll, although the nationality of the dead migrants was unclear.

Authorities say at least 20 Brazilian women were raped in the tumult, and all Brazilians and many Chinese living in the area were evacuated.

Vergilio said more than 90 refugees, including several children, are currently living in a hotel in the capital, Paramaribo. At least 120 people took refuge at a military compound on Saturday before being transferred to the capital.

"They cannot go back to that place, there is so much confusion. They have nowhere to work or to live," Vergilio told The Associated Press by phone.

Police say 20 people including a local government official are in custody on charges including rape, theft and arson.

Brazil's foreign ministry announced on Sunday it is sending two government representatives to Suriname to evaluate the situation. Suriname officials said military and police will step up patrols in Albina.

Vergilio, a Roman Catholic priest who has lived in the tiny South American nation for eight years, said the unrest is only the latest violence between people in Suriname and a growing community of Brazilian workers who cross the country's southern border to work for companies prospecting for gold. "This has roots in older problems - economic conflicts and conflicts over nationality," he said.

The rioting began on Thursday, reportedly sparked by an argument at a Christmas Eve party that ended with a Brazilian man stabbing a man identified as a Maroon, a descendant of runaway African slaves.

Townspeople in Albina, which lies on the former Dutch colony's western border with French Guiana, reportedly began attacking Brazilians about an hour after the killing, and the violence spread to Chinese-owned businesses.

Photos taken by Vergilio and posted on Suriname's Radio Katolica FM show large areas of the town burnt to the ground.

The torched husks of cars, vans and trucks lined a parking lot; buildings displayed charred and blasted-out walls; and heaps of concrete blocks, garbage and roofing materials were piled on the ground.

The South American city has come in for criticism since it steamrollered its way through the IOC host city vote in October, with energy worries high on the agenda after a blackout in November left the city in darkness for more than five hours.

And while there also remains a large question mark over the city's security, Rogge insisted one thing people won't have to worry about is the construction of venues for the Games, despite the hosts having to build the majority of them from scratch.

But as the construction and development of stadiums for the 2014 FIFA World Cup continues - including an extension of the Estádio do Maracanã in Rio which will stage the Olympic opening and closing ceremonies - Rogge is adamant the Rio Games won't follow the example set by Athens in 2004 where the construction of venues fell grossly behind schedule.

"We do not doubt and believe that the 2014 World Cup will greatly assist the project," Rogge told Spanish newspaper El Pais.

"We trust the Brazilians because they are developing at an extraordinary rate, the World Bank estimates are that Brazil will be the fifth largest economy (in the world) by 2025.

"There are two types of Games - those where everything is in place for several years and those in which everything is done.

"In Sydney we had to build much - but in Salt Lake City and Turin all was ready.

"There will be moments of concern, as with Athens, but they will get everything done."

Meanwhile, the IOC president admitted work must be done to improve security in Rio, with an outbreak of violence two days after the IOC vote highlighting the city's social problems.

But Rogge also told El Pais he had been guaranteed improvements in security from both Rio Mayor Eduardo Paes and Brazilian president Luiz Inácio Lula da Silva. "I have told the Mayor and Lula that the success of the Games is not only athletic success but also the social heritage,"

"We have said very clearly that they must work to improve the social situation. They have promised and they will"

Dec. 29 (Bloomberg) -- Brazil's government will raise investments in airports to prepare for the 2014 World Cup, Budget Minister Paulo Bernardo said.

Brazil may have 10 percent more passengers during this period, Bernardo said today in an interview to government radio Radiobras.

Dec. 29 (Bloomberg) -- Brazil's tax collection may rise 11 percent next year, allowing the government to boost spending while still meeting its fiscal targets, Budget Minister <u>Paulo Bernardo</u> said.

Faster economic growth will account for the <u>increase</u>, Bernardo said today in an interview with government radio station Radiobras. The government may hold off spending on part of the budget as early as February while it gauges the extent of recovery in tax collections, Bernardo said.

Central bank policy makers expect Latin America's biggest economy, now recovering from its first recession since 2003, to expand 5.8 percent in 2010, compared with growth of 0.2 percent this year. The government has targeted a 2010 primary surplus, which excludes debt payments, of 3.3 percent of gross domestic product.

The country's minimum wage, to which the salaries and benefits of 28 million Brazilians are linked, will increase 9.7 percent next month, while payments for pensioners will rise 6.1 percent starting in January.

"We need to raise the value of the minimum wage as lots of people's payments are pegged to it," Bernardo said.

The government also plans to invest more in airports next year to prepare for the 2014 World Cup, Bernardo said, without saying how much would be spent.

Brasilia (Reuters) - Brazil will make its ambitious 2020 greenhouse gas emissions targets legally binding even though global climate talks failed this month, the country's environment minister said on Monday.

"We will fully comply with the targets. It doesn't matter that Copenhagen didn't go as well as we had hoped," Environment Minister Carlos Minc told reporters after meeting with President Luiz Inacio Lula da Silva.

Lula will veto three items from a climate bill approved by Congress last month but would maintain the emissions targets, Minc said.

"The targets were maintained, which is the most important. Brazil will have a strong climate change policy," he said.

Brazil aims to reduce its projected 2020 greenhouse gas emissions by as much 39 percent. That amounts roughly to a 20 percent reduction from 2005 levels.

According to the bill Lula is expected to sign into law later on Monday, those targets will be quantifiable and verifiable.

Latin America's largest country had tried to prod other developing and industrialized countries into adopting bold targets at the U.N. climate summit in Copenhagen earlier this month. But the meeting failed to produce a new framework agreement on climate to follow the Kyoto Protocol which expires in 2012.

Brazil is one of the largest carbon emitters, largely due to the destruction of the Amazon rain forest. Deforestation, which has fallen sharply in recent years, releases carbon as trees burn or decompose.

Among the items Lula will veto were proposals to limit the construction of small hydroelectric plants and reduce the use of fossil fuels.

President Luiz Inacio Lula da Silva has signed a law requiring that Brazil cut greenhouse gas emissions by 39 per cent by 2020, meeting a commitment made at the Copenhagen climate change summit.

Brazil announced at the summit a "voluntary commitment" to reduce CO2 emissions by between 36.1 and 38.9 per cent in the next 10 years.

The new law, however, is subject to several decrees setting out responsibilities and regulations for the farming, industrial, energy and environmental sectors.

Lula is expected to sign the decrees in January after consulting scientists and other experts, officials said.

Despite its ambitious targets, Greenpeace's top representative in Brazil, Sergio Leitao, called it merely a list of good intentions and accused Lula of using double standards in environmental issues.

"Brazil usually makes good speeches on the international stage, as in Copenhagen, but in practice it doesn't keep its word," he told reporters.

Before signing the new law, in fact, Lula vetoed three of its provisions, including a reference to "promoting the development of clean energy sources and the gradual phasing out of energy from fossil fuels".

Environment Minister Carlos Minc said he was pleased with the new law because it showed Brazil's determination to respect the pledges it made in Copenhagen.

"It doesn't matter if the Copenhagen summit didn't get the results we wanted. We will still meet our goals," he told reporters.

The climate change conference held in the Danish capital ended last week with a nonbinding agreement that exposed the stark divide between rich and developing nations. A total of \$US30 billion (\$A33.57 billion) was pledged from 2010-2012 to help poor countries in the firing line of climate change, and rich nations set a goal of providing 100 billion dollars annually in aid by 2020.

It established a goal of limiting warming to two degrees Celsius, but did not impose binding targets to reduce the emissions of gases that scientists say are heating up the world's atmosphere to dangerous levels.

The Copenhagen agreement was put together by leaders of the United States, China, India, Brazil, South Africa and major European nations, after it became clear the 194nation summit was in danger of failure.

Rio de Janeiro, Dec. 30 (Xinhua) -- The Brazilian Environment Ministry announced a series of measures Wednesday to treat polluted soil that has affected around two million people.

These measures were enforced on Wednesday and were included in Resolution 420 of the National Environment Council after being approved in November, the ministry said in a statement.

Companies and individuals responsible for pollution are asked to provide detailed plans to treat polluted soil and commit themselves to solving environmental problems, according to the resolution.

The resolution also includes emergency actions in case of dangerous conditions. Moreover, it provides necessary procedures to determine if an area is polluted or not and offers criteria to control and treat pollution.

The resolution foresees that once the polluted areas are identified, environment organizations will conduct investigations to assess the damage and determine responsibilities.

According to the ministry, two million Brazilians are currently living on land polluted by chemical substances including agricultural toxics, petroleum derivatives, industrial remains and metals.

Between 2004 and 2008, 2,527 areas were registered as polluted, most of which were in Sao Paulo, Rio de Janeiro and Rio Grande do Norte.

Dec. 28 (Bloomberg) -- Odebrecht SA, a Brazilian construction and engineering company, signed a contract to build a \$608 million hydroelectric plant in Peru's central Andes, the government said.

Odebrecht's Empresa de Generacion Huallaga unit aims to complete the 360-megawatt project by July 2016, Peru's Energy and Mines Ministry said today in an e-mailed statement. The plant in the Huanuco region will generate electricity using water from the Huallaga river.

"This project will transform Huanuco into an attractive area for investors and industry," Deputy Energy Minister Daniel Camac said in the statement. "It will also provide power to rural areas lacking electricity."

The plant is part of \$10 billion in energy investments expected by the ministry, which seeks to double electricity generation to 10,000 megawatts by 2021 to meet rising demand. The Andean country could also tap the power of its rivers to produce electricity for export to Brazil and other countries in the region, President <u>Alan Garcia</u> said Dec. 11.

# **Detailed Report/Mexico**

US-based Committee to Protect Journalists urges Mexico's government to swiftly investigate the recent murder of a local newspaper owner.

The U.S.-based Committee to Protect Journalists is urging Mexico's government to swiftly investigate the recent murder of a local newspaper owner and bring those responsible to justice.

The CPJ was responding to the death of Jose Alberto Velazquez Lopez, who owned the Expresiones de Tulum newspaper in the southeastern state of Quintana Roo.

In a statement Thursday, the media rights group said Velazquez was traveling in his car late Tuesday when a gunman on a motorcycle shot the journalist, hitting him twice. Velazquez died in a Cancun hospital.

Newspaper officials also tell the CPJ they believe Velazquez's death was linked to his criticism of local authorities and that it was well-known in Tulum that he and the city's mayor, Marciano Dzul Caamal, were enemies.

Velazquez had written several articles accusing Mayor Dzul of corruption. The CPJ says the mayor could not immediately be reached for comment.

The newspaper's deputy editor, Luis Gamboa, told the CPJ that the paper had received several anonymous phone calls threatening death in recent months and that its printing press had been firebombed in November.

Gamboa also said Velazquez stopped reporting on local politics following an alleged phone call in which the mayor threatened Velazquez.

The CPJ statement says Mexico is one of the most dangerous countries for the press and that since 1992, 17 journalists have been slain in direct reprisal for their work.

The media rights group also says that since 2005, eight journalists have disappeared. Most covered government corruption or organized crime.

The law, which was approved on 21 December, has suffered consistent criticism, with opponents urging Mayor Marcelo Ebrard of the progressive Democratic Revolution Party (PRD) to exercise his mayoral right to veto. The Roman Catholic archbishop of Mexico, Cardinal Noberto Rivera Carrera, deemed the bill "immoral" and "reprehensible."

Ebrard, however, has refused to overturn the new rules, which include specific rights for gays to adopt and are scheduled to take effect in March.

Alejandro Rojas, the city's tourism secretary said: "Mexico City will become a center, where people from all over the world will be able to come and have their wedding, and then spend their honeymoon here".

Earlier this week in South America, <u>Argentina saw its first ever marriage of two men</u> who had received a special support from state officials, though Mexico City will be the first capital city on the continent to enact laws allowing gay marriage.

Members of the conservative National Action Party (PAN) say they will take an appeal to Mexico's Supreme Court.

"We will continue a fierce and persistent battle, and if necessary we will do it before the Supreme Court to safeguard the institutions and values of society such as family and marriage, which is the union between a man and a woman," they said in a statement made on Tuesday.

For years, the drug war in Mexico — the United States' southern neighbor — resembled the low-intensity conflicts that smolder in the developing world. Government forces, sometimes compromised by corrupt officials, grappled with well-financed and well-armed cartels. Yet social order and stability were, on the whole, preserved.

That situation has changed as the increasingly powerful and increasingly lethal cartels have raised the level of violence and the government of President Felipe Calderón has escalated the battle against them. Mexican border towns are now hot zones of conflict that resemble Baghdad and Beirut as much as their American counterparts across the Rio Grande.

Assassinations of politicians, police chiefs and journalists are common occurrences throughout Mexico. About 7,000 soldiers and 2,000 federal police patrol the streets of Ciudad Juárez, opposite El Paso, where more than 2,500 people have been killed this year in violence fueled by cartel turf battles.

If there were any doubts about the comparable ruthlessness of Mexican cartels and Middle Eastern terrorist groups, those were laid to rest last week along with the family of Melquisedet Angulo Cordova.

Angulo, a marine commando, lost his life last week in a raid that killed one of Mexico's drug kingpins and six armed thugs. Angulo was honored as a national hero, and Calderón hailed his role in an operation that ranks as a major victory in the drug war.

The cartels are far from finished, however. In a brazen act of retribution, more than a dozen gunmen wielding assault rifles stormed the home of Angulo's grieving family Monday night, killing his mother, brother, sister and aunt.

The message of terror from the drug lords is unmistakably clear. The resolve of the Calderón government to defeat them — and the U.S. commitment of support — must be equally clear.

Drug cartel violence poses an immediate threat to the stability of Mexico, with attendant consequences for the United States. If al-Qaida or Hezbollah hit squads were operating across the border, that threat would be more evident to more Americans. The murderous cartels should be viewed no differently.

Mexican drug cartels haven't cornered the market on human cruelty, but they're working on it. Since the election of President Felipe Calderon three years ago, more than 15,000 people have died in drug-related violence.

Because the cartels thrive in a corrupt political environment, Mr. Calderon has made the prosecution of drug lords and the weeding out of dirty cops and politicians a top priority. On Dec. 16, members of Mexican special forces cornered Arturo Beltran Leyva, the so-called "boss of bosses," and several henchmen. During a pitched battle, the drug lord and his men were killed.

Navy Petty Officer Melquisedet Angulo Cordova lost his life in the assault, and his sacrifice on behalf of his country was extolled at his funeral. Last Monday, Mr. Cordova's mother was given the Mexican flag that covered his casket. On Tuesday, more than a dozen men from Leyva's gang burst into her home and murdered the grieving mother and several relatives.

It was an act to terrorize the people of Mexico and convince them that the government is helpless to prevent retaliation against military families. The killings declared that the rules of the game have changed. The families of soldiers and police are now targets.

The attorney general of Tabasco, the state where the murders took place, vowed to bring the killers to justice. It's a tall order, but not impossible for a determined military.

These are dark times for Mexico. The drug cartels and the Calderon government have reached a deadly impasse. The forces of barbarism are poised to use unthinkable tactics to continue profiting from the drug trade. President Calderon is fighting for the existence -- and integrity -- of the Mexican state.

The United States must do its part to help Mexico succeed. Americans' consumption of drugs fuels much of the violence. As Mexico's northern neighbor, this country has as much at stake as the Calderon government. Brave men like Ensign Cordova must not be allowed to die in vain.

December 31, 2009: Well, major news organizations are now calling the Mexican military's counter-cartel operations in northern Mexico a "surge." It is accurate to say that the number of reported Mexican Army operations in northern Mexico is increasing. That does not mean, however, that the actual number of operations run by the military has gone up, rather, the number getting ink and electrons in Mexican and U.S. news outlets has jumped. The government and media reports all acknowledged that the big fight continues to be for Cuidad Juarez (Chihuahua state), but there are reports of operations by the military and national police all along the Mexico-Texas border. An example of this

is the December 5, 2009 reports on the army action in the town of Nuevo Progreso (Tamaulipas state). It turns out some of the reports came from tourists who heard the gunfire. The Cartel War is now entering its fourth year and perhaps the Calderon government has decided to mark the anniversary with an offensive (a "surge," which is a term American media understand). The government has been talking about the success of its "constant pressure" strategy on the cartels. Many critics call that hogwash and say the cartels are getting stronger. If the critics are correct, then more fights may be occurring because the cartels think they can win engagements with the military and they are in the process of proving it. The government's "pressurization" strategy is multi-pronged, but it includes "eroding" the power of cartel leaders and going after their financial assets. The government has racked up some major convictions and a number of cartel leaders have been captured or killed--- and that is erosion of a definite sort. That suggests another scenario: some of the cartels, instead of being stronger, are getting more desperate. They have decided they have to come out and fight. That means more engagements with the military, which is something the military wants.

Mexican media sources estimate 4,000 people have been murdered in drug gang-related violence in Ciudad Juraez (across the Rio Grande from El Paso) and its surrounding area during 2009. Official figures place the number murdered around 2600.

December 23, 2009: A journalist from the town of Tulum (Quintana Roo state, southeastern Mexico) was murdered by a gunman on a motorcycle. The murdered man, Jose Alberto Velazquez Lopez, owned a newspaper in Tulum. He had recently accused the local mayor, Marciano Dzul Caamal, of corruption. Velazquez and Dzul are described as "sworn enemies." Media lobbyists have asked the Mexican government to investigate.

Drug cartel gunmen attacked the family of a Mexican Marine who was killed in the Navy's raid that killed drug kingpin Arturo Beltran Leyva. The government called the murders an act of reprisal. The mother of the dead marine, two siblings, and an aunt were killed, in their home in Tabasco state, by the cartelista hit men. A media report said that the gunmen were likely members of Los Zetas. Some government critics now say that releasing the names of military members and police officers killed in battles with drug gangs is a mistake.

December 16, 2009: Mexican Marines killed notorious drug lord Arturo Beltran Leyva (nicknamed "The Beard") when they raided an apartment in Cuernavaca (south of Mexico City). Five of Beltran Leyva's bodyguards also died in what Mexican media described as a "dramatic shoot-out" in the apartment and in the streets of the town. Three marines were wounded by grenade fragments. One marine later died. The Beltran Leyva cartel split from the Sinaloa cartel. It is closely aligned with Los Zetas. Beltran Leyva himself had been dealing drugs since the 1980s. Mexico's Marine force (Infanteria de Marina) are sometimes called Mexican Naval Infantry. The Marines are part of the Mexican Navy. The Marines are a select force trained for amphibious operations, port security, reconnaissance, and crisis response. Crisis response includes performing security and emergency functions in natural disasters (like hurricanes). Mexico's Marines are a very professional outfit. Like U.S. Marines, they have a high esprit de corps.

The U.S. is going after "kingpin" businesses. The U.S. Treasury Department announced that it had blacklisted three men who it accused of providing material and financial support for the Sinaloa cartel. Treasury can now freeze the assets of the men involved and can exclude them from doing business in the U.S.

The government said Gulf cartel gunmen (likely members of Los Zetas) "dumped" six severed heads in a town in Durango State. The heads were those of a state prosecuting attorney and five policemen. The government said it believes the six men were killed as an "act of revenge." The Mexican Army killed ten Gulf cartel gang members in the area earlier this month.

December 15, 2009: The Calderon government proposed that future presidential elections, where no candidate receives over fifty percent of the vote, be decided in a run-off election. Several recent elections have been decided by a percentage point (or less) between two candidates who both collected around 35 percent of the vote in a three-way race. The run-off idea has merit, since it would give the new president a definite mandate. The government reform proposal also backed citizen ballot initiatives.

Mexico City - (Dow Jones)- Mexico's projected electricity consumption will increase by an average of 3.6% per year through 2024, requiring additional capacity of about 27,300 megawatts, the Energy Ministry said in a report Tuesday.

In order to keep up with demand, the government-run electricity sector will require 37,615 megawatts of new installed capacity, at an estimated investment of \$91.3 billion, according to the ministry's 15-year outlook for the industry.

The plan also foresees the retirement of 10,315 megawatts of existing capacity.

Consumption of natural gas during the same period is expected to increase by 2.8% annually to reach 11.2 billion cubic feet per day, most of which will be used by the electricity and oil industries.

Mexico's production of natural gas is expected to increase at a slower rate, rising 2.3% a year on average to 8.7 billion cubic feet a day. The first production from deep-water deposits in the Gulf of Mexico is expected in 2013, according to the outlook.

Mexico will likely remain a net importer of natural gas throughout the 15-year period, with net imports rising to 2.5 billion cubic feet a day in 2024.

Imports of liquefied natural gas, or LNG, are projected to grow at a rapid pace, overtaking imports of natural gas via pipeline across the U.S.-Mexico border.

In 2010, Mexico expects LNG imports to rise to 586 million cubic feet a day from 367 million this year, and reach to 2.0 billion cubic feet a day by 2017.

Mexico has two LNG regasification terminals in operation, one on the Gulf coast and another on the Pacific coast. A second Pacific coast terminal is expected to go into operation in 2011.

Mexico City - (Dow Jones) - Mexico City received 10.4 million tourists in 2009 and expects that figure to increase to 14 million next year, helped by events such as free public viewing of World Cup games, according to city officials.

City Tourism Minister Alejandro Rojas said that of the 10.4 million visitors to the capital who stayed in hotels, 2.4 million were foreign tourists and the rest from other parts of Mexico, according to a government release.

Rojas calculated that the economic benefit to the capital from tourism this year was 43.5 billion pesos (\$3.3 billion).

Tourism was negatively affected by the recession in Mexico and the U.S. and by the swine flu outbreak in April and May, when authorities shut down public entertainment venues and restricted restaurant activity.

Central bank numbers for the first 10 months of 2009 for all of Mexico showed the number of international tourists, excluding border crossings, down 13% from the same period of 2008 at 9.4 million. Nationwide revenue from foreign tourism was down 17% year-on-year at \$9.2 billion.

Rojas said a new law allowing same-sex marriages in the capital could bring more tourists, and that local authorities will work with travel agencies to promote packages.

Mexico City is also among seven cities outside South Africa chosen for the Fifa Fan Fest, in which all of the 2010 World Cup soccer matches will be shown for free on giant screens in the main square.

# **Detailed Report/Venezuela**

Caracas: Venezuela's President Hugo Chavez has threatened to expel Japanese carmaker Toyota unless it produces an all-terrain model of 4x4 vehicles used for public transport in poor and rural areas.

The fiery socialist, in a speech late on Wednesday, also said he would not hesitate to expel and expropriate plants from other Asian and US automobile companies operating in Venezuela if they failed to share technology with locals. "What's this that Toyota doesn't want to make the 'rustic' model here?" Chavez said, during a ceremony in Caracas to hand owners the keys to economically produced cars that Venezuela's government has imported from Argentina.

"We must force them. And if they don't, then they should leave and we'll bring another company in ... The Chinese want to come and they make 'rustic' models." During a decade in power, Chavez has nationalized large swathes of the Venezuela economy — including the oil and power sectors — as part of his "21st century revolution" but has so far left car manufacturing relatively untouched.

He turned on Toyota, the world's biggest automaker, when a transporter said there was a scarcity of all-terrain models to serve people in under-privileged areas. Caracas' poor mainly live in hillside slums, while many rural areas lack decent roads, meaning tough 4x4s are the main means of transport.

Chavez ordered his Trade Minister Eduardo Saman to carry out a "severe inspection" of Toyota, and warned other companies they must start sharing technology with Venezuelans. "You tell the people at Toyota that they have to produce this model and we are going to impose a quota, and if they don't meet it, we will punish them," he told Saman, adding that the state would not hesitate to expropriate Toyota's facilities and pay appropriate compensation. Reuters

Paraguay is the only remaining Mercosur's full member which still has to vote for <u>Venezuela</u> to join the South American trade block, following last week's Brazilian senate divided approval.

The Paraguayan government now says Brazil is not putting any pressure on the Paraguayan Congress to vote the full incorporation of Venezuela to the group.

"Brazil has not officially requested any thing of the sort," said Paraguayan Foreign Affairs minister Hector Lacognata asked on the issue. Venezuela's incorporation depends now only on Paraguay's approval.

Last August, Paraguayan president Fernando Lugo withdrew the initiative after been informed he did not have the sufficient support in the Senate. The catch-all ruling coalition of President Lugo does not have a majority and is also divided on the issue.

Last July Brazil's Lula and Lugo signed several agreements which contemplate some of Paraguay's claims regarding the huge Itaipu dam power plant, the largest operational in the world and shared by the two neighboring countries.

These agreements need congressional approval and the Brazilian side apparently is delaying their consideration.

Asked in Asunción specifically about the possibility that the Brazilian congress could be sitting on the initiatives so as to demand Paraguayan legislators a quick approval for Venezuela to join Mercosur, - of great interest for Brazil and Brazilian corporations-, Lacognata rejected such a possibility.

"Brazil officially has not requested that, I doubt they'd do it because the two issues are not linked in any way," replied Lacognata.

So far the ruling coalition of President Lugo has been unable to muster the necessary votes in the Senate to approve Venezuela's incorporation.

The Paraguayan Senate, as happened with the Brazilian Upper House which froze the matter for months, does not have a short memory and clearly remembers some of Venezuelan President Hugo Chavez offensive and derogatory statements towards Paraguayan lawmakers such as "oligarchy pawns."

Measures which Venezuelan President Hugo Chavez's opponents claim are meant to stifle political opposition, and which Chavez insists are meant only to uphold the law:

- Chavez has refused to renew the broadcast licenses of dozens of critical radio stations and television's fiercest anti-government channel, RCTV.

- After opposition candidates captured five governorships and Venezuela's two biggest cities in elections, the pro-Chavez National Assembly slashed their budgets.

- Nearly 400 politicians, including many Chavez foes, are barred from running for office because they are under investigation for corruption. In some cases, these probes can go on for years without charges being brought against suspects.

- More than 2,200 people have been indicted on criminal charges, mostly misdemeanors, stemming from their participation in protests over the last four years, according to local human rights groups. Some are prohibited from joining or organizing demonstrations and barred from leaving their hometowns or publicly discussing their cases. Others face possible prison sentences. None has been tried.

Valencia, Venezuela (AP) -- They range from wealthy businessmen to boisterous students and poor single mothers, jammed together 10,000 strong in a stadium, chanting "change is possible!" and shoving forward to greet the man who is challenging President Hugo Chavez's grip on power.

There's a problem, however: Leopoldo Lopez can't run for office.

Like many of Chavez's opponents, some of whom are in jail or have fled the country, Lopez is barred as a candidate because of a government corruption probe against him.

It's a tactic critics say Chavez uses to put his opponents' political ambitions on indefinite hold as he heads into next year's congressional elections and his own re-election campaign in 2012.

Chavez insists he is simply enforcing the law, and corruption in Venezuela is widespread.

Lopez, a former Caracas district mayor, says that if he can't run, he'll recruit those who can.

To unseat Chavez is a task widely seen as futile at present. But the mere fact that Lopez's efforts are resonating with ordinary Venezuelans shows that the democratic spirit still burns in the nation of 28 million.

Lopez, a youthful-looking 38, is crisscrossing the country wooing students, trade unionists and others with promising leadership skills. He hopes to mold them into a political movement for Venezuelans who are disenchanted with Chavez's decade-long rule, as well as with the elite who governed the country before him.

While Chavez's appeal is in his embrace of the poor, Lopez wants to capitalize on the growing frustration that an oil-rich country, busy taunting the U.S. and making farreaching alliances with Iran and Russia, can't tame inflation and crime or deliver uninterrupted water and electricity.

"What we want is to build a new majority from the bottom up - not just through negotiations and agreements between elites," Lopez told The Associated Press. "It's a longer road, but for us, it's the only road that gives us possibilities of winning."

By "elites," he means the wealthy but fragmented - and increasingly gray-haired - opposition. But he too could be called elite, coming from a wealthy Caracas family, educated at Kenyon and Harvard in the American "empire" that Chavez reviles.

Chavez supporters dismiss him as a self-interested rich kid seeking to recover what the country's wealthy "oligarchy" has lost to Chavez's socialist measures. But his supporters love his charisma, his message of change, and his blonde wife, Lilian Tintori, a champion kite-surfer.

Lopez knows political success won't come easily.

Despite recent dips in the polls, Chavez remains the country's most popular politician. But Lopez has made inroads with former Chavistas such as Rosmely Quiroz, 45, a single mother of two who says double-digit inflation makes it impossible to live on her minimum-wage salary - \$445 a month.

Lopez "is different from the rest," Quiroz said, chanting with the crowd at this month's rally in Valencia, an industrial city where Lopez kicked off the movement he calls "Voluntad Popular" (Popular Will) with women blowing kisses and students high-fiving him with chants of "Leopoldo! Leopoldo!"

"He's extending a hand to those of us who want to get involved in politics - not for personal gain, but to solve our problems," Quiroz said.

Chavez, a former military officer known to his supporters as "El Comandante," rose to power on the votes of Venezuelans disaffected with the old parties which they viewed as corrupt and detached from the poor. The opposition then made two critical mistakes: It tried to depose Chavez in a coup in 2002, then boycotted congressional elections in 2005, handing Chavez a majority in congress.

But in elections last year, anti-Chavez candidates rebounded, capturing the Caracas mayoralty and five of the 24 states, including three of Venezuela's most populous. The pro-Chavez congress struck back by removing power and budgets from local and state officials.

Many opposition politicians, labor leaders and university students have been charged with criminal offenses over the last year that have landed them in prison or forced them to leave the country.

About a half dozen, led by former presidential candidate Manuel Rosales, are in Peru, where they meet in coffee shops to talk baseball and grouse about Chavez.

"Too often, depression takes control of one's time here," said Oscar Perez, a tireless organizer of street demonstrations who faces charges of inciting violence. "It's difficult to watch what's happening in Venezuela, seeing Chavez taking his adversaries out of the game and knowing that nobody can do anything about it," he told the AP by phone from Lima.

Lopez, who had won a landslide victory to become mayor of Chacao, one of the capital's wealthiest districts, was barred from seeking re-election because of the corruption probe. The case is still open two years later, even though no charges have been filed.

"That's the strategy: They shelve my case indefinitely, trying to end my political career," Lopez said.

Chavez vehemently denies crushing dissent. "I don't persecute anybody," he said in a recent speech.

Opposition parties, meanwhile, have alienated voters with their cronyism and infighting.

"Many Venezuelans may have increasing doubts about Chavez, but they don't want to go back to politics as usual, pre-Chavez," said Michael Shifter of the Inter-American Dialogue think tank in Washington "If the parties don't open up, they will never be energized and renewed, and potential supporters won't get on board."

Lopez says he has nothing against the opposition leaders, but says they need to unite and admit "fresh faces."

"The same people have been candidates for the last 10 years," he says.

Though Chavez's support remains strong, he takes nothing for granted.

His opponents, he recently told his supporters, "are getting into the barrios. They are trying to organize coordinated movements, and they are going to try to win a majority in the National Assembly."

Chavez sees something sinister in that.

"The devil never sleeps," he said.

For decades, Venezuela and Colombia recorded one of the most lively and strong processes of integration in the Andean Community. Earlier this year, the presidents of these two nations expressed in Cartagena de Indias their willingness to enhance bilateral trade and even raise it to USD 10 billion within the next two years. However, by the second half, diplomatic relations became strained and broke.

The bilateral crisis emerged in 2008. Verbal attacks were followed by Venezuelan public policies that slowed down the free flow of imports and exports. In 2008 and 2009, disorderly conduct on the border was reported, thus undermining the business, industrial and commercial activities in the area.

Despite tensions between both countries, at the end of 2008, bilateral trade stood at USD 7.23 billion, with a surplus favoring Colombia, whose exports to Venezuela totaled USD 6.09 billion. Venezuela's exports to Colombia amounted to USD 1.14 billion.

Contrary to the joint declaration of Álvaro Uribe and Hugo Chávez in January 2009, when they committed to work together to avoid the aftershocks of the global crisis, bilateral trade declined in the first quarter.

At that time, the chair of the Venezuelan-Colombian Chamber of Economic Integration (Cavecol), Luis Alberto Russián, noted that exports from Venezuela to Colombia decreased from USD 282 million to USD 118 million, when comparing the periods from January to March 2008 and 2009. In the meantime, exports from Colombia to Venezuela slipped from USD 1.31 billion to USD 1.24 billion in the same period.

Business spokespersons warned that red tape and permits before the Ministry of Light Industries and Trade adversely affected Venezuelan exports to Colombia, in addition to the exchange controls that "undermine the competitiveness of Venezuelan products." From words to deeds

Last July 28, President Chávez, during a phone conversation with state-run TV channel VTV, ordered withdrawal of Venezuela's ambassador in Bogotá and "freezing relations" with the neighboring country after the Colombian government disclosed an agreement under which the US would deploy military bases and anti-narcotics agents in Colombia.

Further, he instructed his ministers to replace Colombian imports and assess the possibility to annul joint projects, including a binational gas pipeline.

Days later, on August 26, President Chávez stepped up its position, noting that "we must prepare for the breaking of relations with Colombia, it is going to happen." He explained that bilateral relations would be discontinued in response to Bogotá's decision to allow the deployment of US military bases in Colombia.

Figures

According to figures disclosed by Cavecol and the Colombian Administrative

Department of Statistics (DANE), in 1998 Venezuelan exports were USD 1.31 billion. In 2008, exports amounted to USD 1.19 billion.

In January-October this year, Venezuelan exports to Colombia amounted to USD 485 million only. Therefore, Francisco Mendoza, president of the Venezuelan Association of Exporters (AVEX), states that non-traditional exports as a whole "show a substantial decrease compared with the last 4 years."

The Colombian economy has been hit by the atypical behavior of the relations with Caracas, as Venezuela is Colombia's second largest trading partner. Colombian economic authorities have taken steps to alleviate short-term financial imbalances.

According to the abovementioned organizations, Colombian exports to Venezuela grew from USD 1.14 billion to USD 6.09 billion from 1998 to 2008. Between January and October 2009, trade stood at USD 3.71 billion.

Early in 2009, the Venezuelan-Colombian Chamber of Trade predicted an 18 percent drop in bilateral trade, amidst deteriorating conditions regarding the economy and foreign exchange. However, in view of the diplomatic crisis, the forecast was revised down to some -30 percent.

Caracas (Reuters) – Venezuela's President Hugo Chavez said in a New Year's message the "illusion" around President Barack Obama was over and rich nations had left the world on the verge of ecological disaster.

Quoting from both Karl Marx and the Virgin Mary, Latin America's leading critic of U.S. power said only socialist and Christian principles could right the wrongs of capitalism.

"It's not an easy task, I acknowledge," Chavez said in a written message carried by state media on Monday.

Chavez initially sought to foster good ties with Obama, shaking his hand and giving him a book at a regional summit. But he has been increasingly critical of late, saying Obama failed to curb "imperialist" policies in Afghanistan and Iraq, and was tolerant toward a coup leader in Honduras.

"Let's not kid ourselves: the Obama illusion has finished, and the shameless interventionism of the American administration shows that," wrote Chavez.

Having opposed the Copenhagen climate change summit's final agreement as a behinddoors deal between major powers that ignored nations on the margins, Chavez said rich nations were making a mockery of U.N. principles of equality.

"Those leaving us on the verge of an unimaginable 'ecocide,' those who caused climate change, should be forced to accept their responsibilities," he said.

Capitalist "Hell"

Chavez has ruled South America's top oil-exporter for more than a decade, and faces legislative elections in 2010, then a presidential vote in 2012.

His normally high popularity has slipped to around 50 percent this year, with Venezuelans increasingly anxious over crime, stuttering water and power services, harsh measures against opposition parties, and an economic recession.

But Chavez remains the towering figure of Venezuela's politics, dominating the airwaves with near-daily speeches, and still highly popular among Venezuela's poor, who credit him for social policies like free healthcare.

Analysts expect Chavez to win the 2010 National Assembly vote, albeit it with a reduced majority.

"The elections are crucial to the continuation and deepening socialism of the Bolivarian Revolution," said Chavez, whose idol is Venezuela's independence hero Simon Bolivar.

In his New Year's message, Chavez said Venezuela was coming out of the "hell" of four decades of capitalism before him.

He noted new government measures, including a Corporation of Socialist Markets set up to provide cheap products ranging from cars to "arepas," the popular local pancake.

One of his ministers manned a new "Socialist Arepa Shop" in Caracas last week.

Caracas. Venezuelan President Hugo Chavez has said the main threat to his country comes from neighboring Colombia, which he branded the "Israel of South America," RIA Novosti reported.

In a TV statement, he accused Colombia of preparing to attack Venezuela, under the guise of a strike against guerillas.

"They are preparing the terrain to attack Venezuelan territory, simulating an encampment," he said.

Bilateral relations sharply aggravated after Colombia's military bombarded a camp of Colombian rebels in Ecuador in March 2008, killing FARC leader Raul Reyes as well as another 16 rebels.

In response, Chavez ordered the deployment of several thousand soldiers and tanks toward the border with Colombia. Chavez characterized Colombia's actions as violating Ecuador's sovereignty, and called Colombian President Alvaro Uribe "a criminal." FARC is a Marxist-Leninist guerrilla group established in 1960s. It is considered a terrorist organization by the Colombian government, the U.S. and the EU. The group's revenues are believed to be partly obtained from drug trafficking and kidnapping.

Colombia's President Álvaro Uribe on Tuesday disavowed any aggressive statement against Venezuela, at a time when the relations between the two countries are going through the worst diplomatic crisis in recent history.

Uribe's statements came a day after his Venezuelan counterpart Hugo Chávez presided over a military parade in a frontier zone in which he repeated his complaint that an attack on his country is being planned from Colombia, with the support of the United States.

The Colombian ruler's remarks came also after a report by Colombia's Defense Ministry warned that Bogotá needed to buy deterrent military equipment to defend its sovereignty vis-à-vis territorial expansionist threats from neighbors, Reuters reported.

"Our message at all times has to be a message of affection to the brotherly people of Venezuela. The President of the Republic does disavow any statement intended as retaliatory, with a spirit of international war, this country does not allow that," Uribe told Radio Nacional.

"Our only goal is to defeat a domestic problem of terrorism," the president explained.

Although Uribe and his staff have been cautious amid the crisis with Caracas, recently Colombia's Defense Minister Gabriel Silva ironically responded to a complaint by Chávez on a spy plane allegedly violating Venezuela's airspace.

Silva said that Venezuelan troops mistaken Santa's sleigh with a spy plane.

"I do not authorize, and I say it very clearly, as long as I am the president, the country can not have a strategy, a discourse of international aggression," said Uribe.

The diplomatic crisis arose in July because of Uribe's decision to sign a military agreement with the US under which US troops are allowed to use seven military bases in Colombia for operations against drug trafficking and terrorism.

Chávez, a strong critic of Washington in the region, denounced the alleged US intention to install a platform from Colombia to invade his country.

The current diplomatic row between Bogotá and Caracas is viewed as the worst since 1987, when the two countries, which share a land border of 2,219 kilometers, were at the brink of war after a war ship from Colombia was intercepted by the Venezuelan Navy in a disputed maritime border.

During the current diplomatic spat, which has hit bilateral trade, Colombians have been murdered in Venezuela, the two countries have exchanged accusations of espionage, Colombian and Venezuelan enforcement officials have been arrested in both countries, and bridges have been knocked down on the border.

Despite the tensions, Chávez denied on Monday that modern weaponry recently purchased from Russia is intended for war with Colombia, as some analysts fear.

Venezuela on Wednesday criticized the "attempts of destabilization promoted" by the United States in Iran, where a number of dissenting demonstrators have been arrested and at least other eight were killed over the weekend, all of which was rejected by Washington. "The government of the Bolivarian Republic of Venezuela strongly rejects the attempts of destabilization promoted by the US government against the Iranian government and people," reads a statement from the Venezuelan Foreign Ministry, AFP reported.

The Foreign Ministry was surprised at "a group of governments, led by the US empire, echoing a campaign to divide and spread violence among the people of Iran, thus contravening the basic rules of peaceful coexistence, non-interference and respect of the sovereignty of the states."

On Monday, US President Barack Obama strongly condemned the arrests of protesters in Iran and urged the Iranian regime to immediately release those who were "unjustly imprisoned" after the largest and bloodiest wave of protests since June.

In this regard, Iranian president Mahmoud Ahmadinejad said that the demonstrations are based on "a script written by the Zionists and Americans."

President Hugo Chávez is one of Ahmadinejad's closest allies in South America. Chávez views the Iranian ruler as his "brother" and recently called him "anti-imperialist gladiator."

Venezuelan and Chinese government officials and business leaders met in Caracas this week to discuss bilateral relations. As a result of the accords signed at the meeting, Venezuela will increase its supply of oil to China to more than 600,000 barrels per day next year, and China will increase its investments in Venezuelan agriculture, infrastructure, mining, and energy production.

In a press conference, Venezuelan Planning and Development Minister Jorge Giordani called Venezuela's growing economic relationship with China "a consolidated strategic alliance based on the premise of equality and mutual respect that will be consolidated even more by two countries that have a shared vision of a multi-polar world."

Venezuelan President Hugo Chavez vowed to supply China with "all the oil it needs for its development and advancement" and said Venezuela hopes to eventually supply a million barrels of oil per day to China. According to Telesur, Venezuela is currently China's fourth largest oil supplier.

In addition, China's Sinohydro Corporation and Venezuela's state electricity company CORPOELEC agreed to cooperate to increase Venezuela's hydroelectricity production. Venezuela has experienced rolling power outages over the past three months as a result of drastically increased demand and a drought that caused a drop in the water level at a principal dam.

The Chinese Development Bank Corporation also pledged a \$1 billion credit for Venezuela's state-owned mining company, CVG, and Chinese state-owned and private companies agreed to invest in Venezuelan railways, fish and shrimp production.

Venezuelan Trade Minister Eduardo Saman said he expects an increase in Venezuela's imports of Chinese cars, electric appliances, pharmaceuticals, and other goods over the coming years, and that this will help to combat domestic price speculation.

In recent years, China and Venezuela have created mixed enterprises, in which Venezuela maintains a 60% controlling share, to explore for, extract, refine, and transport oil from Venezuela's Orinoco Oil Belt, as well as to explore for natural gas off the Venezuelan coast.

Last year, China built and launched Venezuela's first telecommunications satellite, and Venezuelan students are studying aerospace engineering in Chinese universities.

Since 2003, annual trade between the two countries has increased from less than a half a million dollars to approximately \$5 billion in 2008. In addition to this, China and Venezuela have signed \$5 billion worth of planned Orinoco oil accords, and created a \$12 billion bilateral investment fund for future projects.

President Chavez said the unprecedented growth in bilateral relations between Venezuela and China has the goal of creating a "balance in the world, a pluri-polar world," in which there is no single dominant super power such as the United States. He said China "has demonstrated that it is not necessary to attack those who are weakest in order to be a great power."

Since Chavez's election in 1998, Venezuela has increased its economic relations with countries in almost every region of the world, including Africa, Southeast Asia, the Middle East, and Eastern and Western Europe, and Latin America.

**News Sources** 

Argentina

http://uk.news.yahoo.com/22/20091226/tbs-uk-argentina-debt-4210405.html?

Names of consulted News Agencies/Argentina

Yahoo News

### **News Sources**

#### Brazil

http://www.brazzilmag.com/content/view/11610/? http://www.bloomberg.com/apps/news?pid=20601086&sid=aVFJ4MVvtgW4 http://www.kuna.net.kw/NewsAgenciesPublicSite/ArticleDetails.aspx?id=2050190&Lan guage=en http://news.ninemsn.com.au/article.aspx?id=988228 http://news.smh.com.au/breaking-news-world/brazil-signs-law-cutting-co2-emissions-20091230-ljc2.html? http://news.xinhuanet.com/english/2009-12/31/content\_12733775.htm? http://thestar.com.my/news/story.asp?file=/2009/12/29/worldupdates/2009-12-29T012610Z\_01\_NOOTR\_RTRMDNC\_0\_-450277-1&sec=Worldupdates http://uk.eurosport.yahoo.com/28122009/58/olympics-olympic-sports-jacques-roggeinsists-rio-ready-olympics.html?

Names of consulted News Agencies/Brazil Bloomberg Brazzling Magazine Kuwait News Agency The Star News World News Yahoo News

## **News Sources**

Mexico

http://www.gfmag.com/latestnews/latest-news.html?newsid=3639000.0

http://www.mysanantonio.com/opinion/Cartels\_endanger\_US\_and\_Mexico.html? http://www.pinknews.co.uk/2009/12/31/mexico-city-mayor-refuses-to-veto-gaymarriage-legislation/?

http://www.post-gazette.com/pg/09362/1024015-192.stm?

http://www.strategypage.com/qnd/mexico/articles/20091231.aspx? http://www1.voanews.com/english/news/americas/Journalist-Killed-in-Mexico-80117242.html?

# Names of consulted News Agencies/Mexico

Global Finance Magazine Pink News Voa News

#### **News Sources**

Venezuela http://axisoflogic.com/artman/publish/Article\_57907.shtml? http://www.brazzilmag.com/content/view/11610/? http://www.dailytimes.com.pk/default.asp?page=2009%5C12%5C26%5Cstory\_26-12-2009\_pg5\_33 http://english.eluniversal.com/2009/12/28/en\_eco\_art\_diplomatictensions\_28A3235131.shtml? http://www.focus-fen.net/?id=n204919

http://hosted.ap.org/dynamic/stories/L/LT\_CHAVEZ\_AMASSING\_POWER?SITE=AP &SECTION=HOME&TEMPLATE=DEFAULT&CTIME=2009-12-27-00-01-40 http://news.yahoo.com/s/nm/20091228/wl\_nm/us\_venezuela\_chavez?

Names of consulted News Agencies/Venezuela

Brazzling Magazine Daily Times El Universal (English) Yahoo News