

BUSINESS AND POLITICS IN THE MUSLIM WORLD

News Monitoring Report No. 138 on Latin America

Reference period: Sep.17-24, 2010

Presentation: Sep.29, 2010

Usman Choudry

Argentina

News Headlines

Political Issue

Economic Issue

Social/Humanitarian Issue

- Students protest quality of public education in Argentine capital

Food, Environment and Energy Issue

- Argentina sees stable wheat production

Geostrategic Issues

- Argentina beefs up military for Falklands
- Argentina requests EU special treatment for Mercosur

Brazil

Political Issue

- Cameron, Lula Absence Shows UN Losing Ground to G-20 Summits
- Brazil's Rousseff defends state role in economy
- Brazilian President Lula's chief of staff resigns
- Ex-guerilla leads race

- Brazil creates 1.95 million jobs
- Brazil's president cancels trip to UN General Assembly

Economic Issue

Social/Humanitarian Issue

Food, Environment and Energy Issue

- Brazil to build 10 hydro power plants in 2010

Geostrategic Issues

- BRIC plans move against unilateral sanctions
- China hopes for greater cooperation among BRIC states: FM
- Brazilian Delegation Arrives In Ukraine for Military And Space Talks

Chile

Political Issue

Economic Issue

Social/Humanitarian Issue

- Pinera visits Chilean mine, speaks with trapped miners
- Chile Trapped Miners May Be Rescued in November as Drill Reaches Site

Food, Environment and Energy Issue

Geostrategic Issues

Colombia

Political Issue

Economic Issue

Social/Humanitarian Issue

- 22 rebels reported killed in Colombian airstrike
- Colombia: 3 share \$500K for tips on bombed rebels

Food, Environment and Energy Issue

Geostrategic Issues

- Colombian drug lord is arrested in Venezuela

Mexico

Political Issue

- Mexico govt. rejects drugs war truce call

Economic Issue

Social/Humanitarian Issue

Food, Environment and Energy Issue

Geostrategic Issues

- Threatened Mexican journalist gets U.S. asylum
- President Obama Asked to Resolve Trucking Issue
- Travel warning issued for Mexico-U.S. border

Venezuela

Political Issue

- Chavez wants big majority in parliamentary vote

- Cardinal: Venezuelan government should respect election results

Economic Issue

Social/Humanitarian Issue

- A suitcase explodes in front of the Colombian consulate in Caracas

Food, Environment and Energy Issue

- Declining production will continue to hit Pdvsa

Geostrategic Issues

- Venezuela deports two drug suspects to U.S.
- Chavez says he wants to follow in Lula's footsteps and elect female heir
- Venezuela again rejects U.S. ambassador

Report Summary/Argentina

Political Issue

Economic Issue

Social/Humanitarian Issue

Thousands of school and university students protested before national congress and presidential palace in Buenos Aires and they were demanding for quality education in their colleges and universities. They were arguing Argentina's education was the best in all over Latin America countries and students across the country were turning to Argentina in 20th century but later military dictatorship destroyed education system of the country and now the civilian government also could not rehabilitate it. Government officials say they are spending 6.45 percent of GDP on education that is the highest on last eight years so they are trying to boost education system in the country.

Food, Environment and Energy Issue

The government of Argentina said that in 2009/10 wheat production is increasing as compare to the previous years and it will be harvested between 10 million and 11.2 million tons. While the corn production is also at a record as 22.5 million tons, with soy production put at a record 52.7 million tons. Wheat production was decreased in last year due to

a severe drought in the country but in this year it is coming on the same production as it was before drought.

Geostrategic Issues

Falkland Island has once again going to be a burning issue in Argentine politics as Argentina is sending its military forces in the southern part of the island to explore hydrocarbons. Almost five oil exploration companies of UK are working in the Falk Island and UK claims its sovereignty in the Falkland Island and claim that its oil exploration companies are with the consent of Falkland Island government. But on the other hand Argentine government called UK oil exploration and military presence in the Falkland Island as London's plan of neo-colonialism. So once again the relationships are getting tensed between both of the governments.

Officials from Argentina said to the European Union officials to give some special treatments to Mercosur. They want some bilateral agreements and free trade with EU to increase trade between two blocks. Argentine officials are trying to open trade talks with EU on the platform form of Mercosur but that were delayed and now it is said the trade agreements between both blocks will start from the mid of 2011.

Report Summary/Brazil

Political Issue

It is said many leaders will not attend UN General Assembly session in this week due to their domestic business in their countries. Brazilian president Lula is busy in campaign of his handpicked presidential candidate Ms. Dilma Rousseff who she is leading in polls for October 3 elections but he sent his foreign minister in place of him and it is the first time that Lula is not attending UN General Assembly meeting. Among leaders, Chavez of Venezuela is also busy in his campaign of legislative elections on September 26th while Cameron of UK just got a baby and Merkel will be busy in the opening session of a pharmaceutical firm in Germany.

Brazilian presidential candidate from Workers' Party, Ms. Rousseff is leading in polls with a large difference and it is hoped she will easily win presidential election in the first round. Ms Rousseff said she wants to increase states role in some state owned companies as energy company. She also told she is against increasing pensions of retired and want to use the money in development. A report tells that she is a Marxist guerilla who was captured and tortured during the military dictatorship of 1970s is going to be the next president of Brazil. She is getting favor of President Lula who has more than 80 percent favor of Brazilian people. In the meanwhile, Lula's chief of staff has resigned as she was charged of getting benefit of her post to use her influence in a business. She said she has resigned as she needs time to defend her.

Brazil's labor minister said that the government of Brazil has created 1.95 million new jobs until August this year that are almost double as compare to the number of last year. Labor minister hopes that 2.5 million new jobs will be created this year in Brazil. According to the estimate by the government a total of 299,415 new jobs were created in August alone and Brazil's unemployment rate down to 6.9 percent in July, the lowest level for that month since 2002.

Economic Issue

Social/Humanitarian Issue

Food, Environment and Energy Issue

The Brazilian government plans to set up 10 hydroelectric power plants this year with an aim to generate 4,000 MW of electricity. It plans for three large hydroelectric projects to the Court of Auditors and it has plans to do the same with other smaller dams before Oct 10. The hydroelectric projects are to be set up in the western state of Mato Grosso near the southern edge of the Amazon jungle. The largest of them, Teles Pires project is planned to be set up near Paranaita town and will have the capacity to generate 1,820 MW electricity. It is said the dam would be the world's third largest after China's Three Gorges and Itaipu that is jointly managed by Brazil and Paraguay. Currently, about 85 percent of Brazil's electricity is generated through hydroelectric plants.

Geostrategic Issues

The foreign ministers of BRIC countries met at New York and discussed over issues including cooperation among emerging market countries, the reform of the international financial architecture and global economic governance as well as international development cooperation. Their major focus was United Nations sanctions on Iran to establish its nuclear energy. Brazilian foreign minister said BRIC countries are now getting union on political agenda as well and beyond its economic role and first of all these four countries will go against unilateralism or pushing Islamic Republic of Iran as unilateral in United Nations General assembly meeting. Chinese foreign minister said BRIC countries are having mature relations and are increasing their relations in the positive direction.

A Brazilian military delegation is going to Ukraine to increase its cooperation in space and defense technology. Brazilian defense minister will meet his Ukrainian counterpart in Kiev and both ministers will sign some agreements in the defense and space field.

Report Summary/Chile

Political Issue

Economic Issue

Social/Humanitarian Issue

President Pinera of Chile visited the mine where 33 mine workers are stuck in 2,300 feet in the ground when mine collapsed. He said that the government is working its best to rescue the

mine workers so it has called experts drill workers from abroad who they are working to rescue them who they are stuck since 5th of August and he also said it may take more time to rescue them as in November. After his visit to the mine he also met with the families of the mine workers and presented gifts to them.

Food, Environment and Energy Issue

Geostrategic Issues

Report Summary/Colombia

Political Issue

Economic Issue

Social/Humanitarian Issue

One of the dangerous drug kingpins of Colombia is arrested in Venezuela and almost 16 dangerous drug traffickers are arrested in Venezuela that were wanted by the Colombian government. In the meanwhile, Colombian air force stroke in the southern area that is close to Ecuador and killed 22 FARC guerillas and 8 police officers were killed in the same operation. It is said it was the strongest air strike in the region since Santos took office. Before this in 2008 Colombian forces did air strike in Ecuador near Colombian border and killed FARC leader but that strike worsened the relationships of Colombia with its southern neighboring country Ecuador.

Colombia's police chief said the three informants will receive a reward of \$500,000 from the government of Colombia as they informed about the FARC rebels are residing in the area and they are killed.

Food, Environment and Energy Issue

Geostrategic Issues

Report Summary/Mexico

Political Issue

Economic Issue

Social/Humanitarian Issue

One of the newspapers of Mexico from Ciudad Juarez El Diario de Juarez reported that in this northern city of Mexico there is not authority of government as everyday drug cartels are

killing common people and journalists in the city so it seems as drug cartels are ruling here. It is said in editorial that 4,500 police and military personnel are killed along with 6,500 people here since 2006. So like this Mexico has become the most dangerous city in the world for the journalists.

Food, Environment and Energy Issue

Geostrategic Issues

Mexican journalists who asked for political asylum in the United States are granted political asylum in this week. They said we are receiving threats by the drug cartels and the local government is also not giving us protection as it is also the part of the drug cartels. Almost 30 journalists are killed since President Felipe Calderon started war against the drug cartels in 2006 and many took the political asylum due to receiving threats from drug cartels. In Ciudad Juarez almost 6,500 people have been killed since 2006 and more than 2,000 in this year so like this Ciudad Juarez has become one of the most violent cities in the world.

Due to increasing violence in the northern state of Mexico that is linked with the United States the government of US has already warned their citizen to travel to Ciudad Juarez and some other areas of the border as well. But now the government of Canada has also warned it citizens to avoid traveling the same areas where the drug cartels are prevailing.

The National Pork Producers Council of the United States and other 36 state pork producer organizations are urging President Obama to work with Congress and the Mexican government to resolve as quickly as possible the dispute over allowing Mexican trucks to haul goods into the United States. US transportation department put ban of Mexican trucks to enter on the roads of US that affected Mexico's trade with the US. Under NAFTA Mexico is importing agriculture products and pork from the United States but since Mexican trucks are banned to enter in the US the trade between both of the countries is affected so now some pork industries are trying to convince president Barak Obama to resolve the trucking issues as soon as possible so that trade could be normalize between both of the countries.

Report Summary/Venezuela

Political Issue

President Hugo Chavez said to the voters to give him their favor if they want nationalization and socialist policies in the country. He said he would be in need of two-third majority in parliament in October 26th elections of Venezuela. Opposition of Venezuela is also struggling to get more votes of people which boycotted in 2005 election.

Venezuela's leader of Catholic church said to the people to vote according to their conscience and without any pressure. He said to the people to respect their opposition's results so that there should not be disturbance. While on the other hand Venezuela's president said he want to follow Brazilian president Lula and one day he will hand over his powers to a woman like Rouseff.

Economic Issue

Social/Humanitarian Issue

Colombian consulate received a bomb explosion in front of it when people were in queue for their works. It did not harm anybody but created fear there. Since new Colombian president Santos fastened crackdown in Colombia against the FARC rebels and drug related cartels they started taking revenge from Colombian government by harming its state machinery. So the attack before Colombian consulate is also considered as a revenge by drug related or rebel group. In the meanwhile, President Chavez has deported two drug related persons to US that were wanted to New York police.

Food, Environment and Energy Issue

Venezuela's finance ministry reported that Venezuela's steel production fell 31 percent in 2009, whereas aluminum output decreased by 6 percent and alumina dropped 14 percent. Total exports of such commodities declined 45 percent last year. The ministry said it all due to decline in oil industry of Venezuela.

Geostrategic Issues

President Chavez said Venezuelan government will never accept Palmer who is announced US ambassador to Venezuela but it is fourth time that he is rejected as ambassador. Chavez said US is announcing him repeatedly that shows that it may do not want to establish relationships with Venezuela. Palmer is accused by Venezuelan government of criticizing Venezuelan government as he said that Venezuelan government has a lot of Cuban influence in its country, low morale of Venezuelan forces and Venezuela has given shelter to rebel groups of Colombia who are attacking in Colombia from Venezuelan territory.

Detailed Report/Argentina

Argentina beefs up military for Falklands

Buenos Aires (UPI) Sep 15, 2010 Argentina is beefing up its military in preparation for oil exploration in the Falklands basin concurrent with British-backed prospecting for hydrocarbons in the region nearer the islands.

Aides to President Cristina Fernandez de Kirchner said Argentine prospecting for hydrocarbons would begin in December -- a little more than a year after British companies started drilling for oil amid an international outcry from Buenos Aires, which contests British sovereignty over the Falklands, a British Overseas Territory.

Argentina invaded the Falklands in 1982 but was repulsed by Britain. The 74-day conflict cost more than 1,000 lives and led to a formal Argentine surrender that didn't prevent Argentina from reviving the sovereignty claim last year.

Analysts said Argentine plans for oil exploration in the South Atlantic waters could be interpreted in Argentina, Britain and the Falklands as an escalation because of continuing oil exploration by U.K.-listed companies licensed by the Falkland Islands government.

Argentina has leased a semi-submersible rig from Swedish company Stensa that will be used for exploratory drilling in an area described by officials in Buenos Aires as halfway between the Falkland Islands and Tierra del Fuego, an Argentine archipelago off the southernmost tip of the South American mainland, across the Strait of Magellan.

A consortium put together for the prospecting offers a flavor of the current oil politics of the Falklands, as it includes YPF-Repsol, a Spanish oil and gas company with operations in 29 countries but major assets in Argentina, Argentina's Pan American Energy and Brazil's Petrobras.

Industry sources said when implemented the oil drilling operation would be the southern-most oil exploratory operation in Argentina's history.

The initiative was interpreted by industry analysts as Argentina's answer to the exploratory round in the Falklands' waters from the British side and a follow-up to Argentina's claims of sovereignty over the area.

As retaliation against British drilling in the Falklands Basin, Argentina announced punitive sanctions against vessels bound for the islands but shipping industry sources argued the measures could hurt Argentina more than the Falklands.

Britain has rejected Argentine claims the Falklands or the waters are disputed territory.

Five U.K.-listed companies have drilled or announced plans to drill in Falklands' waters.

Before Argentine naval reinforcements in the area, Britain also built up its naval presence in the South Atlantic region, explaining its action as a routine exercise.

Argentina has justified its military reinforcements as part of an overall national strategy that sees the South Atlantic as Argentina's "soft belly." But Buenos Aires' pronouncements of British "neo-colonialism" and "occupation" of the Falklands have led to London viewing developments as an unwanted military escalation.

Argentina requests EU special treatment for Mercosur

Argentine officials Wednesday requested special treatment for the Common Market of the South (Mercosur) from the European Union (EU), should the two sides reach a trade agreement.

"In order to reach a bilateral agreement, it must include a special and different treatment in favor of the Mercosur, a tax concession ..., to ensure preferential and efficient accesses for the

Mercosur's exports," Argentina's Industry Minister Debora Giorgi said when meeting with Karel De Gucht, Trade Commissioner of the EU.

"We will get a balanced result if the differences of economic, commercial and institutional development are recognized between both blocs," Giorgi said.

Meanwhile, Argentine Foreign Minister Hector Timerman, who also met with De Gucht on Wednesday, expressed his satisfaction with the Mercosur-EU negotiations.

In May, the EU and Mercosur resumed talks on a free trade agreement that had been on hold for six years. Together, the two blocs boast a total population of 700 million.

Earlier reports quoted De Gucht as saying that the EU hoped to reach a trade agreement with Mercosur in mid 2011.

Students protest quality of public education in Argentine capital

Buenos Aires, Argentina -- Thousands of young Argentines marched to the presidential palace on Thursday to protest the quality of public education, joining a student rebellion that accuses politicians of neglecting schools and universities that were once the envy of Latin America.

High schoolers have occupied about 30 public schools in Buenos Aires to protest their deteriorating conditions. The takeovers later spread to public universities, with students occupying a half dozen, this week, teachers joined the rebellion, putting 700,000 students out of school.

Students carrying a giant model of a pencil on their shoulders like a coffin and crosses symbolizing the death of public education on Thursday marched from Argentina's Congress to the presidential palace. They cite abysmal conditions in schools, including a lack of heating gas, poor electrical systems, leaky ceilings and broken windows, among other problems.

"For a long time, years, decades, a policy of cutting funding to public education has been carried out and this policy has reached such an extreme that the conditions needed to study almost do not exist," said Itai Hagman, president of the Buenos Aires University Federation.

Early in the 20th century, Argentina had a public education system considered a model for Latin America that assured most citizens access to free schooling. But that system came under fire during Argentina's dictatorship and was later subjected to financing cuts under market-oriented democratic governments.

Thursday's march coincided with the 34th anniversary of the "Night of the Pencils" remembering a group of high school students who were abducted and killed during the 1976-1983 dictatorship.

The protesters' ire is directed at conservative Buenos Aires Mayor Mauricio Macri, who handles high school financing, and center-left President Cristina Fernandez, whose government administers public universities.

"Our recent governments have not paid attention to public education. We want that to change," said Agustina Scattolini, 20, who is one of the students occupying a Buenos Aires high school for almost two weeks.

Buenos Aires' Education Ministry says that only 100 of the city's 1,200 schools have budget problems and that its education budget for 2010 is the highest in the last eight years.

The federal government says it spends 6.45 percent of GDP on public education, one of the highest figures in recent decades.

In both cases, however, most of the money is spent on teacher salaries and not on infrastructure.

"Unfortunately we have been very patient over the years, but our patience is over. We want practical solutions," said Hagman.

Argentina sees stable wheat production

Buenos Aires: Argentina's 2010/11 wheat harvest is expected to come in at between 10 million and 11.2 million tons, the Agriculture Ministry said in its first official estimate for the new wheat crop.

The South American country is a leading global supplier of the grain, but its exports of the grain sank last season as a sharp drought reduced the crop to 7.5 million tons — the smallest in more than 30 years.

The estimate, published in a monthly crop report, is more conservative than the forecast for wheat output of between 12 million and 13 million tons given by President Cristina Fernandez and Agriculture Minister Julian Dominguez.

Concern has been growing over the wheat crop in recent weeks due to dry weather in many farming areas, and the report said some crops were suffering despite recent showers.

"In the majority of farming areas, the lack of soil moisture is evident despite the rainfall in recent days and some crops have yellowed leaves due to frosts in July and August," the report said.

The estimated wheat area is 4.2 million hectares, up 20 per cent from the previous campaign.

Farmers have already started sowing 2010/11 corn, but the ministry did not estimate the area, saying only that early indications were for an increase of 6 per cent or 7 per cent in terms of area.

The report held its forecast for 2009/10 corn production at a record 22.5 million tons, with soy production put at a record 52.7 million tons.

The government did not estimate new season soy plantings.

As well as being a leading wheat provider, Argentina is the world's second-biggest corn supplier after the United States and the No.3 exporter of soybeans.

Detailed Report/Brazil

Brazil to build 10 hydro power plants in 2010

Sao Paulo, Sep 19 : The Brazilian government plans to set up 10 hydroelectric power plants this year with an aim to generate 4,000 MW of electricity, an official said.

The government has already submitted plans for three large hydroelectric projects to the Court of Auditors and it has plans to do the same with other smaller dams before Oct 10, said the president of the EPE energy research company, Mauricio Tolmasquim.

"The timeframe is very short and everything still depends on whether the environmental licenses are issued on time," Tolmasquim told reporters after a seminar at the Sao Paulo State Federation of Industries Friday.

The hydroelectric projects are to be set up in the western state of Mato Grosso near the southern edge of the Amazon jungle. The largest of them, Teles Pires project, is planed to be set up near Paranaita town and will have the capacity to generate 1,820 MW electricity.

In April, contracts were awarded to a consortium of nine companies to build the 11,233 MW Belo Monte hydroelectric plant on an Amazon tributary. The dam would be the world's third largest after China's Three Gorges and Itaipu, which is jointly managed by Brazil and Paraguay.

Currently, about 85 percent of Brazil's electricity is generated through hydroelectric plants.

Cameron, Lula Absence Shows UN Losing Ground to G-20 Summits

World leaders are cutting back their visits to the United Nations General Assembly session this week as they find the Group of 20 and other smaller gatherings more effective venues to debate international problems.

British Prime Minister David Cameron and Brazilian President Luiz Inacio Lula da Silva, whose countries both sit on the UN Security Council, won't be in New York. Nor will Russian President Dmitry Medvedev and Prime Minister Vladimir Putin. Chinese President Hu Jintao is skipping the UN week, handing off the duty to Premier Wen Jiabao.

"The UN is where you give a speech but there's no group meeting," said Jeffrey Shafer, who organized Group of Eight meetings as President Bill Clinton's "sherpa" or personal representative to the gatherings. "The G-20 will have a more focused agenda than the UN, and it shows the primacy of the economic agenda."

French President Nicolas Sarkozy made a one-day appearance in New York yesterday to speak to a session on fighting developing-nation poverty. Like German Chancellor Angela Merkel, who is staying for two days, Sarkozy will leave before the major speeches start Sept. 23 from the podium of the General Assembly hall.

“It’s the 80-20 rule,” said Michael Hodin, an adjunct senior fellow at the Council on Foreign Relations in New York. More issues are being decided at smaller groups, including the Group of 20, which holds its next meeting in Seoul in November, Hodin said.

“If you’re dealing with something in the G-20, you’re already dealing with the 80 percent of world leaders who can make a difference,” he said.

Corridors, Hotels

Since the UN was founded in the aftermath of World War II, the annual opening of the General Assembly has been a place for leaders to meet, often informally in the UN’s corridors or the conference rooms of Manhattan luxury hotels, away from the media attention and political expectations that accompany state visits and formal encounters.

Last year’s G-20 summit in Pittsburgh, held immediately after the main General Assembly session in New York, let leaders get two meetings out of a single trip. And a major issue on the UN agenda got an airing there, too.

In a joint appearance in Pittsburgh, President Barack Obama, Sarkozy and then-U.K. Prime Minister Gordon Brown announced that Iran had been secretly building an underground nuclear fuel plant in violation of international rules.

Doubts About UN

The failure of the UN climate talks in Copenhagen to produce a comprehensive treaty to combat global warming showed many leaders the world body’s inability to move swiftly, said Daniel Price, a sherpa to President George W. Bush for G-8 and G-20 summits.

Add to that the crowded slate of summit meetings to attend and it is understandable that high-level participation at the UN meeting is waning, said Price, now a partner at law firm Sidley Austin in Washington.

“There’s a measure of leader fatigue setting in,” he said. “When it comes to solving specific, identifiable problems, leaders are finding smaller groupings are more effective.”

Sarkozy, whose country has the G-20 chairmanship next year, has called the UN anachronistic. “We can’t confront the 21st century with the institutions of the 20th century,” he said in May.

Domestic Agendas

Domestic priorities also are playing a role this year, say several governments. Merkel will return to Germany from New York to pursue health-care policy at her weekly Cabinet meeting. The day the general debate opens at the UN, she will speak at the opening of a new pharmaceutical research center.

The U.K.'s Cameron, whose wife had a baby in mid-September, is sending his junior coalition partner, deputy Prime Minister and Liberal Democrat leader Nick Clegg.

Brazil's Lula is staying home to campaign on behalf of his handpicked successor, Dilma Rousseff, before Oct. 3 presidential elections. Venezuelan President Hugo Chavez hasn't confirmed whether he will attend and miss the final days of campaigning before Sept. 26 legislative elections.

South African President Jacob Zuma will stay home for a ruling party conference at which he is battling criticism about economic policies. He will participate in the UN gathering via video conference and co-chair a session on climate change.

Obama, who has the shortest travel time of all leaders, will stay for three days, addressing both the UN's Millennium Development Goals summit and the opening of the General Assembly. He will also meet with Southeast Asian leaders and hold a summit on Sudan.

China Talks

Obama will take advantage of his visit to confer with China's Wen on topics including Hu's planned January visit to Washington.

The U.S.-China relationship requires a lot of maintenance, resembling couples therapy for a fraught marriage, and the UN meeting provides an ideal venue for handholding, said Orville Schell, director of the Center for U.S.-China Relations at the Asia Society in New York.

The dearth of world leaders at this year's UN session may not be surprising, said Bruce Jones, a senior fellow with the Washington-based Brookings Institution policy organization.

"They probably made a mistake to schedule the development summit and the general debate back to back, because not a lot of world leaders have six days to spend in New York," he said.

BRIC plans move against unilateral sanctions

The BRIC nations want the United Nations to rebuke countries that resort to unilateral sanctions not approved by the UN Security Council, Brazilian Foreign Minister Celso Amorim said.

A resolution on that theme, if approved by the UN General Assembly, could contribute to erode the legitimacy of additional sanctions imposed by the United States and other Western powers against Iran's nuclear program.

Amorim said the BRIC group, which includes Brazil, Russia, India and China, discussed the proposed resolution during a meeting of foreign ministers on Tuesday in New York.

"We're beginning to have some political coordination on General Assembly resolutions," the minister, who is in New York to open the UN General assembly on Thursday, told Reuters in an interview.

"In some cases we're even against multilateral sanctions, so for sure unilateral sanctions aren't welcome because they're outside the UN system," he added.

The UN Security Council has extended sanctions against Iran in June for its refusal to halt uranium enrichment, which the Islamic Republic says will be used in peaceful generation of electricity but the United States and Western countries fear is for weapons.

Still, the US Congress passed on July 1 additional unilateral sanctions aimed at squeezing Iran's energy and banking sectors.

Fearing those tensions could escalate into war, Brazil had earlier tried to avoid the additional sanctions, intermediating a nuclear fuel swap deal between Iran and Turkey. That agreement was largely ignored by the United States.

Amorim said, however, that relations between Brazil and the United States remain "very good" despite that. He said both countries have the same objective, which is to prevent Iran's access to nuclear weapons, but disagree on strategy.

"Government relations remain very good, but in some issues we're going to disagree," he said. - Reuters

China hopes for greater cooperation among BRIC states: FM

New York, Sept. 21 (Xinhua) -- Chinese Foreign Minister Yang Jiechi on Tuesday expressed hope that the four BRIC countries -- China, India, Russia and Brazil -- will further strengthen coordination and cooperation.

Yang made the appeal as he chaired a meeting of BRIC foreign ministers in New York.

Yang told his BRIC counterparts that the four countries have constantly enhanced their cooperation in a more defined direction and within an increasingly mature mechanism, thus increasing their influences in the international arena.

He hoped that the four countries will further strengthen coordination, build a solid foundation for cooperation and broaden areas of cooperation so as to uphold the common interests of developing countries.

The foreign ministers held discussions over issues including cooperation among emerging market countries, the reform of the international financial architecture and global economic governance as well as international development cooperation.

The meeting was held on the sidelines of the UN high-level meeting on the Millennium Development Goals (MDGs), which began Monday.

On Tuesday, the Chinese foreign minister also held a bilateral meeting with his Russian counterpart, Sergei Lavrov.

Yang told Lavrov that frequent contacts at high-levels between China and Russia have fully demonstrated the high standard of Sino- Russian strategic partnership of cooperation.

China hopes both sides will further enhance communication and coordination so as to elevate their cooperation in all areas to a new level, Yang said.

Lavrov said that Russia is willing to work with China to deepen cooperation in all areas and strengthen coordination and cooperation on major international and regional issues so as to continue to move forward bilateral relations.

Brazil's Rousseff defends state role in economy

Brasilia, Sept 21 (Reuters) - The front-runner in Brazil's presidential election, Dilma Rousseff, defended on Tuesday a pro-active role of the state in providing the proper conditions for investment.

Rousseff, the ruling party candidate and President Luiz Inacio Lula da Silva's former chief of staff, leads opinion polls by a wide margin and appears set to win the Oct. 3 election by a landslide.

But some investors are still uncertain exactly what the proposal of the ruling Workers' Party candidate is on the role of the state in the economy.

She has pledged to continue current, mostly market-friendly economic policies but also aims to heighten the role of state-owned companies in key industries, such as energy.

Some investors fear more state involvement could crowd out the private sector and deteriorate public spending.

"We believe in the strength of private initiative in Brazil," Rousseff told TV Globo on Tuesday. "But we don't think the state needn't be present to create investment conditions."

She cited the importance of the state-owned development bank BNDES in providing low-cost, long-term credit to finance economic growth. Overhauling an unwieldy tax structure cited by business groups as a major obstacle would be a priority in her government, Rousseff said.

"I'm going to do a tax reform. I'll have to make it a priority," she said, adding that she favors tax breaks on investment and payroll taxes and equal tax levels between states.

Government spending has risen sharply in the run-up to the election, raising investor concerns. In the 12 months through July, the primary budget surplus was 2 percent of gross domestic product, short of the 3.3 percent target.

But Rousseff said there was no immediate need for far-reaching reforms of Brazil's pension system, which accounts for a large share of government expenditures.

Rousseff, 62, has expanded her lead in opinion polls over her main rival, former Sao Paulo state governor Jose Serra, despite intensive media coverage of ethics scandals allegedly involving her party and former aides.

Last week, Lula's chief of staff and former Rousseff aide, Erenice Guerra, resigned after accusations her son intermediated public works contracts in return for kickbacks from contractors.

Rousseff denied any wrongdoing, urged investigations, and said she could not be held responsible for actions by family members of subordinates.

"I never accepted appointments of friends or family," she said. "I won't prejudge them, it needs to be investigated."

Brazilian Delegation Arrives In Ukraine for Military and Space Talks

Kiev, Ukraine (RIA Novosti) Sep 16, 2010A military delegation from Brazil will arrive in Ukraine on Wednesday for three-day talks on military and space cooperation, the Ukrainian Defense Ministry said.

The delegation will visit several military and space facilities, the statement said.

Ukrainian Defense Minister Mykhaylo Yezhel and his Brazilian counterpart Nelson Jobim are to sign an agreement on military cooperation after the talks, it added.

Ukraine and Brazil set up a joint venture, the Alcantara Cyclone Space, in 2006, as part of a large-scale program to send the Cyclone-4 Launch Vehicle into space by 2012.

Brazilian President Lula's chief of staff resigns

Erenice Guerra, Chief of the Civilian Household of the Presidency, or chief of staff of Brazilian President Luiz Inacio Lula da Silva, Thursday resigned after local press alleged influence peddling involving her and her son, said the presidential spokesman Marcelo Baumbach.

In her resignation letter, Guerra said the allegations were "frivolous" and explained she was leaving office because she needs time to defend herself.

The accusations of influence peddling was first reported by a local news magazine called *Veja* last weekend. The news said that she got involved in a scheme to benefit a company through a contract with the Brazilian post office. Her son was also accused of taking part in the plot, as well as one of her assistants.

Guerra had assumed the post of chief of staff in March, replacing the current presidential candidate Dilma Rousseff, from the ruling Workers' Party (PT). The executive-secretary Carlos Lima was designated as acting chief of staff.

Ex-guerilla leads race

A former Marxist guerilla once described by prosecutors as the "Joan of Arc of subversion" is on course to become Brazil's first female president.

Dilma Rousseff, 62, who was locked up and tortured by the dictatorship that ran Brazil in the 1970s, is President Luiz Inacio Lula da Silva's anointed successor and is riding a wave of support that could see her win outright the first round of voting on October 3.

Mr Lula, 64, has enjoyed poll ratings of more than 80 per cent in his eight years of power. Since 2004, the number of Brazilians living in poverty fell from almost half to less than a quarter.

If the election were held today, according to polls, Ms Rousseff would win 50 per cent of the vote, putting her far ahead of her main rival.

Brazil creates 1.95 million jobs

Rio de Janeiro, Sep 17 : The Brazilian government said it has created 1.95 million new jobs until August this year, almost double the number of last year.

Labour Minister Carlos Lupi said 2.5 million new jobs will be created this year in Brazil, more than in the last two years combined.

A total of 299,415 new jobs were created in August alone.

This year's increase in employment helped bring Brazil's unemployment rate down to 6.9 percent in July, the lowest level for that month since 2002.

Brazil's president cancels trip to UN General Assembly

Brazilian President Luiz Inacio Lula da Silva has decided to cancel a trip to the United Nations for the General Assembly due on Sep. 23, the presidential office said on Wednesday.

Da Silva's decision allows the president to devote himself to the presidential campaign for his former chief of staff Dilma Rousseff, candidate of the ruling Workers' Party and favorite to win general elections next month.

Foreign Minister Celso Amorim will travel to New York on behalf of the president.

This is the first time that Brazilian president will not participate in the UN General Assembly since he took office in January 2003, and it is the last one he could attend as Brazil's president, since his mandate expires on Jan. 1, 2011.

In recent weeks, Lula da Silva stepped up efforts to rally support for Rousseff, who was handpicked by the president himself to be the ruling party's candidate.

The ex-minister has more than 50 percent of voter preferences, with an obvious lead over her main rival, the Social Democrat Jose Serra. The first round of the elections is scheduled to take place on Oct. 3.

Detailed Report/Chile

Pinera visits Chilean mine, speaks with trapped miners

Copiapo, Chile (CNN) -- Chilean President Sebastian Pinera on Sunday paid a visit to a Chilean mine where 33 miners have spent more than a month about 700 meters (2,300 feet) underground following a mine collapse.

"We have done everything possible, and we have done our best to rescue them alive," Pinera said, speaking in English. "We will succeed in this tremendous effort. When we do not know, but it will be sooner than what you expect."

"When our people unite behind a great and noble cause, there is no one or nothing that can impede us from our objectives," he said.

The San Jose mine, in Chile's northern Atacama Desert, caved in on August 5. The men were initially feared dead, but tied a note to a drill bit on August 22 and sent it to the surface to signal they were alive.

Pinera also visited with the families of the trapped miners Sunday, presenting them with a gift -- a copper plate engraved with the contents of that note, "We're fine, in the shelter, all 33."

"Hopefully this spirit of unity, faith, confidence and pride to be Chilean that is in the air at the San Jose mine and in every corner of Chile is a spirit that will illuminate this third century of independence," Pinera said, referring to Chile's recent bicentennial celebration.

The president arrived at the mine at mid-morning Sunday, flying in on a military helicopter that landed in the desert, kicking up dust.

He met 5-day-old Esperanza Ticona, the daughter of Ariel Ticona, one of the trapped miners. Esperanza was brought to the mine for the first time Sunday by her mother, Elizabeth Segovia.

Pinera also held a teleconference with the miners, via a cable that has been strung from the surface half a mile deep into the men's shelter. He said the men were in good spirits.

The president spent about an hour and a half at the mine, in all.

Away from reporters, Pinera first visited a powerful oil drill that has been transported to the mine to assist in the rescue. The drill, known as Plan C, began operating Sunday. Mine experts say it could be the fastest way of punching through rock a hole that is wide enough to hoist the miners back to the surface.

Two other drills, a Schramm T-130 (Plan B) normally used for boring water holes and a Raise Borer Strata 950 (Plan A) normally used for drilling ventilation chimneys in mines have been operating for about three weeks.

On Friday, the Schramm T-130 reached a depth of 623 meters (2,044 feet) and penetrated the roof of the workshop area close to the miners' shelter. However, the shaft is only about 12 inches wide and the drill must make a second pass to widen the hole to a maximum 28 inches (70 cm).

Sunday was the first day that all three drills were working simultaneously, Pinera said.

Chile Trapped Miners May Be Rescued in November as Drill Reaches Site

Thirty-three workers trapped in an underground mine in northern Chile for more than a month may be freed in November after rescuers made progress drilling an escape tunnel, a government official said.

Rescuers tomorrow will begin widening a narrow opening carved out by a drill that today reached the area where the miners have been trapped since Aug. 5, an official from the presidency's office, who can't be named because of government policy, said.

Chile is undertaking the world's longest mine rescue after a cave-in stranded workers about 700 meters (2,300 feet) below the surface in the San Jose copper and gold mine in the Atacama Desert. Miners were able to see the drill punch through rock into a workshop this morning, the official said.

The trapped men will have to begin removing rubble as the hole is widened, Andre Sougarret, chief engineer for the rescue mission, said in comments today on state-run National Television.

"From now on we're going to need help from the miners," Sougarret said from the site in the desert.

Rescuers have been siphoning food and supplies to the men through small drill holes since discovering them alive on Aug. 22. Chilean President Sebastian Pinera has vowed to reunite workers with their families for the yearend holidays.

The drill that reached the men today has been described by the rescuers as "Plan B." A separate drill, known as "Plan A," may resume work tomorrow after being halted for maintenance, while a third drill also is being prepared, Santiago-based newspaper La Tercera said today on its website.

San Jose is the longest mine rescue effort, surpassing the 25 days two Chinese miners spent in an underground mine in 2009.

Detailed Report/Colombia

Colombian drug lord is arrested in Venezuela

The number of dangerous kingpins and members of different drug trafficking organizations requested by Interpol and arrested in Venezuela until September 2010 amounts to 16 criminals so far this year.

Venezuelan Minister of the Interior and Justice Tareck El Aissami has announced the capture of Jaime Alberto Marín aka Beto Marin, leader of Colombia's Norte del Valle drug cartel, who had a red notice issued by the International Police (Interpol).

The information was disclosed in a message posted on the minister's Twitter account (@TareckPSUV). El Aissami said that the arrest of the Colombian citizen is another big blow to international drug trafficking. He did not mention the place where the arrest took place.

The number of dangerous kingpins and members of different drug trafficking organizations requested by Interpol and arrested in Venezuela until September 2010 amounts to 16 criminals so far this year, the state-run news agency AVN reported.

22 rebels reported killed in Colombian airstrike

(CNN) -- Twenty-two Colombian guerrillas were killed Sunday in an airstrike, the country's defense minister said.

The Colombian air force bombing was part of an operation against the Revolutionary Armed Forces of Colombia, or FARC, in southern Colombia, Defense Minister Rodrigo Rivera said. The operation was ongoing and more bodies could be found, he said.

Rebels in the area had killed eight police officers in an attack earlier this month.

Sunday's bombing campaign was one of the strongest blows against the FARC in recent memory.

"This shows the country, but above all those bandits, that our people are not under their control, but to the contrary, responding with incisiveness," President Juan Manuel Santos said in a phone conversation with Rivera.

The airstrike was ordered in a jungle area near the city of San Miguel in the state of Putumayo, which borders Ecuador.

Disputes with Ecuador have arisen in that border area before because of a 2008 airstrike where Colombian planes followed the rebels in Ecuadorian territory. Sunday's mission entirely took place on the Colombian side of the border, said Rivera, who praised Ecuador's cooperation in the fight against the FARC.

Troops were sweeping the area of the bombing meter by meter, Rivera said.

"Any criminal act against any compatriot is an attack against all Colombians," he said.

Authorities also recovered from the area 17 rifles and other weapons, and various computers.

Colombia: 3 share \$500K for tips on bombed rebels

Bogota, Colombia – Colombia's national police chief says three informants will divide a reward of up to \$500,000 for leading authorities to the rebel camp where the military killed at least 22 insurgents in an air raid.

Gen. Oscar Naranjo also said Monday that a prominent veteran of the Revolutionary Armed Forces, or FARC, was killed in Sunday's pre-dawn bombing near the border with Ecuador.

He identified the slain rebel as Domingo Biojo (Bee-oh-HO), a 55-year-old who had spent half his life in the FARC.

Officials say the rebels killed Sunday were from the same FARC unit that killed eight police officers nine days earlier.

Sunday's attack marked Colombia's biggest military success since President Juan Manuel Santos took office Aug. 7.

Detailed Report/Mexico

Threatened Mexican journalist gets U.S. asylum

Ciudad Juarez, Mexico — A Mexican journalist threatened by drug gangs said Tuesday he had been granted political asylum in the United States to escape the cartels' increasingly violent campaign to silence the media.

Jorge Luis Aguirre, editor of Ciudad Juarez-based online newspaper La Polaka, fled across the border to El Paso, Texas, after receiving telephone threats minutes after the murder of a fellow journalist by hitmen in November 2008.

Aguirre is one of the first Mexican reporters to be granted political asylum in the United States.

"I can breathe again ... this asylum opens the door to journalists caught in the middle in Mexico, where there is no justice and where the (local) governments are part of drug trafficking," Aguirre told Reuters.

U.S. officials were not immediately available for comment.

Media groups say Mexico is one of the world's most dangerous places for reporters. A TV cameraman who was abducted in northern Mexico this year requested asylum in El Paso last week.

More than 30 media workers have disappeared or been killed since President Felipe Calderon launched his war on drug cartels in 2006, the U.S.-based Committee to Protect Journalists said in a report this month.

Mounting attacks on the media are part of the rising drug violence that has claimed more than 29,000 lives since Calderon took office in 2006, undermining Mexico's global image and threatening a recovery in Latin America's second-largest economy.

Thousands of Mexican troops and elite federal police have been unable to quell a brutal offensive in Ciudad Juarez by Mexico's most wanted narcotics trafficker, Joaquin "Shorty" Guzman, for control of the city.

Some 6,500 people have been killed in drug violence in Ciudad Juarez, one of the world's most violent cities, since January 2008.

Guzman wants to wrest control of the city from Vicente Carrillo Fuentes, long-time head of the Juarez drug cartel, who drug experts say handles about a fifth of a drug business believed to earn up to \$40 billion a year for the cartels.

Mexico govt. rejects drugs war truce call

Mexico City: Mexico's government has scoffed at the idea of a truce in the country's drugs war after a newspaper which has seen two of its journalists shot dead pleaded with the cartels to name their terms. President Felipe Calderon's spokesman for security matters insisted there could be no negotiations with criminals after a Ciudad Juarez-based newspaper said it regarded the drug lords as the northern city's effective rulers. "It simply is not appropriate in any way shape or form, for any party to try to make agreements with, promote a truce with, or negotiate with criminals," Alejandro Poire said on Monday.

In its front-page editorial, the El Diario de Juarez said the cartels should lay down its rules on what should appear in the papers. "You are the de facto authority in the city now," the editorial said, referring to warring drug cartels that have killed over 2,000 people in Ciudad Juarez alone so far this year, despite the presence of some 4,500 federal police and military. "We ask you to explain what you want from us, what you want us to publish or stop publishing.

The editorial was prompted by an attack by unidentified gunmen on two El Diario photographers last Thursday. One of the victims, 21-year-old Luis Carlos Santiago, died and his colleague Carlos Sanchez was seriously wounded. Santiago was the second journalist from El Diario to be killed in less than two years. Mexico is one of the world's most dangerous countries for journalists, according to rights groups. More than 30 journalists have been killed or gone missing as violence has surged since Calderon launched a military crackdown on organized crime in 2006, according to the New York-based Committee to Protect Journalists.

According to a report by LaPolaka.com, the US government has granted political asylum to Mexican reporter Jorge Luis Aguirre, who has been living in exile for two years in El Paso, Texas, after receiving threats on his life, which he attributed to authorities from the border state of Chihuahua. It would be the first instance of a Mexican journalist given US political asylum, according to the media outlet. The US embassy in Mexico City told AFP it could not confirm the information because the case was confidential. The spike in violence has caused many newspapers to censor coverage of the brutal drug war, sometimes omitting the names of cartels or ignoring certain attacks.

The Sinaloa and Juarez cartels are engaged in a bitter fight for control of this city of 1.3 million across the border from El Paso, Texas, one of the main points of entry for illegal drugs into the

United States. Some 28,000 people are believed to have died in drug gang-related attacks since 2006. – AFP

President Obama Asked to Resolve Trucking Issue

US - The National Pork Producers Council and 36 state pork producer organizations are urging President Obama to work with Congress and the Mexican government to resolve as quickly as possible the dispute over allowing Mexican trucks to haul goods into the United States.

Mexico last month added pork to the list of US products against which it is retaliating for the failure of the United States to live up to its obligations under the North American Free Trade Agreement (NAFTA) on the trucking issue. Mexico put a 5 percent tariff on most US pork imports.

“The tariff applied to pork will have the effect of placing our products at a price disadvantage vis a vis pork produced in Mexico and imports from Canada and Chile, two pork-producing nations that continue to benefit from zero tariffs in Mexico under their own free trade agreements,” the pork producer organizations said in a letter sent to the president.

Mexico took action on the trucking issue for the second time after the Obama administration failed to present a proposal for resolving the issue. The Mexican government first retaliated over the issue in March 2009 –placing tariffs on \$2.4 billion of US products – after the US Congress failed to renew a pilot program that allowed a limited number of Mexican trucks to haul freight into United States beyond a 25-mile commercial zone. The Cross-Border Trucking Pilot Program was started by the US Department of Transportation in September 2007 as a way to begin implementing the NAFTA trucking provision, which was supposed to take effect in December 1995.

In February 2001, a NAFTA dispute-settlement panel ruled that excluding Mexican trucks violated US obligations under the trade deal. The ruling gave Mexico the right to retaliate.

In their letter, the pork groups pointed out that since 1993 – the year before NAFTA was implemented – US agricultural exports to Mexico have increased by 257 percent, with pork exports growing by 580 percent. Mexico is the second largest market for the US pork industry, which shipped \$762 million of pork south of the border in 2009.

Travel warning issued for Mexico-U.S. border

Canadians should avoid travelling near Mexico’s northern border with the U.S. because of continued violence linked to drug trafficking in the area, Foreign Affairs warns.

In a post on its website, Foreign Affairs advised Canadians that “shootouts, attacks and illegal roadblocks may occur at any time.”

Criminals have been targeting SUVs and pickup trucks for theft and carjacking in the states of Nuevo León, Tamaulipas, Baja California, Chihuahua, Coahuila, Durango, Sonora, and Sinaloa, the post says.

Travelers should avoid non-essential travel to border states and enter Mexico by air.

Detailed Report/Venezuela

Chavez wants big majority in parliamentary vote

Venezuelan President Hugo Chavez exhorted supporters to treat next Sunday’s parliamentary vote as a “battle” for the two-thirds majority needed so his government can push on unimpeded with socialist reforms. Venezuela’s opposition boycotted the last National Assembly vote in 2005, meaning Chavez has had legislative carte blanche for nationalizations and other policies of his self-styled “revolution”. Opposition parties have changed tactics this time, however, uniting under the umbrella Democratic Unity grouping. Polls show they are within a few percentage points of the ruling Socialist Party.

A suitcase explodes in front of the Colombian consulate in Caracas

The explosive device was placed under a cement fence located in front of the headquarters at 10:40 a.m. on Monday, a black suitcase exploded in front of the headquarters of the Colombian consulate, located east of Caracas, Venezuela.

Witnesses said that they had seen a suitcase under a cement fence located in front of the facilities and when they alerted the police, the device exploded.

No injuries were reported although there were many people in the area waiting to process documents.

Police officers of the Scientific, Penal and Criminology Investigation Police Agency (Cicpc) cordoned off the area and denied that the device exploded. However, those who were near the Colombian consulate reported that an explosion occurred in the area.

Venezuela deports two drug suspects to U.S.

(CNN) -- Venezuela deported two narco trafficking suspects to the United States on Monday, the state-run Agencia Venezolana de Noticias said Monday.

Colombian citizen Jaime Alberto Marin and Omar Guzman Martinez of the Dominican Republic are wanted in separate drug cases in New York, said the Venezuelan news agency, commonly known as AVN.

Marin, 48, was captured in the state of Nueva Esparta on September 16, it said.

Marin, also known as Beto Marin, was the head of the Norte del Valle cartel in Colombia and was wanted by Interpol, the international police agency, AVN said. He also had connections with the Tijuana cartel in Mexico, it said.

The U.S. District Court for eastern New York ordered his arrest in January 2007 on drug-trafficking charges, AVN said.

Guzman was arrested August 25 in Caracas, the capital of Venezuela, the news service said. Officials said the 38-year-old suspect was the head of an international drug-trafficking organization known as Guzman Martinez, AVN reported.

The Guzman Martinez cartel smuggled more than one ton of cocaine aboard cargo containers shipped from Guayaquil, Ecuador, to a port in Staten Island, New York, the news agency said.

The U.S. District Court for southern New York ordered his arrest on February 13, 2008, AVN said.

Venezuela said Monday the nation's authorities have now arrested 16 top-level suspects wanted by Interpol on drug charges.

Cardinal: Venezuelan government should respect election results

Cardinal Jorge Urosa Savino, the Archbishop of Caracas, said that the Venezuelan government "has an obligation to respect election results. That is a very important."

The leader of the Venezuelan Catholic Church added that people should reject pressures to vote any particular party. "People should vote their conscience, in freedom and within the framework of democratic values."

Cardinal Urosa stressed that high turnout is required during the parliamentary vote next September 26, if Venezuela is to have good prospects thereafter.

He urged people to respect others' views and asked the government to prevent political radicalization. "Venezuelans do not want to engage in permanent conflict. They rather seek the path of progress through justice and peace," said Cardinal Urosa in an interview with private TV news network Globovisión.

Declining production will continue to hit Pdvsa

Exports of Venezuela's state-run steel and aluminum companies declined 45 percent last year. Venezuela's executive office submitted to the Securities and Exchange Commission (SEC) the 2009 annual report in which the government recognized that state-run oil company Petróleos de Venezuela (Pdvsa) will continue being affected by declining production.

The report, which was prepared by the Ministry of Planning and Finance, includes Pdvsa's consolidated results, characterized by falling revenues, lower earnings, and a growing debt. The report conceded that the oil industry was hit by lower production and a decline in oil prices.

Financial authorities acknowledged that production and expenditures have been key factors in the financial situation of the oil industry. They added that these factors will continue to hit the industry in the future.

The annual reports highlights that Pdvsa's oil contractors have filed complaints against the state-run oil company over late payments.

The Ministry of Finance also reported the economic situation of Guayana's basic industries (steel, aluminum), where output has tumbled due to the energy crisis.

Steel production fell 31 percent in 2009, whereas aluminum output decreased by 6 percent and alumina dropped 14 percent. Total exports of such commodities declined 45 percent last year, the report added.

Chavez says he wants to follow in Lula's footsteps and elect female heir

President Hugo Chavez said he hopes to follow in the footsteps of his Brazilian ally Luiz Inacio Lula da Silva and one day hand power in Venezuela to a woman.

"Everything indicates Dilma Rousseff will win and hopefully in the first round," Chavez, referring to Brazil's Oct. 3 election, said in comments broadcast on state TV. "When it is my turn to hand over power I want to give it to a woman."

Chavez was addressing a group of female supporters being sworn in as the "Guardians of Chavez" to defend his 21st century socialist revolution.

Venezuela again rejects U.S. ambassador

Venezuelan President Hugo Chavez again rejected on Friday the new U.S. Ambassador to his country, Larry Palmer. "That man was disqualified. If they (U.S.) decide not to send an ambassador, do not send him. And if they want to withdraw our ambassador, do it. We are an independent nation and they are acting with imperial rudeness," said Chavez, during an official event of the ruling Socialist United Party of Venezuela (PSUV).

During the event broadcast by the state-run TV channel Venezolana de Television (VTV), Chavez said the administration of U.S. president Barack Obama was irresponsible.

He added Venezuela would never allow entry of Palmer, who was named ambassador to Caracas on June 28 by Obama.

This was the fourth time that the Venezuelan government had publicly rejected the entry of Palmer following his unfriendly comments on the country.

Chavez has ordered his Foreign Minister Nicolas Maduro to send a letter to Washington explaining the reason why Palmer was rejected by Caracas.

On Aug. 3, Palmer criticized the "low moral of the Venezuelan Armed Forces" and Cuba's huge influence on Venezuela and spoke of the alleged presence of Colombian guerillas on Venezuelan territory.

Five days later, Chavez announced the possibility of rejecting Palmer.

"(Palmer) cannot come breaking all the diplomatic laws. How can he be ambassador? He will be rejected," Chavez said on that occasion.

Relations between Venezuela and the United States worsened after the Venezuelan failed coup attempt against Chavez in 2002. Venezuela accused Washington of supporting the coup, a charge denied by the latter.

The ties have remained tense in recent years although both sides agreed at the April 2009 Summit of the Americas in Trinidad and Tobago to seek a relationship based on mutual interest.

In September 2008, Chavez expelled U.S. ambassador Patrick Duddy, who was declared an unwelcome person in the country, to show solidarity with the Bolivian government's decision to expel the U.S. ambassador in La Paz.

Duddy returned to his post on June 2009 after Chavez and Obama met over the issue during the Trinidad and Tobago summit.

News Sources

Argentina

http://www.energy-daily.com/reports/Argentina_beefs_up_military_for_Falklands_999.html?

<http://english.people.com.cn/90001/90778/90858/90864/7142267.html?>

<http://gulftoday.ae/portal/fa14b208-b321-4d85-a92c-a7eabdc266ec.aspx?>

<http://www.suntimes.com/news/world/2718672,students-protest-argentina-091610.article?>

Names of consulted News Agencies/Argentina

Energy Daily News

Gulf Today

People (English)

Sun-times News

News Sources

Brazil

<http://www.bloomberg.com/news/2010-09-21/university-of-california-40-year-bonds-pay-price-of-state-s-budget-impasse.html?>

<http://english.people.com.cn/90001/90777/90851/7142768.html?>

<http://english.people.com.cn/90001/90777/90852/7142577.html?>

<http://www.newkerala.com/news2/fullnews-44590.html?>

http://news.xinhuanet.com/english2010/china/2010-09/22/c_13523972.htm?

<http://www.newkerala.com/news2/fullnews-43377.html?>

<http://www.reuters.com/article/idUSN2114705720100921?rpc=401>

http://www.spacewar.com/reports/Brazilian_Delegation_Arrives_In_Ukraine_For_Military_And_Space_Talks_999.html?

<http://www.tradearabia.com/news/newsdetails.asp?Sn=INTNEWS&artid=186140>

<http://www.theage.com.au/world/exguerilla-leads-race-20100919-15hvz.html?>

Names of consulted News Agencies/Brazil

Bloomberg

New Kerala

Pace War

Reuters

Trade Arabia

The Age

Xinhua

News Sources

Chile

<http://www.bloomberg.com/news/2010-09-17/chile-trapped-miners-may-be-rescued-in-november-as-drill-reaches-site.html?>

<http://edition.cnn.com/2010/WORLD/americas/09/19/chile.trapped.miners/?>

Names of consulted News Agencies/Chile

Bloomberg

CNN

News Sources

Colombia

http://english.eluniversal.com/2010/09/17/en_pol_art_colombian-drug-lord_17A4482651.shtml?

<http://edition.cnn.com/2010/WORLD/americas/09/19/colombia.farc.deaths/index.html?>

http://news.yahoo.com/s/ap/20100920/ap_on_re_la_am_ca/lt_colombia_rebels?

Names of consulted News Agencies/Colombia

CNN

El Universal

Yahoo

News Sources

Mexico

http://www.kuwaittimes.net/read_news.php?newsid=NzkzNDU4MjU2

[http://www.msnbc.msn.com/id/39296571/ns/world_news-americas/?](http://www.msnbc.msn.com/id/39296571/ns/world_news-americas/)

<http://www.thepigsite.com/swinenews/24754/president-obama-asked-to-resolve-trucking-issue?>

<http://www.thestar.com/news/world/article/864253--travel-warning-issued-for-mexico-u-s-border?>

Names of consulted News Agencies/Mexico

Kuwait Times

MSNBC

The Pigste

The Star

News Sources

Venezuela

<http://www.bloomberg.com/news/2010-09-16/chavez-says-he-wants-to-follow-in-lula-s-footsteps-and-elect-female-heir.html?>

<http://english.people.com.cn/90001/90777/90852/7144093.html?>

http://english.eluniversal.com/2010/09/20/en_pol_art_a-suitcase-explodes_20A4494337.shtml?

<http://edition.cnn.com/2010/WORLD/americas/09/20/venezuela.extradition/index.html?>

http://english.eluniversal.com/2010/09/22/en_pol_esp_cardinal:-venezuelan_22A4504051.shtml?

http://english.eluniversal.com/2010/09/22/en_eco_esp_declining-production_22A4503491.shtml?

http://www.gulf-times.com/site/topics/article.asp?cu_no=2&item_no=386930&version=1&template_id=43&parent_id=19

Names of consulted News Agencies/Venezuela

Bloomberg

CNN

El Universal

People (English)

Gulf Times