



ABOUT THE REPORT

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

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FEATURE

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What is wrong with Insulza and the OAS? Part II

By Nicole M. Ferrand. *

This is the second of two articles on the situation in Honduras and how it relates to Insulza and the OAS.

What really happened in Honduras?

- **Mr. Zelaya was going to conduct a referendum on June 28th 2009 that he (the executive branch) had total control over:** his plan was to execute it, tally the results, and announce them to the country. There were to be no independent observers, and no controls to ensure honesty. To this end, Venezuelan dictator Hugo Chavez **supplied Zelaya with advisors and logistical support.**

- **The ballots came from Venezuela on Chavez's plane** and the "YES" side was definitely going to win regardless of how Hondurans truly voted. Zelaya would "call a *constituent assembly*," and that very night (Sunday, June 28) as soon as the results "came in" he was going to call the constituent assembly, **dissolving the Supreme Court, National Congress, and any other institutions he deemed necessary.** The scheduled November General Elections would have been postponed if not canceled.

- He was then going to form a “constituent assembly” composed of his supporters, and basically have a blank check to rewrite the Honduran constitution to his and Hugo Chavez's liking.
- Meanwhile, **the Honduran Supreme Court, by a 15-0 vote, found that Mr. Zelaya had acted illegally** by proceeding with an unconstitutional “referendum,” and it ordered the Armed Forces to arrest him. The military executed the arrest order of the Supreme Court because it was the appropriate agency to do so under Honduran law.¹
- Eight of the fifteen votes on the Supreme Court were cast by members of Mr. Zelaya’s own Liberal Party. Thus, Mr. Zelaya’s arrest was at the instigation of Honduran constitutional and civilian authorities—not the military.
- **The Honduran Congress voted overwhelmingly in support of removing Mr. Zelaya. The vote included a majority of members of Mr. Zelaya’s Liberal Party.**
- Independent government and religious leaders and institutions—including the Supreme Electoral Tribunal, the Administrative Law Tribunal, the independent Human Rights Ombudsman, four-out-of-five political parties, the two major presidential candidates of the Liberal and National Parties, and Honduras’s Catholic Cardinal—all agreed that Mr. Zelaya had acted illegally.
- **The constitution expressly states in Article 239 that any president who seeks to amend the constitution and extend his term is automatically disqualified and is no longer president.** The Supreme Court’s unanimous decision affirmed that Mr. Zelaya was attempting to extend his term with his illegal referendum. Thus, at the time of his arrest he was no longer—as a matter of law, as far as the Supreme Court was concerned—president of Honduras.
- **Days before his arrest, Mr. Zelaya had his chief of staff illegally withdraw millions of dollars (allegedly \$40 million) in cash from the Central Bank of Honduras.**
- A day or so before his arrest, Mr. Zelaya led a violent mob to overrun an Air Force base to seize referendum ballots that had been shipped into Honduras by Hugo Chávez’s Venezuelan government.
- Roberto Micheletti succeeded Mr. Zelaya under the Honduran constitution’s order of succession (the vice president had resigned before all of this began so that he could run for president). This is and has always been an entirely civilian government. **The military was ordered by an entirely civilian Supreme Court to arrest Mr. Zelaya. His removal was ordered by an entirely civilian and elected Congress. To suggest that Mr. Zelaya was ousted by means of a military coup is demonstrably false.**

Perhaps reasonable people could disagree about the decision to expel Mr. Zelaya from the country the evening of June 28 without a trial, and that this particular action could have

¹ *The Path Forward for Honduras. By Roberto Micheletti. The Wall Street Journal. July 27, 2009.*

been handled differently. But it is also necessary to understand the decision in the context of genuine fear of Mr. Zelaya's proven willingness to violate the law and to engage in mob-led violence.²

Instead of launching immediate consultations between the two sides to reduce the prospects for violence and seek some common ground and resolution of differences, the OAS chose confrontation and ultimatums by declaring on July 1 that if Zelaya was not reinstated within three days, Honduras would be expelled from the OAS. The Honduran interim government beat the OAS and quit first. It is worth noting that **if the Honduran Constitution was good enough to allow Honduras to be a member of the OAS in the first place, even with its strict prohibition of multiple presidential terms, then it cannot be un-constitutional to remove Zelaya because he repeatedly violated it.**³

- **At Chávez's request, Insulza went to Nicaragua, where a summit of the anti-democratic ALBA group became the hemisphere's political center of gravity after the coup.** Insulza and other populist presidents said nothing about Zelaya's dictatorial conduct leading up to Sunday's events.⁴

- On July 5, Zelaya tried to fly back to the country. As the **plane Chavez had provided from CITGO** was nearing Tegucigalpa, the ousted president broadcast that "the blood of Christ is coursing through my veins" and "soon I will be with you all to raise the crucifix." The Honduran government blocked the airport runways, so Zelaya flew dramatically into El Salvador to join Insulza and several Chavista presidents.⁵

- Twice, since then, Zelaya has illegally entered Honduras through Nicaragua, increasing the prospects for violence and unrest to further destabilize his nation. For this, he has been widely criticized by the United States.

Zelaya wanted to follow in Chavez's footsteps by using the law to break the law and become President for life. Incredibly, **Insulza decided to openly side with the dictator in the making, even though the Honduran Congress and the Supreme Court respected independent democratic institutions.** The majority of the Honduran population supports the ousting of Zelaya because they understand that their country and their future were at risk. In spite of this, Insulza and his band of followers at the OAS, under the influence of Hugo Chavez, want to reinstate Zelaya at all costs. But why?

So Who Exactly is Jose Miguel Insulza?

Insulza was born on June 2nd, 1943 and is a Chilean politician and member of the Chilean Socialist Party, and a **founding member of the São Paulo Forum**. After Augusto Pinochet became President of Chile, Insulza went into exile for 15 years, first in Rome (1974-1980) and after that in Mexico (1981-1988).

² *Ibid.*

³ *OAS Adopts Banana Republic Policies. July 16, 2009. By William Ratliff. The Independent Institute.*

⁴ *Honduras's Coup Is President Zelaya's Fault. July 1, 2009. By Alvaro Vargas Llosa. The Washington Post.*

⁵ *Ratliff – Ibid.*

He has occupied many official positions under Presidents Patricio Aylwin, Eduardo Frei and Ricardo Lagos. Insulza faced constant fire during his time as Chile's minister of interior, a position he held during Lagos' regime, beginning in the year 2000 when he threatened to have a fist-fight with Chilean Deputy Jaime Naranjo, who protested the inefficiency of the police investigation of former Nazi and alleged child molester, Paul Schaeffer, leader of the Colonia Dignidad. The Chilean Carabineros (the national police), who served under Insulza's command, were involved in the November 2002 death of mapuche worker Alex Lemún in Temuco in a protest between mapuches and timber companies. The case remains open.

Insulza was elected on May 28, 2005 as Secretary General of the OAS following the withdrawal from the race of Mexico's Foreign Minister, Luis Ernesto Derbez, making Insulza the winner by default.

Insulza has been openly **criticized by many Chilean politicians for using his post as OAS Secretary General as a launching pad for his failed pre-candidacy to become President of Chile.** They claimed his frequent trips to Chile and continuing commentary on Chilean politics were a way to remain visible on the local political scene. Insulza openly stated his intention to run for President of Chile, but on January 5, 2009, he stepped out of the race and vowed to continue as OAS chief until the end of his mandate. He gave his support to Eduardo Frei Ruiz – Tagle as the Concertación candidate for President and many suggest that his plan to run for President remains very much alive.

He is nicknamed *El Panzer*, for his tank-like drive and reputation for charging hard in whatever endeavor he takes on. His critics also say that he is capable of crushing anyone that stands in his way. A case in point is that **Insulza censured a blogger in Washington, DC, requesting through his Press secretary- that the Chilean newspaper, La Nación, revoke the OAS press accreditation for Montserrat Nicolas of the blog "Curvas Politicas"** (Political Curves). Insulza was apparently angered because she informed the Chilean daily, that **Santiago had withdrawn its ambassador from Honduras, just after Venezuela.** La Nación decided to publish this news story on the front page, exposing Chile's position. Following the orders of Mr. Insulza, his press secretary, Patricia Esquenazi, made repeated phone calls to the Chilean newspaper pressuring them to fire Ms. Nicholas. This all took place during the height of the Honduran crisis. Ms. Esquenazi personally contacted the Director of La Nación, Marcelo Castillo, the General Manager, Francisco Feres and the President of the board, Mr. Valenzuela, to make them fire the blogger.

The Bottom Line

Instead of promoting democracy and the rule of law in the hemisphere, Mr. Insulza seems mainly concerned about his reelection as Secretary General of the OAS, which date has been set for May 2010. In this regard, it is important to point out that this past month, Chilean daily "El Mercurio" reported that **U.S. Secretary of State Hillary Clinton** had "twice directly told Chilean government officials" that the U.S. would not support Insulza's reelection in 2010 due to his role in personally promoting the unconditional readmission of Cuba to the OAS. Even though Insulza furiously denied this version, it is no secret that Insulza and the U.S. were openly at odds regarding the presidency of the OAS in 2005 when the latter staunchly promoted Mexican Foreign Minister Ernesto Derbez for the

OAS appointment despite wide-ranging support for Insulza across the region. The U.S. was reportedly concerned by Chávez's support for Insulza, and favored a more pro-U.S. candidate in the form of Derbez. Following five successive tied ballots between the two candidates, the U.S. eventually gave way, with Derbez stepping out of the race thus allowing Insulza to take the presidency.

El Mercurio also reported that several U.S. senators are concerned that Insulza's policies, such as his support of ousted Honduran president Manuel Zelaya, are designed to favor Venezuela's influential president Hugo Chávez. Insulza understands that the Venezuelan has great power over many Latin American countries, which sadly have become dependent on his oil giveaways.

But what Mr. Insulza doesn't seem to grasp is that **the OAS was not created as a tool to be used at the will of any dictator.** The OAS' principles established at the Organization's inception in 1948 are to promote democracy, defend human rights, and help to establish markets based on free choice with minimal government interference. But since Insulza achieved the leadership of the organization, he has not done anything to defend these statutes.

The OAS has been a complete failure and has demonstrated that it does not have what it takes to deal objectively and constructively with a regional crisis. As commentator, Gustavo Coronel, correctly states, "the tolerance Insulza has exhibited for Cuba's dictatorship of 50 years contrasts dramatically with the 72-hour ultimatum he gave the new government of Honduras, to reinstate Zelaya in the presidency, without listening to what the other side had to say."⁶

Insulza has aligned himself so completely with Chavez that many people are beginning to wonder if there's something more serious going on. To this end, the Secretary General should fully disclose his assets and personal accounts. **Insulza's membership in the Forum of Sao Paulo is also extremely worrisome and remains a threat to the region.** At present, there are fourteen Latin American governments connected to the FSP, which was created in 1990 By Inacio Lula da Silva and Fidel Castro to regroup leftist groups after the fall of the Berlin Wall. The FARC and the ELN belong to the Forum as well.

Given the fact that Insulza has not supported the democratic principles upon which the OAS was founded and has so completely aligned himself with Chavez, the question of his re-election to a second term as secretary general should be very carefully considered by the U.S. and other member states.

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⁶ *The Chavez adventure in Honduras: From coup d'état to coup de Grace? By Gustavo Coronel. July 13, 2008. Human Events.*

NEWS STORIES

LATIN AMERICA:

“Mercosur is not interested in Venezuela’s entry” – El Universal.

An expert in the analysis of economic relations, former Deputy Director-General of the World Trade Organization (WTO), Miguel Rodríguez Mendoza claims that the administration of Venezuela's President Hugo Chávez has failed to attain two of its fundamental goals: an increasingly independent country and Latin American integration. "Numbers tell us that Venezuela is more and more dependent on oil, the United States and imports. Non-oil exports virtually vanished because the domestic industry is adversely affected by government policies, and the Venezuelan oil is not purchased by the Chinese, the Russians, or the Latin American friends of this government, such as Nicaragua, Bolivia, or Ecuador. Our main buyer is the United States." While he noted "a praiseworthy Latin American integration and Bolivarian ideal," he regards Chávez's government as a disintegrating agent. "Traditional schemes are abandoned to invent the Bolivarian Alliance for the Americas (ALBA), which is not an integration mechanism, but one of cooperation with ideologically akin countries, where political support is paid with the supply of Venezuelan oil at preferential prices or special financing facilities." "Total trade among the ALBA member states is a fraction of the existing one with Colombia, Brazil or Argentina, which are not parties of the alliance. The ALBA is the twilight of an old way of relation among countries." He delved into the field of integration and recalled, "for Venezuela, handling relations with Colombia within a multilateral framework, such as the Andean Community of Nations (CAN), was always important because of everlasting border tensions, in addition to being our natural market. Well, we left the CAN on the pretext that Colombia was dealing a free trade agreement with the United States, and in this way, US goods would enter Venezuela via Colombia."

http://www.eluniversal.com/2009/08/11/en_eco_esp_mercosur-is-not-int_11A2608843.shtml

Unasur Divided On Colombia/Us Troops Issue; Next Summit In Argentina – MP.

Leaders from the Union of South American Nations, Unasur meeting in a regional summit in Ecuador expressed fresh concerns over Colombian plans to grant US troops access to its military bases but could not agree on a declaration to formally condemn the proposals. Venezuelan President Hugo Chavez warned that "the winds of war were beginning to blow" across the region. Colombia says it needs US support to tackle drug lords and left-wing rebels. The US wants to relocate its base for anti-drug operations in Latinamerica to Colombia, after Ecuadorean President Rafael Correa refused to extend an agreement allowing US access to the Manta military base in Ecuador. Brazilian president Lula da Silva called for a meeting between US President Barack Obama and the region's leaders to discuss their concerns directly. "As president of Brazil, this climate of unease disturbs me" said Lula da Silva adding that "I think we should directly discuss our discontent with the American government." Venezuela's Chavez warned that the July agreement between Bogota and Washington "could generate a war in South America". Although a number of countries in the region had previously expressed alarm over the plan, the summit failed to back Venezuelan and Bolivian calls for a joint statement condemning the move. Instead, Unasur members agreed to hold talks - in Argentina later this month - to discuss the controversial Colombian-US proposal. Colombian President Alvaro Uribe, a Washington ally, toured the region last week in an effort to persuade leaders that an expanded US presence would not threaten any other nation in South America. Monday's Unasur summit was held amid growing tensions between Colombia and Venezuela. The

Colombian president did not attend the meeting in Quito. Ecuador severed relations with Colombia after Bogota ordered a raid over the border in March 2008 on a left-wing Farc guerrilla camp. On Sunday Mr. Chavez stepped up accusations against Mr. Uribe, saying Colombian soldiers had recently been spotted crossing the Orinoco River, which forms part of the border, and entering Venezuelan territory. He said the alleged incursion was a "provocation" and put Venezuelan troops on a war footing along the border with Colombia. The foreign ministry in Bogota said the Venezuelan claims were "not true", because it had checked with Colombian military commanders near the border and they had not reported any such incursion. A week earlier the Colombian government said that Swedish manufactured portable rocket launchers, allegedly purchased by Venezuelan Armed Forces, had been seized from the Farc guerrillas. "The Yankees have started to command Colombian military forces" Chavez also said on Sunday. Last week, President Obama said the Colombia-US plan would merely update an existing accord, Plan Colombia, whereby US military personnel already help the Colombians fight drug trafficking and left-wing rebels.

<http://en.mercopress.com/2009/08/11/unasur-divided-on-colombiaus-troops-issue-next-summit-in-argentina>

ARGENTINA:

Chavez And Cristina Sign A Billion US\$ Trade Agreement – *MercoPress*.

Venezuelan President Hugo Chavez received on Tuesday Argentine President Cristina Fernandez de Kirchner in Caracas to sign agreements expanding trade between the two countries. Among the deals was an accord to import as many as 10,000 cars from Argentina this year instead of Colombia. Chavez said last month he'd "freeze" relations with Colombia over the country's plan to allow the US military to use its bases and accusations by Colombia that Venezuelan weapons fell into the hands of Colombian guerrillas. "This bilateral meeting today is aimed at deepening our vital integration" Mrs. Kirchner said today on the steps of the Miraflores presidential palace in Caracas, following a meeting of the two leaders. Venezuela is Colombia's second-biggest trading partner, and last year bilateral trade rose to 7 billion US dollars. Mrs. Kirchner and Chavez signed agreements for Venezuela to import one billion US dollars in agricultural machinery, leather goods and poultry products, Argentine newspaper Clarin reported on its Web site. The deals were signed after more than 70 Argentine businessmen arrived in Caracas Monday to meet with government officials. Pedro Bergaglio, president of Argentine textile makers association Fundación Pro Tejer told reporters today in Caracas that Venezuela's state importing agency Suvinca agreed to buy 100 million USD in textiles this year. In preparation for Tuesday's meeting, Argentina's Production Minister Deborah Giorgi met with representatives from carmakers, including Renault Argentina unit, Ford Motor Co., Daimler AG's Mercedes, Toyota Motor Corp. and Fiat Spa, according to a statement from the ministry. Mrs. Kirchner also anticipated that among the bilateral agreements is "a rice export deal, the biggest ever in Argentina's history."

<http://en.mercopress.com/2009/08/12/chavez-and-cristina-sign-a-billion-usd-trade-agreement>

Argentina Pays Bond And Seeks To Return To Global Capital Markets – *MP*.

Argentina paid creditors a total of 2.25 billion dollars on government-issued debt Monday, as it sought to shed the last vestiges of its 2001 default and return to the financial mainstream. Economy Minister Amado Boudou said the payment, or coupon, had been made to holders of dollar-denominated Boden 2012 bonds—meeting a debt obligation that aims to boost confidence. "The coupon corresponding to Boden 2012 has been paid," said Boudou, adding that the country would now seek a return to global capital markets before the end of the year.

Argentina has been excluded from these markets since December 2001, when the country suffered an economic collapse wiping out personal savings, shredding government finances and prompting Buenos Aires to default on its debt. In 2005 Argentina restructured its defaulted debt but there are still an estimated 20 billion dollars in holdouts plus a pending debt to the Paris Club of lenders of 6.5 billion. The country's debt currently stands at 145 billion US dollars, plus the standing demands. The Boden 2012 bond was issued in 2002 to compensate creditors who found access to their capital blocked during the 2001 freeze on bank withdrawals. It is estimated 65% of the bond issue is held outside Argentina and 35% locally. Economists and private consultants saw Monday's move as ruling out the possibility that Argentina would delay debt repayments as it struggles against slumping growth and tax revenues. Boudou defended the government's decision of using part of Argentina's international reserves for the repayment operation arguing "it will have a neutral impact on the Central Bank reserves." "The funds we paid out are dollars bought by the Argentine Central Bank with money obtained through fiscal surplus hence we are not putting the federal currency reserves under risk". He added that the Central Bank currently has 46 billion on its reserves "which triplicate what the Central Bank used to have in 2003 before the Kirchners took power." In earlier comments Deputy Economy Minister Roberto Feletti said the Argentine economy would "strengthen during the first 2010 semester" and admitted "an agreement has to be found with the Paris Club and the creditors who did not accept the 2005 exchange plan, so we can enter the international credit market in 2010". Feletti underlined the importance of creating a Development Bank, for which there is "consensus", because it will help recreate long-term cost credit. Regarding the Argentine Industrial Union's (UIA) demand of a higher dollar, Feletti explained, "with an important current account surplus, of around 6 billion dollars, it would not make any sense". "The capital flight will stop before the end of the year," he forecasted.

<http://en.mercopress.com/2009/08/04/argentina-pays-bond-and-seeks-to-return-to-global-capital-markets>

BRAZIL:

Lula's Hand Picked Candidate Involved In The Sarney Scandal – MercoPress.

Brazilian president Lula da Silva's closest aide has been accused of involvement in helping Senator Jose Sarney and his family slip off serious corruption charges, a major scandal that has shocked Brazilian public opinion. Allegedly according to members from the opposition, cabinet chief Dilma Rousseff pressed the Brazilian Revenue Office in favor of the Sarney family, particularly his son Fernando Sarney, an influential businessman who owns an affiliate of the Globo television network and is also Vice-president of Brazil's football confederation. Sarney Sr. who is president of the Upper House faced a battery of charges ranging from nepotism and corruption to influence peddling and misuse of funds, but the case was finally shelved by the Senate Ethics Council headed by one of his close ally from the same party. Fernando Sarney has been indicted for money laundering and corruption. According to the opposition Ms Rousseff recommended the former head of the Revenue office to shelve the investigation on Fernando Sarney O Estado de Sao Paulo quotes several congressional members of the opposition describing Ms Rousseff lobbying in favor of the Sarney family as "extremely serious". The situation is also particularly damaging for President Lula da Silva's political plans for next year when presidential elections are scheduled. Lula da Silva is working on an alliance between his Workers Party and Sarney's PMDB (Brazilian Democratic Movement Party), which would support Ms Rousseff as his hand picked candidate for president in October 2010. Furthermore Lula da Silva has instructed ministers and Workers Party congress members to support Senate president Sarney in spite of the fact his ousting has been repeatedly demanded

by all parties from the opposition, and according to polls by public opinion. The Rousseff case opens a new front in the Senate for Lula da Silva's coalition and 2010 plans. The most serious opposition presidential candidate, Sao Paulo governor Jose Serra, from the Social Democrats, who lost to Lula da Silva in 2002, is comfortably leading in the polls.

<http://en.mercopress.com/2009/08/12/lula-da-silvas-hand-picked-candidate-involved-in-the-sarney-scandal>

CHILE:

BREAKING NEWS:

Chile expels Honduran ambassador – Infobae.

Honduran ambassador in Chile, Francisco Martinez, was expelled from Chile for “defended the military coup in his country.” We do not accept representatives of the de facto government of Honduras. That is our policy and we are going to honor it, explained Chilean interim chancellor, Alberto Van Klaveren. After expressing regret for the bloodshed in Honduras, Van Klaveren informed the coup authors that they have no international support that they are isolated and have been condemned by the international community. Martinez has lost his diplomatic status before the Chilean government and will be thrown out of the country. A few hours after the coup against President Manuel Zelaya, Martinez received several diplomats from ALBA countries (Bolivarian Alliance for the Peoples of our America) who expressed their solidarity. Also, many political and social institutions have gathered in front of the Embassy since the coup to express their solidarity with the people of that country and in support of President Zelaya. At no time did Martinez publicly declare his support of the de facto regime until yesterday in an interview granted to El Mercurio daily in which he claimed that Roberto Micheletti has full popular support and criticized the position of the OAS.

<http://www.infobae.com/contenidos/466029-100891-0-Chile-expulsó-al-embajador-Honduras>

Bachelet to UNASUR leaders: “Help Insulza Help Honduras” – The Santiago Times.

Chilean President Hands UNASUR Reigns To Ecuador. Chilean President Michelle Bachelet on Monday called on her South American counterparts to back Organization of American States (OAS) General Secretary José Miguel Insulza in his efforts to resolve the ongoing political crisis in Honduras. Insulza, a Chilean, served as a top cabinet minister during the Ricardo Lagos and Eduardo Frei governments. “(We have to) renew our support for Insulza as he has been working constantly to guarantee the possibility of restoring democratic and constitutional order in Honduras,” she said during a Union of South American Nations (UNASUR) summit in Quito Ecuador. The crisis in Honduras has been the most recent reminder that democracy has still not been completely consolidated in the region.” Chile’s president made her plea just before handing over the temporary presidency of the Union of South American Nations (UNASUR) to Ecuadorian President Rafael Correa. Manuel Zelaya was ousted in a military coup in June after ordering a national referendum to propose constitutional reforms that might have including expanding his term in office. Insulza oversaw the expulsion of Honduras from the OAS and has repeatedly called for Zelaya’s reinstatement. Some more conservative elements in Latin America and the United States have closely linked Insulza with controversial anti-U.S. Venezuelan President Hugo Chávez. Critics accuse the Chilean statesman of lacking impartiality in the matter. Bachelet’s defense of Insulza came after interim Honduran President Roberto Micheletti on Sunday questioned the OAS head’s “lack of objectivity, impartiality, and professionalism.” Micheletti also confirmed that the visit of Insulza and six OAS foreign ministers to Honduras to assess the situation in the country, due to take place on Tuesday, would be postponed, adding that the Insulza would only be recognized in the capacity

of an observer. "(Insulza's attitude) has seriously endangered democracy, the Republic of Honduras, and the very regional organization (the OAS) itself," said Micheletti in a press release. Latin American leaders also used the UNASUR summit to bring up the controversial topic of Colombia's decision to allow U.S. troops to occupy seven military bases in the country to help combat the illegal drugs trade. Colombian President Álvaro Uribe, who toured the region last week explaining his decision to fellow Latin American leaders, declined to participate in the summit.

<http://www.santiagotimes.cl/santiagotimes/index.php/2009081016861/news/political-news/bachelet-to-unasur-leaders-help-insulza-help-honduras.html>

COLOMBIA:

Colombia denies military incursion into Venezuela – *El Universal*.

Colombia's Foreign Ministry denied the claims made on Sunday by Venezuelan President Hugo Chávez that Colombian soldiers had crossed the border on the Venezuelan side of the Orinoco River (southwest Venezuela) that forms part of the common border between the two countries. After Chávez's remarks, "the (Colombian) Ministry of Defense contacted the Commander of the Army's 28th Brigade at the command post of (the municipality of) Puerto Carreño, in the border department of Vichada," said a statement of the Colombian Ministry of Foreign Affairs issued Sunday night, AFP reported. "The Commander of the Brigade, after contacting all the units under his command and battalions 40 and 50 of the Marine Corps in charge of patrolling the Orinoco River in the departments of Vichada and Guainía, confirmed to the Ministry of Defense that the information was not true," the statement stressed. On Sunday, Chávez said in his weekly program "Aló, Presidente" that there was a Colombian military incursion in Venezuelan territory. Chávez said that the action was "a provocation." The incident opened a new front in the complex bilateral relations which were frozen late July because of the US-Colombia military agreement under which seven Colombian military bases would be used by American troops. During the program, Chávez also highlighted that the relations with Colombia "remain frozen" and the binational trade "is going down" due to the imminent agreement between the US and Colombia on the military bases.

http://www.eluniversal.com/2009/08/10/en_pol_art_colombia--denies-mil_10A2604565.shtml

COSTA RICA:

President Oscar Arias Sick With H1N1 Virus – *MercoPress*.

Costa Rican President Oscar Arias is said to have the H1N1 virus. He was placed under medical care at his home, but he will not delegate power in the meantime, Presidency Minister Rodrigo Arias said. "The pandemic does not distinguish: I am one more case in this country and I am following the recommendations that the health authorities have given the entire population," said the President during declarations to the Government. Arias, who is 67, is the first political leader to be infected by the virus and will rest at his home. "He will continue to be active in his work as President," said Rodrigo Arias. "After suffering from a sore throat, headaches and fever, the President asked to be examine and it was confirmed that he had H1N1," added the Minister. The H1N1 virus has killed 1,462 people out of the 177,457 reported infected in 170 countries and territories, according to the World Health Organization. In Costa Rica, the virus has been confirmed in 865 people and has killed 28, according to information given out this week by the Ministry of Health. Arias has had to focus his attention on the situation in Honduras, which has taken time away from issues in his own nation. Arias presented a

proposal, which explains the need for the return of Manuel Zelaya to power, but the de facto government of Roberto Micheletti is against such actions.

<http://en.mercopress.com/2009/08/12/president-oscar-arias-sick-with>

CUBA:

Cuba Remains As The Country “With The Worst Human Rights Record” – MP.

Cuba remains as the country with the worst human rights record in the western hemisphere and nothing has changed since President Raul Castro took over from his brother Fidel, according to the latest report from the dissident Cuban Commission of Human Rights (CCDHRN). CCDHRN said the number of political prisoners in Cuba rose by three to 208 in the first half of the year and although small "reflects the situation of paralysis and indifference of the Cuban government toward the urgent need to end political imprisonment on the island." "During this summer 2009, the situation of civil, political and economic rights, and of certain cultural rights of the first order, continues being the worst of the whole Western Hemisphere" said the illegal, but tolerated group in its semi-annual report. Those who were hoping for rights improvements under President Raul Castro "suffered a big disappointment," said the report, signed by commission spokesman and former political prisoner Elizardo Sanchez. The report criticizes the "appeasement" policy towards the Cuban "totalitarian dictatorship" which prevails in the European Union because of the persistent influence of the Spanish government, and asks for a "more energetic position" from the international community. "Low profile political repression" in seven months of 2009 has been confirmed by 532 dissidents, although the report believes the number "must be higher" since many are reluctant of recording their experience. "This is a practice which has been applied during the last six years and consists of systematic arrests for several hours or few days at a time, threats and other forms of harassment against opposition activists", indicates the report. Among those jailed this year the report includes some well known dissident names such as Jose Diaz, Ernesto Diaz Esquivel and Darsi Ferrer Ramirez, who "remain interned in high security jails". "The Cuban government continues to occupy the dishonorable first place, worldwide, of conscience prisoners adopted by Amnesty International" says the report adding that the current criminal code in Cuba inspired in Stalin, "criminalizes basic civil, political and economic rights". The Cuban government views dissidents as mercenaries working for its long-time foe, the United States, which has openly supported members of the Cuban opposition. Cuba's official position has been that it has no political prisoners, only legal ones because everyone behind bars was given a fair trial. But Raul Castro, who succeeded his aging older brother Fidel Castro as president last year, has suggested that Cuba exchange its political prisoners with five Cuban agents jailed in the United States. The commission urged the world's democratic governments to demand that Cuba comply with international human rights standards.

<http://en.mercopress.com/2009/08/12/cuba-remains-as-the-country-with-the-worst-human-rights-record>

Fidel Castro Calls Colombia “Disloyal” And Warns About War – MercoPress.

Former Cuban president Fidel Castro called Colombia "disloyal," claiming the pending military deal between the United States and Colombia could be used to attack other Latinamerican countries. To say the US military is going to use Colombian army bases to fight terrorism and drug trafficking is an "insult to the intelligence" of Latinamerica, Fidel Castro wrote in his commentary 'Reflexiones'. "The real goal [of the agreement] is to control economic resources, to dominate the markets and to fight social changes," Castro added. "History will not forgive those who commit such disloyalty to their people or those who use 'sovereignty' to defend the

presence of Yankee troops". "What sovereignty are they referring to? That conquered by Bolivar, Sucre, Marti? None of them would have ever accepted such a repugnant argument to justify the granting of military bases to the armed forces of the United States," the 82-year-old former leader said. According to Castro, the "Yankee military could promote a dirty war...could attack any country but hardly the combative, brave and patriotic Colombia." "The imperialists underestimate the other countries of Latinamerica. No country will agree to US military bases," Castro said. Castro is one of many Latin American politicians who have raised their voices against Colombia's plan to allow the US to use Colombian military bases for counter-narcotics operations. Venezuela and Ecuador strictly reject the idea while Uruguay, Chile, Argentina and Brazil dislike the agreement but respect Colombia's sovereign decisions.
<http://en.mercopress.com/2009/08/11/fidel>

ECUADOR:

NEWS ALERT:

Correa Promises "Gigantic Struggle" To Deepen Socialist Revolution – MercoPress.

Ecuadorean President Rafael Correa was sworn in for a second term on Monday vowing to deepen his socialist "revolution". Announcing his vision for a new term, Correa said he sought to fight inequality and invest in projects to help the poor, improve education and improve the lives of long-neglected Andean indigenous groups. "It's a gigantic struggle ... but we have already started and no one is going to stop us," said Correa in a speech before a group of Latinamerican leaders, including presidents Hugo Chavez of Venezuela, Evo Morales from Bolivia, Argentina's Cristina Fernandez de Kirchner and Raul Castro of Cuba. "During the next four years we're going to continue our campaign ... it's not just about helping the poor, it's about stamping out the structural causes of poverty," he added. Heavy social spending and his frequent outbursts against Ecuador's business elites have raised Correa's popularity but have rattled investors. "Shrinking the state was one of the most absurd mistakes of the long and sad neo-liberal night, while boosting the state, was one of the worst mistakes of state socialism," he said. "We need a state that is efficient."

<http://en.mercopress.com/2009/08/11/correa-promises-gigantic-struggle-to-deepen-socialist-revolution>

HONDURAS:

NEWS ALERT:

Honduras cancels visit of OAS crisis negotiators – AP.

Honduras' interim government announced Sunday that it was canceling a visit by foreign delegates aimed at resolving the country's political crisis because it could not accept the participation of a regional official who insists on reinstating the ousted president. Interim President Roberto Micheletti is willing to reschedule the delegation's visit, previously planned for Tuesday — as long as Organization of American States chief Jose Miguel Insulza is excluded, the Foreign Ministry said in a statement. The Washington-based OAS, a long-established hemispheric body promoting democracy, development and legal cooperation in the Americas, on Friday named the delegation comprising foreign ministers from Argentina, Canada, Costa Rica, Jamaica, Mexico and the Dominican Republic. The group's mission was to try to persuade Micheletti to negotiate with international mediators seeking to return President Manuel Zelaya, who was ousted in a coup on June 28. But in addition to insisting that he accompany the delegation, Insulza failed to include foreign ministers who might be open to "reconsidering our position," the statement said, which "has made it impossible to hold the visit" now. From the beginning, Insulza and the OAS as a whole have harshly condemned the

coup and said that any solution to the crisis must include Zelaya's restoration to office. The organization later voted to suspend Honduras from its ranks. The interim government, however, had already said it would quit the organization rather than meet its demands. The United States, which also condemned the coup, enlisted Nobel Peace Prize laureate Oscar Arias, now Costa Rica's president, to broker a solution. Those talks fell apart when Micheletti again refused to reinstate Zelaya. The foreign delegation scheduled to arrive Tuesday was to represent a "continuation of Oscar Arias' work," Insulza said last week. Micheletti's government "is completely willing to consider a new date for the mission of foreign ministers ... excluding Mr. Insulza, who could be replaced by other OAS officials," the Foreign Ministry's statement said. The statement referred to what it called Insulza's "lack of objectivity, impartiality, and professionalism ... which has resulted in serious damage to democracy, to Honduras" and to the OAS. Neither Insulza nor the OAS immediately commented. Despite the suspension of millions of dollars of U.S. aid and the threat of more sanctions, interim leaders have made clear they expect to hold out until the Nov. 29 elections. Zelaya is constitutionally barred from seeking re-election. Opponents say his real motive for the referendum was to abolish term limits so he could run again. Micheletti, the courts and the military generals all insist no coup occurred because Zelaya was arrested on orders of the Supreme Court and replaced by an act of Congress. The interim government acknowledges that sending Zelaya into exile wasn't legal, though it says that was necessary for his security and to prevent unrest. But it says everything else it did was according to the Honduran constitution.

http://www.google.com/hostednews/ap/article/ALeqM5jAkMGKIUDg_ngUiZboxQbYj5_DPwD99VEKA01

MEXICO:

NEWS FLASH: [Manuel Zelaya practically expelled from Mexico – Examiner.](#)

As deposed Honduran ex-president Manuel Zelaya, gets more desperate in his attempt to claw his way back into power, his behavior becomes more erratic, which only results in diminishing international support for his cause. The latest embarrassment for Mr. Zelaya – and to Mexico's president Felipe Calderón – came when, while a guest of the Mexican government, he made public remarks that suggested that former Mexico City Mayor and 2006 presidential election loser Andres López Obrador was the victim of electoral fraud. "In our countries, it is better to feel like one's the president than to be president," Zelaya said, in a direct reference to López Obrador. Mexico wasted no time in cutting Zelaya's visit short and unceremoniously putting him on a plane that took the ex-president back to Nicaragua. The Mexican *faux pas* was not the first one since his removal. His Venezuelan orchestrated attempts to re-enter Honduras have distanced him from both the United States and the OAS, which are looking to save face through the Oscar Arias mediation. It appears that Obama has realized that his initial reaction to the expulsion of Mr. Zelaya from the Honduran presidency and his reference to it as 'a military coup' and 'illegal,' and his demand for Zelaya's reinstatement were a mistake. If he thought that taking such a stance would earn him brownie points with the Hugo Chavez and Fidel Castro led ALBA group, he was swiftly proved wrong, as both leaders have blamed the United States – especially the CIA – for orchestrating Zelaya's removal. Now, the Administration has back-pedaled and even dropped explicit references to Zelaya's reinstatement as necessary for the return of constitutional democracy to Honduras.

<http://www.examiner.com/x-5325-Orlando-Republican-Examiner~y2009m8d10-Honduras-Zelaya-fading-into-irrelevance>

VENEZUELA:

[Chávez hints “winds of war” because of Colombia-US pact – El Universal.](#)

Venezuelan President Hugo Chávez warned on Monday at the presidential summit of the Union of South American Nations (Unasur) that "winds of war" are blowing in South America due to Colombia's intention to allow the United States to use its military bases. "It is my moral duty to warn that winds of war are blowing" in South America, Chávez said. "This could lead even to war in South America," he added. The Venezuelan leader reiterated his concern about the agreement that would allow the United States to use seven military bases in Colombian territory, AFP reported. During the summit, Chávez said that he signed a letter that he will submit to his counterparts in the region. "We are very concerned" about the military agreement between Colombia and the United States," he explained. "The announcement of the installation of seven military bases" in Colombia, which is a member of Unasur, could "become a tragedy," Chávez stated.

http://www.eluniversal.com/2009/08/10/en_pol_art_chavez-hints-winds_10A2605085.shtml

[Chávez terms “mafia boss” the Israeli Foreign Minister – El Universal.](#)

Venezuelan President Hugo Chávez on Thursday harshly condemned Israel after Foreign Minister Avigdor Lieberman suggested that the Lebanese Islamic group Hezbollah has established militant cells in Venezuela. The Venezuelan Head of State accused the ultranationalist Israeli Foreign Minister of being a "mafia boss." Chávez said during his radio and TV weekly program Aló, Presidente Teórico (Theoretical Hello President) that the Israeli police recommended prosecuting Foreign Minister Avigdor Lieberman for (a string of alleged corruption) offenses, AP reported. "This Foreign Minister (Lieberman) who visited Colombia is a mafia boss. He has been taking to court (in Israel) for money laundering," Chávez said. "He is (part) of the Israeli far rightist (groups) that have killed and, whenever they want, have ordered the killing of thousands of Palestinian people, children, innocent women, Lebanese people," Chávez said. Lieberman visited Brazil, Argentina, Peru and Colombia in June on a mission intended, among other things, to counter Iran's influence in Latin America, particularly in Venezuela. "Then, he visited Colombia to say that there are terrorist cells in the border (with Colombia), in La Guajira. They are preparing an aggression against Venezuela," he noted. On that occasion, Dorit Shavit, the Israeli Foreign Ministry's Deputy Director-General for Latin America and the Caribbean, said that the visit of Foreign Minister Lieberman sought to "counter Iran's influence in the region, which has been in (Latin America) for a long time, since the terrorist attacks in Buenos Aires."

http://www.eluniversal.com/2009/08/07/en_pol_esp_chavez-terms-mafia_07A2597803.shtml

NEWS FLASH:

[Spanish police seizes cocaine-stuffed buttons from Venezuela – El Universal.](#)

The Spanish police seized a shipment of 107 buttons stuffed with cocaine coming through Venezuela and the United Kingdom, and detained one suspect in the south of Spain. The operation "was launched at the end of July, when local authorities learned of the arrival of a shipment from Venezuela" sent to Roquetas de Mar, a Mediterranean resort town, said the Spanish Interior Minister in a statement, as reported by AFP. The Spanish police, with the cooperation of the British police and Europol, seized a package with buttons stuffed with a total of 500 grams of cocaine that was sent to Spain via the United Kingdom and detained one suspect, who had a false passport and attacked a police officer," added the statement.

http://www.eluniversal.com/2009/08/06/en_pol_art_spanish-police-seize_06A2595125.shtml

[Venezuelan Congress rules out new special ruling powers for Chávez – Universal.](#)

After President Hugo Chávez suggested the National Assembly to grant him new special ruling powers, the Speaker of the National Assembly, Cilia Flores, said on Thursday that the Venezuelan parliament is not considering such possibility "right now." However, she did not rule out the possibility in the longer term, because special ruling powers "are provided for under the Constitution." Flores added that the Committee on Media, National Assembly, dismissed a debate on the Draft Special Law against Media Crimes submitted recently by Luisa Ortega Díaz, the Attorney General, since "there was no consensus in the National Assembly and this is a bill that was not included in our legislative agenda." She explained that the Radio and Television Social Responsibility Law (Resorte) regulates and punishes the actions of the media. She also stressed that the Organic Code of Criminal Procedure (COPP) also punishes crimes such as defamation and slanderous allegations.

http://www.eluniversal.com/2009/08/06/en_pol_art_venezuelan-congress_06A2594683.shtml

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

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