

be sent to the base to serve as a detention centre. — Reuters

*Handwritten notes:*  
C.S.  
taken from  
7.10.11

## Cuba opposes U.S. plan for naval base 7/12

**HAVANA, DEC. 30.** Cuban officials said they opposed the use of the U.S. naval base in Guantanamo, Cuba, for war detainees mostly because they believe the base should have been closed decades ago.

In the first public comments by Cuban officials after the U.S. military said it would house Al-Qaeda and Taliban detainees at the base, the Vice-President, Mr. Jose Ramon Fernandez told Associated Press television news that he disagreed with such a move.

Holding detainees at an American base inside a country that has long insisted that the base be closed shows "the arrogance of the Government of the empire," said Mr. Fernandez, one of several Vice-Presidents on Cuba's Council of Ministers, or Cabinet.

"Actions of these kind violate the rights of others," said Mr. Fernandez, a retired general who led the defending ground forces against an exile invasion army at the Bay of Pigs four decades ago. Mr. Fernandez and several other Cuban officials shared similar views during a break in a special session of the National Assembly called yesterday by the President, Mr. Fidel Castro.

Neither Mr. Castro nor any other senior government official had previously commented publicly on the U.S. military decision and there has been no official statement issued by the government at large. Cuba's State media, as of last evening, had not even reported on the U.S. military's decision to use the base for the detainees. — AP

THE HINDU

31 DEC 2001

40-12

# Paying for profligacy?

C. J. Lalini  
Arun

**I**F ARGENTINA in the last two weeks fit into a pattern, it was not in any serious analysis about what went wrong leading to the economic chaos and violence in the streets. Rather, it has been something the international system has been witness to in the years since the Asian financial crisis — the blame and the spin games.

Those seeking to assign blame for an economic crisis are in the habit of looking outside — in the present instance, the usual suspects include the International Monetary Fund, the Group of Eight industrialised nations and even credit rating agencies.

In the case of Argentina, much of the flak has been on the IMF, which by now is well accustomed to such criticism. The brunt of the criticism has to do with the fact that the Fund coughed up some \$14 billion in loans a year ago and added another \$8 billion this August; and all in the face of some untenable policies maintained by the Government in Buenos Aires.

The IMF is not the only one being hauled over the coals; many are squarely blaming the G-8 which sits in control over the IMF, the United States, in particular, being the Fund's largest shareholder.

For an administration that had been consistently critical of so-called bailout packages, the Republican White House backed the IMF with the State Department pointing to the political stability factor.

"They certainly shouldn't have bailed them out six months ago. A year ago is more arguable, the first big package. But the last big package was clearly a mistake," argues Mr. Fred Bergsten of the Institute of International Economics. Analysts have said the first signs of trouble surfaced over two years ago, with some saying the warning signs were seen as early as the mid-1990s when it became apparent that the reforms were proceeding nowhere.

It has been argued that Argentina has not been the recipient of sound advice especially as it related to its idea of fixing the exchange rate at one peso to the dollar.

While this may have worked well for the initial few years after being formulated in 1991, an over-valued currency is sure trouble with exports becoming too expensive and imports



Discontent... spilling over onto the streets.

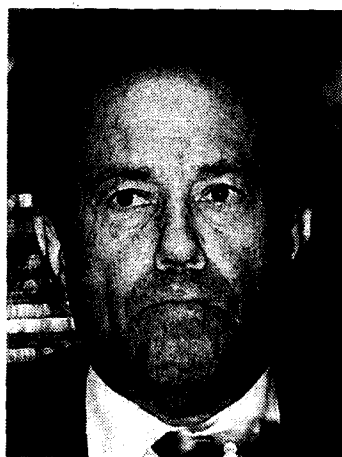
artificially cheap. The spin doctors in leading international financial institutions have gone about their task as well — declaring that they knew a crisis was in the works for quite sometime and that they were "forced" to go along with the Government in power, in this case the Argentine Government.

The IMF's critics say the Fund has bungled in at least two ways, first by going along with the peso-dollar rate and second by making loans conditional on a zero-deficit policy.

"The zero-deficit target may make little economic sense but it has great public relations value. By focussing on Government spending the IMF has managed to convince most of the press that Argentina's 'profligate' spending habits are the source of its troubles," wrote Mr. Mark Weisbrot in *The Washington Post*.

"... verifying who made what decision is a little like tracking the chain of command at Al-Qaeda. IMF Board meetings, consultations with Government Ministers and other deliberations are secret," says Mr. Weisbrot. But for the time being at least, the prescription for Argentina is with the IMF. "It is important for Argentina to continue to work through the IMF on sound policies," says the White House.

Mercifully, the blame and the spin games have not been allowed to have their only ways.



Adolfo Rodriguez Saa... in the hot seat.

*Argentina's financial crisis has sparked a blame game.*

*Sridhar Krishnaswami takes a look.*

The Government of Mr. Fernando de la Rúa has been taken to task for running a show that was basically third rate — insisting on the same value for the peso vis-a-vis the American dollar; failing to stay with zero-deficit policies and in many ways failing to restructure the public debt burden, estimated at \$135 billion.

There is no doubt in anyone's mind whether Argentina will

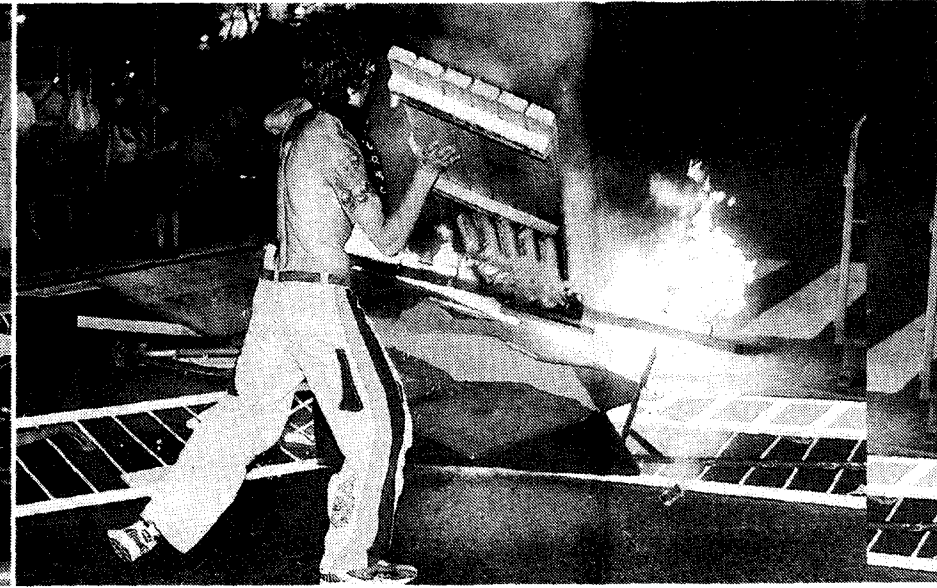
bounce back — it will, but only after a difficult patch, economically and politically. The bloody riots have resulted in a change of government with the interim President, Mr. Adolfo Rodriguez Saa, inheriting a mess of untold proportions. Belonging to the populist Peronist Party, Mr. Rodriguez Saa, will be the interim leader until elections in March 2002.

There is a perception that the 54-year-old Mr. Rodriguez Saa, a lawyer by profession, does not fit into the national scene with his primarily provincial background.

Despite being criticised for running the province of San Luis in a tight-fisted fashion as Governor, Mr. Rodriguez Saa won praise for not only balancing the budget but also bringing in investments.

Yet, there is a view that he will not be content being just an interim leader — he could well be in the leadership fray after next year's election.

Mr. Rodriguez Saa, who has an outgoing style much unlike that of his predecessor, began by announcing that he was suspending payments on the national debt and later saying that the money intended for debt payments — some \$20 billion — would be used to create jobs. But temporary measures cannot work, as the continuing violence shows.



Argentines, angry over the month-long banking freeze, demonstrate in front of the presidential palace in Buenos Aires on Saturday. (Right) A demonstrator sets a bonfire during clashes outside the building. — AP/Reuters

*Central & Latin America  
AP - 12*

## ARGENTINA / AUSTERITY MEASURES TRIGGER VIOLENCE

# Cash-strapped people storm Congress

*AP 12*

**BUENOS AIRES, DEC. 29.** Riot police battled protesters who threw stones and broke into Congress on Saturday as rage over government austerity measures erupted again, a week after deadly riots drove Argentina's President from office.

Police fired barrages of tear gas and rubber bullets at demonstrators before dawn as a large but peaceful protest against the Government's handling of a deep economic crisis degenerated into violence. At least 10 police officers were injured, local television said, including one officer who was beaten bloody by a mob before he could be led away from the pitched street battles outside the Government House.

Police declined to provide details on the number of injured, though they told the local daily *Clarín* that three persons had been arrested so far. The violence follows rioting that drove President Fernando de la Rúa from office on December 21. He was replaced by the caretaker President, Mr.

Adolfo Rodríguez Saa, who now is feeling the wrath of Argentines furious over the handling of the economy and unemployment that tops 18 per cent.

Argentines are also angry over a weeks-old government move limiting cash withdrawals from banks in order to prevent a run on the financial system. Cash-hungry Argentines flooded the banks on Friday after the Government eased — but did not end — the restrictions that limit cash withdrawals to \$1,000 a month. "We want to send a message to the politicians that we won't tolerate any more corruption," said Mr. Juan Carlos Alonso, 73, before the melee broke out. "And these banking restrictions are completely unacceptable!"

Venting their anger, gangs clashed with riot police through the pre-dawn hours as the officers responded with volleys of tear gas and rubber bullets. Fleeing from the Government House with police in pursuit, youths looted stores and trashed banks along Avenida de Mayo, a broad boulevard

stretching several blocks to Congress.

Several demonstrators later forced their way into Congress, setting small fires, smashing windows and throwing sofas and chairs out the main entrance. Smoke spilled out of the ornate century-old building before firefighters put out the blazes. The protesters were quickly driven from the building. The clashes then tapered off toward sunrise as police fanned out downtown.

The violence began on the fringes of what was for hours a largely peaceful, but raucous pot-banging protest by middle-class Argentines who said they were fed up with government blundering and its attempts to tame an economic crisis. The protests marked the second week of social tensions over a four-year-old economic crisis that led Mr. Rodríguez Saa to announce that Argentina would default on at least part of its \$132 billion public debt.

"Give us back our money!" people chanted in the Plaza de Mayo in the capital,

Buenos Aires, while others voiced complaints about corruption in government. "Get out! Get out!" they shouted toward the Government House. Hundreds more gathered peacefully on city streets, banging pots and pans.

Amid the violence, news reports said Mr. Rodríguez Saa's Cabinet chief, Carlos Grosso, had submitted his resignation. The U.S. President, Mr. George W. Bush said on Friday that the United States was "willing to offer technical assistance through the IMF" to help Argentina develop "a plan that sustains economic growth".

Hoping to ease the economic crisis, the Government meanwhile is preparing to roll out a third currency, called the "argentino," that the caretaker President says will breathe new life into the economy. Scheduled to debut on January 15, the argentino will circulate alongside the peso and dollar as Argentina looks to print money as a way out of a cash crunch brought on by a prolonged economic crisis. — AP

# Cry for Argentina

*Central & America*  
✓ Economics is about people, never mind IMF ✓

*5.11.01 2.11.01*  
✓ **W**hen Argentina threatened to implode, clever chaps at the International Monetary Fund and many US universities and think tanks may have said a quiet word of thanks to Osama bin Laden and his cousins. Global attention on terrorism has helped IMF and its flag bearers look a whole lot less bad than should have been the case — for Argentina's current economic crisis is a chilling example of "liberal" economic orthodoxy run amok. Like Mexico, which was also feted by IMF groupies almost until the moment its economy got sandbagged, Argentina had based its policy on the principle that sovereign control over fiscal and monetary parameters is avoidable — an article of faith with orthodox economists, but one that is rarely advocated for Western nations. The Argentine government surrendered its monetary policy by fixing its currency, peso, to the US dollar. This was done at a time of high — four digit — Argentine inflation, and the so-called currency board tamed price acceleration and brought economic dividends. The error: to think that the mighty dollar will always move in a way to help Argentina. It didn't, and when the dollar started moving up in currency markets, so did the peso. But not currencies of Argentina's closest competitors, including those in the Latin American trading bloc, Mercosur.

✓ The depreciation in currencies of neighbouring countries, and the resultant loss in the peso's competitiveness should have led to the relaxation of the currency board arrangement. But the board was a fashion statement of Argentine policymakers and their supporters club in IMF circles. Inevitably, currency problems led to international capital decamping — the usual fate of IMF-blessed success stories. Another usual fate is the deadly nature of IMF "help". As in east Asia, the Fund gave money to governments on condition that their people be denied it. So, in the midst of a rapidly deepening recession, the Argentine government embarked on an IMF-planned austerity programme. A final touch was the government's placing external creditors ahead of domestic savers — to pay foreigners it took money from pension funds and restricted withdrawals from savings accounts. The days when Argentines started rioting were therefore preceded by their government refusing to adopt either a soft money policy or a pump priming fiscal policy, the two standard, short term remedies of sovereign economic policy. In the cloisters of IMF and well-funded private think tanks, the Argentines' anger over their government's orthodoxy is no doubt being viewed dimly, as yet another example of messy populism.

Third world countries should however take a good look at Argentina and remember that fiscal and monetary flexibility is a must to deal with economic crises. Because the economy is not only about numbers but also about people, however much the IMF hates the idea. This is not to say governments do not abuse sovereign economic policy. But abandoning the right to plug some holes in the holy search for a perfect textbook economic model is an exercise that should remain restricted to Ivy League economic departments and the private fancies of IMF economists. Sadly, it probably won't be.

**THE STATESMAN**

27 DEC 2001

# Argentine drive to create a million jobs

57-6

26/12

Central of  
Latin  
America

Associated Press

BUENOS AIRES, Dec. 25. — A day after declaring default on the national debt, Argentina's new president began rolling out an ambitious works programme to meet a pledge of creating one million new jobs.

Argentina will also launch a third currency, the Argentino, in January to spark life into the crisis-torn economy, the government said. The currency would circulate alongside the dollar and peso, but it would not be convertible.

Interim President Mr Adolfo Rodriguez Saa used his inaugural address on Sunday to declare a suspension of payments on the staggering \$132 billion public debt. Mr Rodriguez Saa yesterday said he would begin unveiling "work plans" today to defuse the discontent engendered by four earing years of recession. He pledged to create 1,00,000 jobs within a week and 1 million eventually.

A plan to create 11,000 jobs was being prepared for Buenos Aires province, which surrounds the capital and is home to a quarter of the nation's 36 million people. The plan called for paying each worker the equivalent in bonds of \$200 weekly for 25 hours of work. It remained unclear exactly what sort of jobs the President could produce, but officials suggested work clearing public parks, spaces and highways could be in the offing.

Argentina had suspended payments on its huge public foreign debt after months of struggling to meet its debt commitments, Argentina's new government explained today. In a statement, the government said yesterday it was also due to start talks "shortly" with its foreign creditors on restructuring much of Argentina's 132 billion dollars debt pile.

"The Republic of Argentina today announced that it will be deferring interest and principal payments due on its public external indebtedness, effective immediately," the secretary of treasury, finance and internal revenue said in a statement.

THE STATESMAN

26 DEC 2001

26 DEC 2001

## Peronist sworn in as interim President

Agencies

29/12  
Central  
Haber  
Web

BUENOS AIRES, Dec. 23. — Mr Adolfo Rodriguez Saa, the governor of a small Argentine province and a member of the moderate Peronist Party, was sworn in as Argentina's interim President today until new presidential elections on 3 March.

A joint session of Congress approved Mr Rodriguez Saa's appointment with 169 votes in favour and 138 votes against following an all-night debate. He was sworn in shortly after.

Mr Fernando de la Rúa quit as President on Thursday, in the middle of his four year term, after deadly riots against the government's austerity policies and a four year recession left hundreds of shops and supermarkets ransacked. Mr Saa will head the country until the new presidential elections in March.

The winner of those elections will run Argentina until late 2003 when Mr De la Rúa's term would have officially ended had he not resigned early.

Israel today prepared to take in Jews from Argentina fleeing the country's economic woes which have hit them especially hard, a spokesman for the government body handling immigration said.

Editorial: On the brink, page 4

THE STATESMAN

29 Dec 2001

HT-8-28  
The mess in Buenos Aires 29/12

WHEN HE became president of Argentina a couple of years ago, Fernando de la Rúa couldn't have imagined that he'd go down in history as the country's most unpopular elected leader. Nor that he would flee Buenos Aires in disgrace half-way through his four-year term, as widespread rioting tore the country's economic fabric. The rest of the world seems helpless now as the country has slowly descended into anarchy. Analysts are still trying to come to terms with disturbing questions swirling around the economic mess of what was lauded as recently as in the mid-Nineties as 'an economic miracle'.  
Since 1989, when industrial growth was spurred by liberalising trade and privatising many State-run businesses, the Argentine economy had grown steadily. And when the humble peso was pegged to the mighty US dollar in the early Nineties, investors gladly leant on the greenbacks. But things began to go wrong when the country climbed out of

hyper-inflation and found that its dollar cover had a nasty downside: the peso couldn't respond promptly to market changes. Thus, it was a delicate balancing act for Buenos Aires to avoid the fallout of the 1995 Mexican currency collapse and the subsequent Asian crisis. Worse, the Brazilian real went into free-fall mode in 1999, leaving the peso stunned. This led to abysmal export returns and a dwindling foreign exchange.  
In other words, the country could no longer repay dollar-denominated debts. So when the global economic engine puffed its way to a slowdown, so did Argentina's weary economy. The administration resorted to unpopular austerity measures — even trying to use pension funds to clear off debts. Perhaps the next government will have to devalue the peso and then dollarise it at a lower rate. Meanwhile, the rest of the world is crossing its fingers, as chaos in an emerging economy has a habit of becoming infectious.

**THINK IT OVER...**

*We are all strong enough to bear the misfortunes of others*  
DUC DE LA ROCHEFOUCAULD

**THE HINDUSTAN TIMES**

24 DEC 2001

# New Argentina head declares more austerity

Buenos Aires, December 22

ARGENTINA'S CONGRESS on Saturday prepared to appoint a new interim President to take charge of Latin America's embattled No 3 economy and lead the country to fresh elections in March after a bloody revolt toppled the government.

Calm prevailed after several days of sporadic looting and rioting that left 27 people dead. The violence was triggered by deepening austerity and poverty, but charismatic Adolfo Rodriguez Saa, a fiscally responsible consensus builder nominated to be interim President by the hitherto main opposition Peronists, vowed more austerity of his own.

Preparing to inherit an economy teetering on the brink of the biggest debt default ever,

Rodriguez Saa vowed to keep the value of Argentina's currency pegged to the dollar as he marshals the country for a presidential election planned for March 3. He also pledged to clamp down on State and political spending.

More austerity could further antagonise a public furious at fallen former President Fernando de la Rúa for cutting the salaries of State workers, raising taxes and curbing banking freedoms in an effort to avoid default on the country's \$132 billion debt amid a recession now in its fourth year.

But while many experts say Argentina has little choice but to ditch its decade-old, one-to-one peso peg to the dollar, Rodriguez Saa's stance against devaluation will help soothe the jitters of a public that has been scrambling to protect its savings.

"We are going to keep the convertibility law. One peso to one dollar," said Rodriguez Saa, who some believe is positioning himself to run for the presidency in elections due in 2003.

"I am going to propose a severe austerity plan so that neither the State nor politicians incur unnecessary costs," he told local television early Saturday.

The well-liked governor of the arid Andean province of San Luis, Rodriguez Saa is due to unveil unspecified economic measures when he takes over from Senate chief Ramon Puerta, who filled in as President since De la Rúa was forced to desert his palace by helicopter amid raging riots on Thursday.

President Bush on Friday encouraged Argentina's next

leader to stick to the International Monetary Fund's austerity recipes, saying the IMF might find "more money" if such measures materialise.

The new leader of this country of 36 million people faces the gargantuan task of making the streets safe from gangs of looters and restoring order to an economy brought to a standstill.

Many shops stayed shut on Friday or were flanked by armed guards. Eighteen looters were shot by shopkeepers defending their goods this week, seven died in Thursday's rioting in the historic Plaza de Mayo and a Korean couple committed suicide after their shop was ransacked.

Rodriguez Saa's nomination was welcomed by various factions within Peronism, whose roots in the working class movement shifted toward market-

friendly policies under scandal-tainted former President Carlos Menem in the 1990s.

"His nomination pleases almost everybody," said a spokesman for a key Peronist senator.

But on the street some were horrified at the return of a politician who survived a lurid sex scandal that grabbed the nation's attention a decade ago.

"Don't lie, that can't be right," said one shocked woman on learning of his nomination.

"I don't see he has a future," said one unimpressed taxi driver. "The country will only continue on as it is now, or perhaps get worse."

Every day 2,000 people drop below the poverty line in Argentina, where 18.3 per cent of the people are out of a job and a third are poor.

Argentina was one of the world's wealthiest nations in the early 20th century, with a once-powerful middle class, but it is now paying the price of decades of endemic corruption and economic mismanagement.

Argentina's next leaders were offered "unlimited support" by Brazil's President Fernando Henrique Cardoso. In a rare joint statement the United States, Canada and Mexico urged Argentina to return to "sustainable growth and prosperity."

The White House said gloomy predictions that Argentina could sink other emerging markets were proving wrong. "It does look like it's isolated to Argentina, and that's a helpful fact," said spokesman Ari Fleischer.



ADOLFO RODRIGUEZ SAA

Reuters

HF 11

Combat & Latin America

THE HINDUSTAN TIMES

23 DEC 2001



the gravity of the situation and defuse the threat of war in the region.

## *Latin* Cry for Argentina *Gr 10 2/12*

Wracked by a four-year recession, suffering the results of doctrinaire policy that tied the government's hands, Argentina had been simmering for some time now. Something had to give — and it was the government that did so, with economy minister Domingo Cavallo and president Fernando de la Rúa quitting within a few hours of each other. Noted columnist Martin Wolf has spoken of "Argentina's reckless rectitude foundering on the rocks of popular protest", but the immediate catalyst seems to have been the International Monetary Fund's refusal to disburse loans worth \$1.3 billion, pushing Argentina to the brink of the biggest default in history. Conventional economics accepts the necessity for governments to run deficits in order to tide over economic crises. But in a classic case of the cure aggravating the illness, the IMF has been insisting that Argentina balance its budget for 2002. This would involve further spending cuts and tax hikes — at a time when unemployment and poverty levels are rising rapidly, state employees are being deprived of salaries and depositors cannot withdraw more than \$1,000 a month from their bank accounts. Not surprisingly, news of impending austerity measures provoked a wave of riots, forcing president de la Rúa's departure. The buck-passing has already begun. IMF supporters say Argentina's problems were too deep-rooted, there was little point in throwing good money after bad. But there are counter-charges that the IMF would have reacted differently if it felt there was any risk of contagion. Having decided that an Argentine collapse would not endanger the global financial system, the IMF threw it to the wolves.

Whatever the verdict, there can be no doubt about one thing: Mr Cavallo, once the hero of Argentina's economic reforms, has suffered a complete fall from grace. During his first stint as economy minister (1991-96), he crushed hyper-inflation by pegging the peso to the dollar. A flurry of other reforms saw the economy galloping along at an average of 6.2 per cent during the 1990s. Unfortunately, the dollar peg meant that Argentina became uncompetitive once its neighbours — particularly Brazil — and trading partners devalued their currencies. Foreign investment into Argentina and exports plummeted, but devaluation was no longer an option. To make matters worse, Mr Cavallo is alleged to have given inordinately favourable deals to foreign utility companies and banks during his first term. Few will cry for him now. Indeed, all interest is focused on what the next government will do. The options being touted include devaluation and 'dollarisation' — scrapping the peso altogether and replacing it with the US dollar. But devaluation would make it harder to repay dollar debts, sparking off a financial crisis. And dollarisation could render the Argentinean authorities even more impotent to tackle economic problems. Clearly, there are no painless solutions left for Argentina. One can only hope that the country's misfortunes provide much-needed impetus to reforms of the global financial architecture. British finance minister Gordon Brown recently called for improving IMF surveillance. And the Fund's own deputy managing director, Anne Krueger, outlined proposals for orderly restructuring of sovereign debt. These suggestions must be taken seriously if further crises like the one that has befallen Buenos Aires are to be avoided.

## Milk Power

THE TIMES OF INDIA

22 DEC 2001

*Peronist & Selim Hurreli*

# De la Rua quits to make way for caretaker Govt.

*110-12  
27/12*

**BUENOS AIRES, DEC. 21.** Driven from power by a devastating economic crisis and deadly riots, the outgoing President, Mr. Fernando De la Rua returned to his offices for a last time on Friday to await the formal handover to a caretaker government.

Looking sombre in a dark suit, Mr. De la Rua arrived at the Casa Rosada, or Government House, and lashed out at the Opposition Peronists for failing to join him in a government of "national unity." "The Peronists made a mistake," said Mr. De la Rua, saying their refusal to join him in a reorganised government as he had requested had hastened events that triggered his downfall.

Still smarting from the Peronist refusal to participate in a new Cabinet that would have allowed him to stay on, Mr. De la Rua said angrily: "That's the way they decided to exercise power." Technically, Mr. De la Rua remained President until his resignation could be formally approved by Congress later on Friday. He said he wanted to cancel a state of siege he imposed on Wednesday. "I would like that to be my last act in government," he said.

Facing riots and unrest that have since claimed 22 lives, Mr. De la Rua took up the emergency powers to forbid public gatherings and grant security forces greater powers of arrest. Mr. De la Rua resigned late Thursday and



**PEOPLE'S POWER PREVAILS: Citizens celebrate riding their bikes outside the Casa Rosada government house in Buenos Aires, following the announcement of the President, Mr. Fernando de la Rua's resignation on Thursday. (inset) Mr. De la Rua addresses the nation from inside the Government House in Buenos Aires on Thursday. — Reuters/AP**

flew from the government palace in a helicopter, driven out by deepening economic troubles, riots in the capital and looting of homes and supermarkets across Argentina. It was Argentina's worst unrest in a decade, but the protests had largely subsided late Thursday in the capital though looting continued nationwide.

Police fired rubber bullets and tear gas at thousands of anti-government protesters in the runup to his fall. Rioters looted houses and stores in other cities, and more than 200 people were injured nationwide. "I'm delighted he's finally gone. Thank God!" said Ms. Maria Andrejuk, who was among those celebrating after

tensions eased across much of Buenos Aires. But as night fell Thursday, some looting persisted. A Radical Party office was set ablaze overnight, and more looting continued in the southern Buenos Aires suburb of Quilmes.

Now Argentina's faltering economy awaits the hands of a caretaker government led by the party founded by strongman Juan Peron in the 1940s. The Peronists, who hold a majority in both the Lower House and Senate, will take their turn at trying to tame a crisis that has left the country perilously close to defaulting on its \$132 billion debt burden. The Senate Leader, Mr. Ramon Puerta was in line to take over as interim President until a special Legislative Assembly decides whether to call new elections within months.

Mr. De la Rua was departing as one of the most unpopular leaders in Argentina's history having imposed round after round of punishing spending cuts.

Mr. De la Rua's collapse appeared to end a political crisis that began more than a year ago with the resignation of Mr. De la Rua's Vice-President, Mr. Carlos Alvarez. Mr. De la Rua took office in December 1999 with a popularity rating above 70 percent, a no-nonsense image and a pledge to improve the economy. But he soon became seen as indecisive, and left with ratings in single digits. — AP

**THE HINDU**

22 DEC 2001

# Argentine minister resigns amidst protests

Central by  
Latin Am  
5/6 8 2/12  
Associated Press

BUENOS AIRES, Dec. 20. — Truncheon-wielding police on horseback scattered hundreds of demonstrators Thursday outside President Mr Fernando De la Rúa's office in a second day of protests that threatened his government. The economic affairs minister, Mr Domingo Cavallo, resigned and a judge forbade him from leaving the country.

Major political leaders were reportedly negotiating behind-the-scenes in an effort to repair Mr De la Rúa's fraying coalition and halt Argentina's mushrooming political and economic crisis.

Protests and looting that began with a strike last week have escalated in the last two days, leaving nine people dead and the country on the brink of economic collapse. Mr De la Rúa declared a state of siege Wednesday, but protests massed Thursday in defiance of his emergency powers.

As sirens wailed on a hot summer day in this South American nation, black-helmeted riot police struck at demonstrators with their batons as their horses wheeled, sending the crowds running from the pink Government House.

Police made at least 16 arrests, hauling some people away kicking and screaming. The protests began Thursday when more than 200 demonstrators, some beating calfskin drums and waving Argentine flags, gathered outside the Government House. Elsewhere in the capital and in other major cities, anti-government protesters banged pots and pans, while motorists honked horns and snarled traffic in repudiation of Mr De la Rúa's austerity measures.

Banks and business reopened Thursday and

people were going back to work, but many small shops remained shuttered for fear of further unrest. Mr Cavallo widely blamed for failing to halt the nation's slide into economic ruin, tendered his resignation earlier Thursday. The state news agency TELAM said Mr De la Rúa had accepted it.

A federal judge issued an order prohibiting Mr Cavallo from leaving the country.

The judge, Julio Speroni, is investigating an arms trafficking scandal from the 1990s when Cavallo served in the government of then-president Mr Carlos Menem. The judge did not explain the reasons for the order.

"We're fed up with corruption, hunger and the poverty we're living in," said Ana Arce, a 75-year-old doctor, outside Government House late Wednesday. "I think that if they don't go, the people will kick them out." Unemployment has topped 18 percent in South America's second-largest economy. Mired in a four-year recession, the nation is near default on its staggering \$132 billion public debt.

On Wednesday, thousands of Argentines looted stores and supermarkets in poor neighbourhoods, saying they were going hungry. Riot police responded with tear gas and rubber bullets. The violence left nine dead and at least 109 injured. Police made 328 arrests.

"This is not our fault, this is the government's fault, the president's and Cavallo's," said Sandra Gutierrez, a 28-year-old unemployed mother of two, who left one ransacked supermarket loaded with bags of food Wednesday. Austerity measures introduced by Cavallo, including a partial freeze on bank withdrawals designed to prop up the financial system, have sparked widespread anger, especially in poorer areas.

THE STATESMAN

21 DEC 2001

# China to aid Pak Kashmir affairs ministry

Press Trust of India

BEIJING, Dec. 20. — China will provide loans to Pakistan's ministry of Kashmir affairs under one of the seven agreements signed today.

The agreements, all covering the economic fields, were initialled in the presence of Chinese President Jiang Zemin and the visiting Pakistani President Pervez Musharraf after their first summit meeting at the Great Hall of People.

Chinese Export-Import Bank will give loans to the ministry that oversees Kashmir and Northern Areas in addition to copper and gold mining projects in Pakistan.

President Zemin expressed willingness to enhance coordination and cooperation with Pakistan so as to maintain peace and stability in South Asia and supported Islamabad's role in Afghanistan's peace process.

President Zemin said China considers Pakistan an important nation in the region. "Political stability is not only in the interest of the Pakistani people but also affects regional peace and stability" he said.

China will consistently support Pakistan's efforts to ensure stability, development and regional prosperity, he added.

The Chinese President, who had in-depth exchange of views with his Pakistani counterpart on the

Afghan issue, also announced the Chinese government's decision to provide 30 million yuan (about \$ 3.6 million) for urgent humanitarian aid to the interim government of Afghanistan.

He said Afghanistan's destiny should eventually be in the hands of Afghan people. In the meantime, any political solution to the Afghan issue should include the role of the United Nations, he said.

Agreeing with President Jiang's analysis on the current international situation, Gen

said that China is willing to assist Pakistan and to support competent Chinese corporations in investment.

According to the Pakistani official media, the Kashmir issue also figured among other subjects at the Jiang-Musharraf meeting.

In fact, the Chinese foreign ministry said hours before the arrival of the Pakistani leader that it was "seriously concerned" at escalating tension between Pakistan and India. China urged both sides to "exercise restraint" and engage in dialogue to resolve their differences and maintain regional peace.

Ms Zhang Qiyue, foreign ministry spokeswoman, said that Gen Musharraf's visit to China will result in a culmination of the commemorative activities of the 50th anniversary of the establishment of Sino-Pakistani diplomatic relations.

"I believe that the visit will surely promote the Sino-Pakistani relations and further develop the comprehensive partnership between China and Pakistan in the new century," she said.

Earlier, Gen Musharraf, on his first trip to China after appointing himself as the President, was received at the airport by the Chinese vice foreign minister, Mr Wang Quangya. He was accorded an official welcoming ceremony at the great hall of the people.



Gen Pervez Musharraf with Mr Jiang Zemin at Beijing's Great Hall of the People on Thursday. — AP/PTI

Musharraf said Pakistan was satisfied with the Bonn agreement on the issue of Afghan interim administration and hoped military operations in Afghanistan would end as soon as possible.

On bilateral economic and trade cooperation, President Jiang

THE STATESMAN

22 01 DEC 2001

21 DEC 2001

# China's response on U.S. action muted

By Amit Baruah

SINGAPORE, DEC. 14. The Chinese President, Mr. Jiang Zemin, currently visiting Myanmar, has stressed that it was important to maintain the international arms control and disarmament regime.

Mr. Jiang Zemin's remarks were made in separate telephone conversations with the U.S. President, Mr. George W. Bush, and the Russian President, Mr. Vladimir Putin, after America announced its unilateral decision to pull out of the Anti-Ballistic Missile (ABM) Treaty. China, Mr. Jiang told both leaders, was ready to work with other countries to uphold world peace and stability. Both telephone calls, the Chinese Foreign Ministry stressed, had taken place on request.

In a related development, a Chinese Foreign Ministry spokeswoman said Beijing hoped that the United States would consider the opinion of a majority of nations on the ABM Treaty. She said China's position on the treaty had been consistent and clear. "We think that under the current situation it is of vital importance to safeguard the international arms control and disarmament system and global strategic stability," she added.

On the same issue, the spokeswoman had said yesterday: "We've taken note of the relevant reports and express our concern. China is not in favour of missile defence systems. China worries about the negative impact," she said in remarks that were interpreted as relatively mild. "We think that the relevant sides should seek through constructive dialogue a solution that safeguards the global strategic balance and doesn't harm international efforts at arms control and disarmament," she



A Chinese woman ties the hair of a young girl during a visit to the Military Museum in Beijing on Friday. — AP

added. There is little doubt that Beijing has noticed the growing engagement between the United States and Russia on the ABM Treaty. The Russians, who seem to realise that it's better to play along with the United States on major global issues, are not making a big deal about the unilateral American plans to withdraw from the ABM Treaty. Interestingly, the post-September 11 strategic situation seems to have helped the United States even though the events of September 11 were caused by a small bunch of terrorists and not through

weapons of mass destruction. Taking a cue from the Russians, the Chinese, too, seem to have noted the new realities. That an assertive America is adamant on withdrawing from the ABM Treaty is a conclusion drawn both in Moscow and Beijing.

While there has been considerable high-level discussions between Russia and China on strategic issues, including the ABM Treaty, the two countries have not been able to slow down the U.S. in going ahead with its plans. Mr. Zemin and Mr. Putin have been in regular contact and the two last met on the sidelines of the APEC summit in Shanghai in October. But while talking to the Chinese, the Russians have been holding intensive consultations with the Americans on the fate of the ABM Treaty and other cuts in their nuclear arsenals.

In a sense, there is not much that the Chinese can do in the face of American plans and declared intentions. While in the short-term, there will be more negative comment from Beijing, long-term economic and trade interests with Washington will dictate China's equation with the U.S. In a separate development, China also announced that it would send a group of diplomats to Kabul to inspect its Embassy there. A team led by Mr. Zhang Min, said to be a senior official, was to leave for Kabul on Friday.

The Chinese Embassy in Kabul has been closed since 1993. A Foreign Ministry spokeswoman said in Beijing that the establishment of an interim Government in Afghanistan was an important step towards peace. China, she added, would also participate in the post-war reconstruction of Afghanistan.

## Jiang Zemin arrives in Yangon

By Amit Baruah

49-15 1612  
SINGAPORE, DEC. 12. The Chinese President, Mr. Jiang Zemin, arrived in Yangon for a four-day official visit — the first such tour by a Chinese Head of State since the military junta took power in 1988.

"I wish to enhance mutual understanding, deepen friendship and expand cooperation through exchange of views on our bilateral relations and other issues of common interest," Mr. Jiang said in a written statement. Mr. Jiang's visit to Myanmar will be of interest to India — the nature of agreements between Yangon and Beijing will be closely watched in New Delhi. The tone and tenor of his talks with Myanmar leaders will also be under scrutiny.

The Chinese Government, as is well known, is involved in several major road-building projects in Myanmar and is interested in linking its territory to a Myanmar port in the Indian Ocean.

The Chinese, who have described Mr. Jiang's tour as a "return visit" for the one made by the State Peace and Development Council Chairman and Prime Minister, Gen. Than Shwe, are upbeat on the visit.

In a commentary, the official Chinese news agency, Xinhua, said Mr. Jiang's visit will provide a new opportunity for the two countries to enhance friendship and cooperation.

THE HINDU

13 DEC 2001

# China enters WTO... and a new era

By Bill Savadove

BEIJING: China and its 1.3 billion people joined the World Trade Organisation on Tuesday, ending a 15-year quest and ushering in a new era of reform expected to bring sweeping changes to the Communist-ruled nation. The historic day came with no fanfare in China. There were no ceremonies and state media stressed that much hard work lay ahead. The only official mark of the moment was the issue of a commemorative stamp.

Foreign investors have waited eagerly for the world's largest potential market to become an integral part of the global economy, while China hopes this will spur its shift to a market economy. "WTO entry will bring very beneficial opportunities to China's further economic development," foreign ministry spokeswoman Zhang Qiyue told a news conference in one of the very few official comments on the day of entry.

From Beijing to the commercial centre of Shanghai, Chinese greeted the news with mixed feelings, worried more competition could threaten their jobs but hoping for higher living stan-

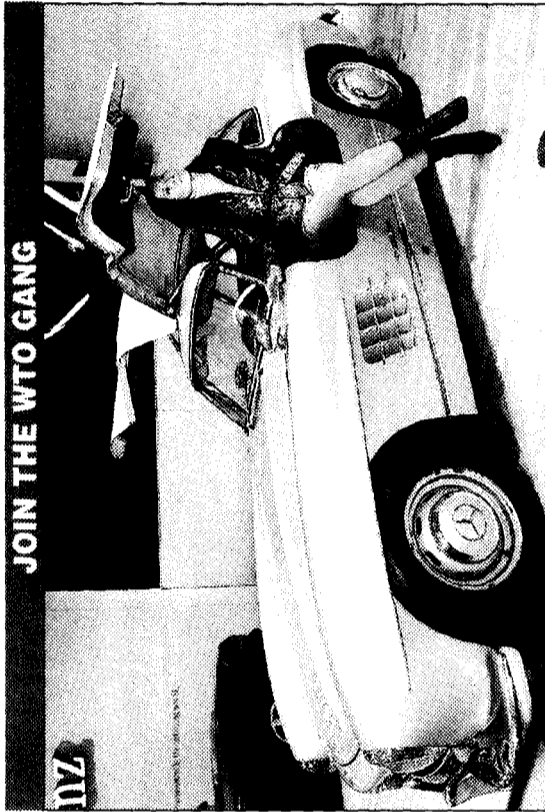
dards. Optimism was tempered by concern. Trading partners question China's ability to meet its WTO pledges and officials fear painful reforms could spark social unrest.

The Communist Party mouthpiece People's Daily urged officials to abide by WTO commitments and said entry would fundamentally change the way the government handled the economy. As China entered the WTO, the government showed its commitment to reform, announcing the break-up of China Telecom, the near monopoly fixed-line phone company, into competing northern and southern firms.

Other changes were announced. The cabinet unveiled new tariffs to take effect next year, new rules on anti-dumping and subsidies. The central bank scrapped six out-of-date rules. China opened its hermit economy to the world in 1978 and has lurched towards embracing the market by loosening the state's grip and is now the world's seventh largest trader.

Entry to the WTO marks a major victory for China in a trophy year capped by Beijing nabbing the 2008

Reuters



A Chinese model poses with a Mercedes Benz coupe at an international car show in Shanghai on Tuesday. The domestic auto industry is seen as one of the hardest hit by China's entry into the WTO.

Olympics, Shanghai hosting a Asia and China qualifying for soccer's Pacific Economic Cooperation summit World Cup finals for the first time.

Still, domestic stock investors struggled on the long-awaited day cashing in on WTO plays—shares in property, transport and other firms expected to benefit from greater trade and more foreign investment—that had already risen in anticipation.

"The importance of WTO is that it brings into play a more powerful market-based dynamic behind restructuring," said Michael Spencer, chief Asia economist for Deutsche Bank.

Some argue the change spurred by WTO will extend beyond the economic arena to bring political pluralism.

The challenge for China in managing the change is enormous. Beijing must convince protected state firms and conservative officials that WTO membership will bring benefits to China.

"The effects will be good and bad, fast and slow," said Xiao Zhang, an 18-year-old street-side vendor selling everything from chewing gum to liquor. Foreign firms and China's private sector will be the biggest winners, while state firms and hundreds of millions of farmers will feel pain from more competition, analysts said. (Reuters)

# China comes out with anti-dumping law

PRESS TRUST OF INDIA  
BEIJING, DECEMBER 10

CHINA on Monday promulgated its first anti-dumping law to protect the interests of the domestic industry while complying with the norms of the World Trade Organisation (WTO).

According to a decision made public by the state council, China's cabinet, the country's anti-dumping statute will come into force from January 1, 2002.

The statute, coming on the eve of China's entry to WTO on Tuesday, includes regulations concerning dumping and damage, anti-dumping investigations, anti-dumping measures and an anti-dumping tax.

According to the statute, anti-dumping investigations will be conducted on the condition that imported products enter the country at a price

lower than their actual export value, and actually cause damage, or pose a potential danger to domestic enterprises.

The ministry of foreign trade and economic cooperation will be responsible for conducting anti-dumping investigations and taking relevant measures.

The newly issued statute put forward three kinds of anti-dumping measures—temporary anti-dumping measures, price promises and an anti-dumping tax. Temporary anti-dumping measures are valid for between four and nine months. The collection period for the anti-dumping tax and price promises should not exceed five years. However, if terminating the collection of anti-dumping tax will prolong losses caused by dumping activities, the period for the collection of anti-dumping tax may be extended, the statute said.



A Chinese resident bicycles past a billboard in Shanghai on Monday as more advertisements have appeared throughout China trying to lure more foreigners to the country. Reuters photo

## Becomes WTO member today

ANIL K JOSEPH  
BEIJING, DECEMBER 10

CHINA counted the final hours of its formally becoming a WTO member on Tuesday even as Premier Zhu Rongji said joining WTO would give the country a firm push for building of a socialist market economy.

Rongji urged the domestic sector to fully utilise the transitional period to consolidate and face the challenges.

Joining the WTO was a major decision taken by the Chinese government which conforms to the country's fundamental and long-term interests, as it will give a firm push for building of a socialist market economy and the process of its economic modernisation, Zhu said.

China will become a full-fledged

member of the WTO as per the decision taken at the Doha meeting. Speaking to over 90 senior officials from various ministries and regional governments who were here for a training session on WTO rules and foreign investment policies, Zhu cautioned that the WTO membership would have an adverse impact on a few industries, enterprises and products. "Whether the gains are larger than the losses will depend on our work," Zhu, who had taken a leading role in China's tough negotiations at WTO meet, said while urging governments at all levels to make full use of the transitional period allowed by WTO rules to prepare for the coming challenges. China must also make full use of the rights bestowed upon it by the WTO, the premier said.

NDIAN EXPRESS

1 1 DEC 2001



# Uzbekistan to open key Afghan aid bridge

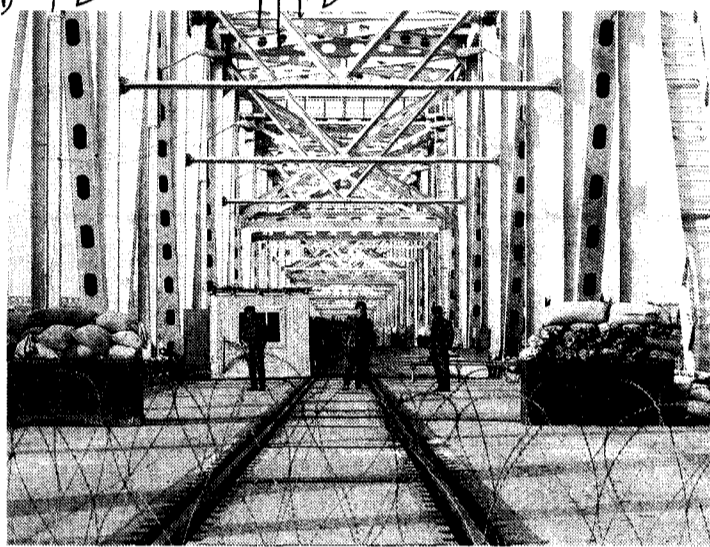
**TASHKENT, DEC. 8.** Uzbekistan today said it would throw open a bridge seen as crucial for aid deliveries to Afghanistan and the United States invited Uzbek President, Mr. Islam Karimov, to Washington.

Aid agencies and officials had long been urging Uzbekistan to open the friendship bridge linking it to northern Afghanistan in order to speed humanitarian deliveries to the population of its war-weary Neighbour.

"We discussed the humanitarian situation and in that regard the President confirmed that the bridge would open tomorrow after one last technical check," the U.S. Secretary of State, Gen. Colin Powell, said at a news conference in the Uzbek capital Tashkent.

Uzbekistan has expressed concerns over the strength of the bridge, saying it needed checks before it could be used for aid deliveries. The United States recently sent military engineers to examine it. "This (opening) will ease the flow of humanitarian aid into Afghanistan and I thanked the President for this decision," Gen. Powell said after talks with Mr. Karimov. Gen. Powell is on a tour of allies in the U.S.-led war on terrorism.

Mr. Karimov said the state commission would meet on Sun-



**Uzbek soldiers guard the Friendship Bridge that links Afghanistan to Uzbekistan at Hairaton, 52 km north of Mazar-e-Sharif, in this 1998 file picture.**

day to give its final approval for the opening. He also said it would decide arrangements for infrastructure and customs points.

The Uzbek President added that the opening of the bridge had political, as well as economic and humanitarian, significance.

Uzbekistan's southern Termez port has provided a major route for aid agencies moving supplies

by barge into Afghanistan, but Uzbek authorities had been reluctant to open the bridge across the Amu Darya river without adequate security guarantees.

Uzbekistan closed the bridge five years ago to stop violence and Islamic fundamentalism spilling over the border when the hardline Taliban swept to power in Afghanistan.

Gen. Powell also said he had brought a letter from U.S. President, Mr. George W. Bush, for Mr. Karimov, thanking him for his support "and hoping that he and the President would be able to meet in Washington in the not too distant future".

The ex-Soviet Central Asian states have been thrust into the world spotlight since the U.S. launched its military campaign in Afghanistan to crush Osama bin Laden — the man Washington blames for the September 11 hijack attacks on the United States.

Never before have they been host to such a stream of high-level visitors or received so much diplomatic attention.

And the presence of a reported 1,500 U.S. soldiers in Uzbekistan, limited to conducting search and rescue or humanitarian operations in the campaign that toppled the Taliban, has changed the face of Tashkent's ties to Washington.

Gen. Powell had told reporters travelling with him that his message to countries "looking for their place in the sun" was that they could expect a long-term embrace from the United States — if they tried harder to live up to its expectations on democratisation and economic reform. — Reuters

THE HINDU

- 3 DEC 2001

# Peru seeks arrest of Fujimori

5-  
9/8  
REUTERS

LIMA, Aug 3. - A Peru judge, Justice Jose Luis Lecaros, declared ex-President Alberto Fujimori an "absent criminal," and authorities issued an international arrest warrant on charges of neglect of duty.

Mr Fujimori, who is in self-exile in Japan, was fired last year because of a corruption scandal triggered by his former spy chief and right-hand man, Mr Vladimiro Montesinos.

Mr Montesinos, who told judges that he acted on Mr Fujimori's orders, was captured last month in Venezuela, and is in a naval base jail awaiting trial on charges ranging from running arms and drug rackets to ordering death squads.

Investigators say they suspect Mr Fujimori of misuse of state funds and involvement in what they call Mr Montesinos' "ma-



Alberto Fujimori: 'absent criminal'

fia" of corruption in Peru's courts, Congress, military and media, but he currently faces only the neglect of duty charges.

There was no immediate reaction from Mr Fujimori or Japan.

Peru's hardline ruler from 1990-2000 says he is innocent, and would not get a fair trial if he returns to Peru to account for his government's alleged misdeeds.

THE STATESMAN

4 AUG 2001

# Castro leads Cuba in remembering revolution

HAVANA, JULY 27. The Cuban leader, Mr. Fidel Castro led a tenth of his nation's citizens on Thursday on a march celebrating the start of the Cuban revolution, trekking about 2.4 km in a display of vigour after his fainting spell last month.

Dressed in his typical olive green uniform and a less typical pair of white sneakers for walking, the Cuban President vigorously waved a small Cuban flag as he stepped off down Havana's coastal Malecon highway. Mr. Castro turns 75 next month.

Castro marched for about 20 minutes, covering about 2.4 km of the 6 km route past the U.S. Interests Section, the American mission here. State television estimated the number of marchers at 1.2 million, out of a population of about 11 million. He did not address the crowd. While Mr. Castro led a similar July 26 march in Havana last year, Cubans had wondered aloud if "El Comandante" would march this year, following his brief fainting spell last month during a speech under the broiling sun. It was the first incident of its kind during Mr. Castro's 42-year rule.

But after a few days of rest, Mr. Castro has resumed his traditionally busy schedule of meetings, State dinners, speeches and other public appearances. Mr. Castro and fellow communist leaders have insisted he is in good health. Marchers protested the long-standing U.S. embargo and other American policies toward Cuba, and demanded the release of five Cuban agents convicted in Miami earlier this year on espionage charges.

Havana maintains that the five men were merely gathering information about anti-Cas-



The Cuban President, Mr. Fidel Castro, (centre-left), is accompanied by Hajj Seyyed Hassan Khomeini (centre-right), grandson of the late Ayatollah Khomeini of Iran, as the former leads more than 1.2-million Cubans in the largest anti-U.S. protest in four decades of hostilities, in Havana on Thursday. — Reuters.

tro groups in Miami to defend their country against violent attacks. A Miami jury on June 8 convicted three of the men — Gerardo Hernandez, Ramon Labanino and Antonio Guer-

rero — of espionage conspiracy for efforts to penetrate U.S. military bases even though they acquired no U.S. secrets. They face life in prison. — AP

THE MINE

LR



AP PHOTO

Havana President Fidel Castro is helped by aides after he appeared to faint two hours into a speech on Saturday near Havana.

# Fidel Castro going down? Not yet

MC-11 25/6  
Havana, June 24

FIDEL CASTRO apparently fainted before a crowd of thousands during a televised speech Saturday, but by the evening he was joking that it was only a rehearsal to see what kind of burial he would get.

Aides helped Castro off the stage after his apparent fainting spell in the hot morning sun, but the Cuban leader returned to the podium a few minutes later to ensure the crowd he just needed some rest. "I am in one piece!" he insisted, to cheers.

By evening, Castro looked rested and cheerful as he went back on live television — this time from an air-conditioned broadcast studio. Those in the studio gave him a standing ovation before he talked for more

than two additional hours.

"It is my fault," Castro said of his growing weak during his earlier speech. "Collecting facts, reading so many documents" until the wee hours. He also added jokingly that he lasted longer than a lot of other people during his morning appearance in the Caribbean sun.

"Another 665 citizens received assistance before I did," he said with a smile, referring to the members of the crowd who were carried away in stretchers by Red Cross workers.

Castro said that after he was helped down the steps of the stage, he was taken to a nearby ambulance and given oxygen. He said that as he was taking his own pulse, he noticed that the ambulance was not moving and decided to return to the podium.

Late Saturday morning, the 74-year-old Cuban leader, wearing his traditional long-sleeved uniform and heavy black boots, was about two hours into a speech under the bright sun with temperatures in the mid-80s when his body began listing to the side, government cameras suddenly pulled away and focused on the crowd, filled with surprised and concerned faces. Some people gasped and some cried.

It was the first time Castro appeared to faint in public and that he has been too weak to finish a speech.

Perez Roque indicated Castro kept a busy schedule recently, speaking Friday night at the opening of ballet school and then staying up late to prepare

for the Saturday morning speech.

In the late afternoon, television began re-airing the morning speech, in which the leader praised five Cubans who were recently convicted by a Miami jury of espionage charges.

Although there have been numerous rumours about Castro's health over the years, the government never comments on them and rarely issues information about his medical condition.

Castro regularly ridicules reports about his health. One, stemming from a 1998 interview with a purported doctor that said Castro had been sedated to prevent a possible stroke, turned out to be false.

AP



Lori Berenson at her retrial before making her final plea to the Peruvian court in Lima on Thursday. (Reuters)

# Jail for Peru-plot American

Gr 4  
20/6  
FROM MISSY RYAN

*Arthur J. Cohen*  
*Larkin A.*

**Lima (Peru), June 21** (Reuters): A Peruvian court yesterday handed American Lori Berenson a 20-year jail sentence after finding her guilty of collaborating with an outlawed Marxist rebel group in a plot to attack Congress.

Berenson, who remained impassive during the four hours it took to read the verdict, immediately declared the sentence "unjust" and said she was innocent and was appealing.

The 31-year-old New Yorker had earlier made one final proclamation of innocence in a 45-minute speech to the court, saying: "I'm no terrorist and I condemn what terrorism is."

Peru's Supreme Court will now have the final say, although Berenson's defence is also pursuing the case in Latin America's top human rights court, based in Costa Rica.

"Convicting her of crimes of terrorism in

respect of collaboration against the state, the jail sentence is 20 years, to end on November 29, 2015," said the verdict, read by court official Javier Llaque.

The US state department said it sympathised with Berenson's family, but could not comment on the case. "We hope the Peruvian Supreme Court will look carefully at all the issues raised by Ms Berenson's defence attorney in the appeal he will file on her behalf," spokeswoman Susan Pittman said.

A guilty verdict and stiff sentence had been widely expected for a woman many Peruvians consider a "gringa terrorista". The prosecution had demanded at least 20 years. Berenson, who was arrested on November 30, 1995, has already served more than five years, mostly in tough Andean jails. Her father Mark tried to jump to his feet as the sentence was read out but was restrained by those around him. His

wife Rhoda stared into her lap. They left the court swiftly. "There is no justice in Peru," Mark Berenson said. Peru's incoming President-elect Alejandro Toledo, who travels to the US next week, has vowed to respect the verdict.

Berenson was convicted in 1996 of being a leader of the Tupac Amaru Revolutionary Movement (MRTA) and was jailed for life. Peru overturned that conviction on appeal and last year granted her a civilian retrial. Peruvians still have sharp memories of the car bombs, kidnappings and power cuts during leftist guerrilla wars on the state in the 1980s and early 1990s that caused 30,000 deaths and \$25 billion in damages.

The sentence came at the end of a marathon session three months to the day since the retrial began. Berenson was given an additional penalty of 180 days in jail and a 100,000 soles (\$28,400) fine.

THE TELEGRAPH

20/6/2011

# Berenson appeals against sentence

Jude Webber  
Lima, June 21

AMERICAN LORI Berenson, given a 20-year jail sentence for collaborating with Marxist rebels in Peru, called the latest verdict unjust and pinned her hopes on an appeal to the country's highest court.

A civilian court convicted her late Wednesday of being a willing collaborator with the Tupac



LORI BERENSON

Amaru Revolutionary Movement, although not a militant member, and said she should be jailed until November 29, 2015, counting time served.

The 31-year-old New Yorker showed no emotion as the sentence — widely expected to be severe — was read out at the culmination of a marathon all-day

final session. "Convicting her of crimes of terrorism in respect of collaboration against the State, the jail sentence is 20 years, to end on November 29, 2015," the three judges' verdict said.

Peru has no jury system. The prosecution had demanded 20 years.

Berenson, who has already served more than 5-1/2 years, mostly in tough Andean jails, after a 1996 military trial, immediately declared the new conviction "unjust." She said she was innocent and would appeal to the Supreme Court.

She is also pursuing her case with the Inter-American Court of Human Rights, the region's top rights court, in Costa Rica.

"It's no crime to worry about the situation of the poor in the world," she told the court in Spanish before the verdict.

Reuters

# Menem under house arrest

*Central file*

**Buenos Aires, June 8 (Reuters):** Argentina's ex-President Carlos Menem was placed under house arrest yesterday by a court investigating illegal arms sales to Croatia and Ecuador during his government in the early 1990s.

"It's a sad day for Argentine democracy and the legal system," said Menem's brother Eduardo.

The playboy politician, who has just married a Chilean former beauty queen half his age and who had planned on seeking a third term in 2003, could face 5-10 years in jail if found guilty of heading an "illicit association" to sell arms.

In two terms in office Menem tamed the mutinous armed forces, modernized the economy, privatized state firms and made Argentina a firm U.S. ally. But his en-

tourage was plagued with major corruption scandals, unemployment soared and poverty grew to affect a third of the population of 36 million people.

Due to his age, the 70-year-old head of the now-Opposition Peronist Party was put under house arrest rather than jailed and flown to a friend's chalet outside Buenos Aires. The South American country had been gripped by feverish speculation Menem would be arrested after his ex-army chief Martin Balza became yesterday the third influential figure of his 1989-99 period in power to be held in the arms case. Menem, one of Latin America's most charismatic politicians of the 1990s, had told a crush of reporters when he arrived at the courthouse: "I don't know if I shall remain free."

*9/3*

THE TELEGRAPH

AP-10

# Che photographer dies at 72

2/15



AFP PHOTO  
A file photo of Cuban photographer Alberto Diaz Gutierrez in his Havana study with his famous portrait of Che Guevara in the background.

## Havana

**CUBAN PHOTOGRAPHER** Alberto Diaz Gutierrez, also known as Korda, whose portrait of Che Guevara turned him into a legend, died in Paris of a heart attack at the age of 72, his friend Liborio Noval told AFP on Friday.

"I've been told that Korda died of a heart attack in Paris, where he was participating in an exhibition," said Noval, a photographer for Cuba's official Communist newspaper Granma.

"This is a terrible loss for us photographers," he said, adding that he had been a close friend of Korda's since 1959.

Korda's March 5, 1960 photograph of Argentine guerrilla Ernesto Che Guevara, wearing a black beret, his long hair blowing around his face, became the 20th century icon of the political left-wing around the world.

During the Cuban revolution, Korda traveled with Fidel Castro and Che Guevara for nearly a decade.

His remarkable portraits of Che and Fidel represent the romance of an era while at the same time revealing the humanity of men idolised by millions, according to the Maryland Institute, College of Art, where Korda spoke last year.

AFP

THE HINDUSTAN T



# Castro, visit over, calls Mahathir a fellow rebel

Kuala Lumpur, May 13: Cuban President Fidel Castro left Malaysia on Sunday ending a three-day state visit which was intended to foster closer ties between the two countries.

The national Bernama news agency said Prime Minister Mahathir Mohamad, whom Mr Castro described as a "fellow rebel," was at Kuala Lumpur International Airport to see the Cuban leader off.

Bernama did not say where the plane taking Mr Castro was heading.

However, Malaysia's foreign ministry said on Saturday the Cuban leader was leaving for Qatar.

Malaysia was the third leg of a tour which has taken him to Algeria and Iran.

During the tour, he praised the roles of countries he sees as having stood up to what he calls the neo-colonialism of the United States.

Mr Castro, 74, and Mr Mahathir, 75, found much in common during formal talks on Friday, the two long-time leaders enjoying self-styled mantles as defenders of developing countries against Western interests and those of the United States in particular.

Both leaders, who between them have held power for a total of 62 years, talked of the need for developing countries to defend their interests together in the face of globalisation. (Reuters)



COMRADES-IN-ARMS: Cuban President Fidel Castro (right) walks with Malaysian Prime Minister Mahathir Mohammed after their meeting at a Kuala Lumpur hotel on Sunday. The 74-year-old Communist leader is currently on a three-day visit to Malaysia. (AP)

THE ASIAN AGE

14 MAY 2001

# Democracy linked to free trade

ASSOCIATED PRESS *Central*

QUEBEC CITY, April 23. - After the protesters left and a steady drizzle washed away the clouds of tear gas, 34 leaders of the Americas scrawled their names on a sweeping accord that would unite the Western Hemisphere in the world's most powerful trade bloc.

The Summit of the Americas ended yesterday with US President Mr George W Bush and other Presidents and Prime Ministers agreeing to inaugurate the free-trade zone by the end of 2005. They still have fierce differences, though, about details of the zone, which would unite their \$13 trillion economies, eliminate national subsi-

dies and raise competition.

"I'm very optimistic about what took place here," Mr Bush said. "It gives us a great chance to expand the opportunities around our hemisphere knowing it'll help our own country."

The leaders also agreed that the Free Trade Area of the Americas will include only democracies. Any country that veers from democracy - with a military coup, for example - could be kicked out.

The leaders rebuked Haiti for its flawed elections and sent the head of the Organisation of American States to help sort out the political chaos on the impoverished island.

Anti-globalisation protesters battled with Canadian riot po-

lice for two days, hurling bricks and bottles and tearing down parts of a wall built to keep them from the summit, and saw their fears confirmed.

The leaders hope the trade blueprint, linking everyone from Buenos Aires to Boston, Valparaiso to Vancouver, will bring their countries the prosperity that eludes most of the world's population. The protesters say it will deepen poverty.

Europe has already gone further than the Americas into a deep union that continues to grow, and members of Association of Southeast Asian Nations are toying with the idea of forming an Asian Union bringing in China, Japan and South Korea.

THE STATESMAN

24 APR 2001

# US plane shot down in Peru

Lima, April 21

A PERUVIAN air force jet shot down a US plane carrying missionaries in Peru's Amazon jungle region on Friday, killing a missionary and her infant daughter.

"Apparently the Peruvian pilot mistook it for an airplane transporting contraband drugs," US Embassy spokesman Benjamin Ziff said.

Peru's air force issued a statement on Saturday confirming that the missionary plane was shot down on Friday after it was detected by "an air space surveillance and control system" operated jointly with the USA for counter-narcotics efforts.

The statement said the plane entered Peruvian air space from Brazil without filing a flight plan and that it was fired upon to force it down after the pilot failed to identify himself.

The Rev EC Haskell, spokesman for the Association of Baptists for World Evangelism, said five people were aboard the plane when it was attacked on the way from the Peru-Brazil border to the Peruvian city of Iquitos.

Missionary Veronica "Ronnie" Bowers, 35, of Muskegon, Mich. and her seven-month-old adopted daughter, Charity, were killed and



A file photograph of Kevin Donaldson and his wife Bobbi. Donaldson was the pilot of the US plane shot down in Peru on Friday.

missionary pilot Kevin Donaldson of Morgantown, was injured.

Also on board and unhurt were Bowers' husband, Jim Bowers, 35, and their six-year-old son Cory. The missionary group's US base is in New Cumberland.

Donaldson's wife, Bobbi, said her husband was shot in the leg and lost control of the plane, which was in flames, but managed to guide it into the Amazon river, where it flipped over.

Veronica Bowers was holding her daughter on her lap when a bullet struck her in the back,

killing both her and the child, Mrs Donaldson. She told CNN in a separate interview that her husband's "leg was fractured by the bullet that went in through his calf. He bled quite profusely floating in the Amazon."

She said the military plane continued to fire even after the small plane landed on the river.

Haskell said the survivors sat on the pontoon for about 45 minutes before being rescued by some Peruvians in a dugout canoe.

AP

THE HINDUSTAN TIMES

22 APR 2001

Toledo just short of majority

# Peru pushed into runoff

FROM JUDE WEBBER

Lima, April 9 (Reuters): Peru's presidential favourite Alejandro Toledo paid a courtesy call to Alan Garcia, the Leftist ex-leader who appeared to have forced him into a second round runoff after yesterday's closer-than-expected elections.

Toledo, who finished first but well short of the outright victory he predicted, arrived at Garcia's party headquarters just before midnight as official results from the National Office of Electoral Processes (ONPE) gave him 36.39 per cent support with just over 19 per cent of votes counted.

Garcia, President at the helm of a catastrophic 1985-1990 term, had 25.82 per cent of the vote, according to the ONPE tally. The former Peruvian leader presided

over a couple of free-spending feel-good years during his period in office but plunged Peru into a debt crisis that left it with inflation of 7,650 per cent, daily food lines and rampant rebel violence.

Right-of-center former congresswoman Lourdes Flores, who has been vying to become Peru's first female President, trailed in yesterday's election with 23.73 per cent of the vote. Toledo said he would visit Flores, too, adding it was too early to say who his runoff rival would be.

"I have come to make a democratic greeting because that is what Peru expects — democracy," said Toledo, a centrist free-marketeer of humble Andean Indian origins.

Official results were expected to trickle in overnight.

Flores, her trademark wide smile intact, said she was calm and gave no indication she believed she was out of the race yet.

Respected election monitors Transparencia, whose own vote tally reflected the official trend, praised the elections as fair and clean. A national vote a year ago had been labeled fraudulent by international observers, and Toledo charged that former President Alberto Fujimori robbed him of victory in that poll. The preliminary results of yesterday's election pointed to a "very fearsome race in the second round" between Toledo and Garcia. The election appeared to be a stunning comeback for the charismatic Garcia, a silver-tongued orator who was widely reviled after his previous term in office.

THE TELEGRAPH

10 APR 2001

# Mexico rebels open road to peace

HF-11 30/3 Central & Latin Am



Zapatista commanders at a special session of the Mexican Congress in Mexico City on Wednesday.

AP PHOTO

# Six aid workers freed in Somalia

Mogadishu, March 29

SIX AID workers including five foreigners and a Somali kidnapped by gunmen after heavy fighting in Mogadishu were freed early on Wednesday but four others were still held, the United Nations said.

UN officials planned to evacuate the five, who included French, US, Spanish and British citizens, from Somalia to neighbouring Kenya and urged gunmen holding the remaining four to free them quickly.

"The five have been released to the charge of the transitional Government," said spokeswoman for the Nairobi-based UN Resident and Humanitarian Coordinator's Office for Somalia, said.

The Somali was also in the care of the fledgling Government. Those freed included three foreign employees of the Medecins sans Frontieres, two expatriate staff of UNICEF and a Somali UNICEF staffer.

The six were abducted on Tuesday during a raid on the MSF compound in Mogadishu by gunmen loyal to warlord Muse Sudi Yalahow. The foreigners were abducted to show that the war-ravaged capital was still a dangerous place.

The kidnaps were seen as a direct challenge by Muse Sudi to the transitional Government which took office last year but controls only a small part of the capital, which has been divided into fiefdoms by rival warlords.

The six aid workers ended up on Tuesday in still unexplained circumstances at a building belonging to a Somali businessman who at 2:00 a.m. managed to release them into the custody of the Government.

Four other foreigners—two British UN security staffers, and two other UN staff from France and Belgium—were still held.

Reuters

Mexico City, March 29

LEAVING BEHIND their jungle hide-outs and guns — and their controversial leader — 23 Zapatista rebels strode yesterday onto the floor of Congress and proclaimed the beginning of a political struggle for Indian rights.

Rebel leader Comandante Esther said the absence of Subcomandante Marcos, the rebels' military leader and media star, was intentional: the rebels' military mission was over, she said.

"Our warriors have done their job. Now it is our time for respect," Esther told hundreds of legislators. "The person speaking to you is not the military leader of a rebel army, but the

political leader of a legitimate movement."

For the first time, the Zapatistas acknowledged the peace overtures made by President Vicente Fox, who struggled to meet their demands.

"His orders have been a sign of peace. We too will give orders of peace to our people," Esther said. Fox, who supported the rebels' appearance but did not attend the session out of respect for Congress' independence — said it "marked a start point, so that Mexico can repay the debts it has with our 10 million Indian brothers and sisters."

He seized upon Esther's announcement that a rebel representative would make contact with Fox's peace envoy.

"Today, it was also confirmed that dialogue between the Federal Government and the Zapatistas is being resumed," he said — though the rebels said they were not yet ready for full dialogue.

Mexico's two major TV networks carried the entire session and its aftermath live — giving the rebels almost seven hours of uninterrupted coverage.

In the spotlight were Esther and some rebel commanders who described 500 years of repression against Indians and argued for approval of a rights Bill currently before Congress.

"It is symbolic that I, a poor Indian woman and a Zapatista, am here today," Esther said.

AP

THE HINDUSTAN TIMES

33 MAR 2001

**PLATFORM** | Ash Narain Roy

## Viva Zapatista

Central & Latin Am  
11-8 29/3

*The rousing welcome that the Zapatistas got when they entered Mexico City recently showed how successful the movement has been in its struggle to highlight the plight of Latin America's indigenous population*

**T**HE 16-DAY trek from Chiapas to Mexico City by thousands of Zapatistas and their 23 masked commanders was no ordinary pilgrimage. The Institutional Revolutionary Party (PRI), which ruled Mexico for over 70 years, often organised sham rallies of poor and not so poor peasants.

The Zapatista rally was unprecedented, for it sought to awaken a social conscience that was asleep. No wonder, it was joined by thousands of professionals, artists, teachers, housewives, monks, street vendors, students and others. The rallying cry of the Zapatistas was "Chiapas too is Mexico" and "Never again a Mexico without us."

Subcomandante Marcos, a tall man who wears a ski mask that reveals only his green eyes and a part of his prominent nose, is no ordinary guerrilla leader. In fact, Marcos and 22 other masked comandantes entered the city unarmed. Unlike traditional guerrilla leaders of Latin America who either played second fiddle to Fidel Castro or sought to romanticise revolution the way Che Guevara did, Marcos put on the mask only to unmask painful truths about Mexico. He often replied fiercely to the demand that he take off the mask: "Why such a fuss over the ski mask. Is Mexican culture not the 'culture of the veiled'?"

The Zapatista uprising began precisely at a time when guerrilla movements in Central America had subsided. If Mexico remained free from civil conflicts that plagued neighbouring countries like Guatemala and El Salvador in the Seventies and Eighties, it was because of Mexico's sympathetic stance towards the Leftist guerrillas and their mentor, Fidel Castro.

In that sense, the Zapatista movement is not only the first post-communism phenomenon but also the first post-anti-communism rebellion.

One of the reasons why the Zapatistas have captured the popular imagination is their fight for the dignity of the indigenous people and their explicit renunciation of the standard Leftist goals of leading a revolution. The Zapatistas also distinguished themselves by their readiness to engage in peace talks.

The history of Mexico — and indeed much of Latin America — can be narrated through its leaders and the mask they often wear. Being a product of colonisation, authoritarian European monarchies and indigenous theocracies, Latin Americans have developed a peculiar trait of remaining silent about their feelings but quite vocal about their appearances. Octavio Paz, the Nobel laureate from Mexico, describes this attitude as a "smiling mask".

Mexican rulers — from the Aztecs, through the Spanish viceroys and the 19th century Caudillos (chieftains) to the modern presidents — have known few legal constraints upon their exercise of autocratic power. When they have not wielded it, the country has typically plunged into violent chaos.

It is out of such chaos that the Mexican Revolution of 1910, preceding even the Bolshevik Revolution in Russia, emerged. While the revolution was led among others by Emiliano Zapata, who espoused the cause of the rural peasantry, those who claimed to

inherit the revolutionary mantle ignored the Indians' claims for land and justice. The indigenous people became the victims of the neo-feudal system perpetuated by the 20th century rulers.

Though land rights were promised to the landless, the feudal land barons (*caciques*) often sent bands of armed men to evict them from their lands. The Zapatista rebellion which shook Mexico the very day the nation joined the much disliked North American Free Trade Agreement (NAFTA) on January 1, 1994, was a reminder that enough was enough and that the indigenous had the means to assert their democratic rights.

Six months after the Zapatista uprising, Ecuador witnessed the first major act of the two main indigenous people's unions like the National Indian Confederation of Ecuador and the Indian Movement of Chimboranzo, taking control of rural Ecuador for two weeks. The indigenous Ecuadoreans were primarily responding to the neo-liberal agrarian law which guaranteed private property, thereby effectively ending the policy of collective land reform and privatising access to water.

The indigenous form a majority of the population in Bolivia and Guatemala. And yet, only in 1996, Guatemala recognised indigenous rights. It was the first time since Spaniards arrived in 1524 and enslaved the ethnic Mayans that the government recognised indigenous culture, languages, religious practices and their land rights. The plight of the Guatemalan Indians came into the international spotlight when Rigoberta Menchu, a Guatemalan Mayan, was awarded the Nobel Peace Prize in 1992 for her fight for indigenous rights.

In the face of the onslaught of the new global order, old and new forms of resistance have sprung up throughout Latin America. Social movements of workers, peasants, environmentalists and the indigenous have burgeoned in the region. The indigenous form a majority in Guatemala and have huge majorities in Ecuador, Peru, Mexico and Paraguay. The indigenous movement in Ecuador is at the forefront of the country's struggle against neo-liberalism and for social justice. It forced the ouster of two governments recently and is continuing its opposition to the present government's economic policies. Even in Venezuela, the emergence of the populist government of President Hugo Chavez reflects the frustration and anger that many people feel in the face of corruption, inequities and the unresponsive political system. The Mayan community in Guatemala and Mexico is engaged in a renewed mobilisation and assertiveness which has not been paralleled since the resistance to the Conquest.

Both in Chiapas in southeastern Mexico and the neighbouring Guatemala, the impoverished Mayan Indians eke out a spartan living as small farmers. It is too early to expect things to change dramatically. However, President Vicente Fox deserves to be complimented for his efforts to resolve the Zapatista revolt. But Subcomandante Marcos is unlikely to drop his mask. After all, his is not a 'smiling mask'.



SMOKING GUN: Subcomandante Marcos

THE HINDUSTAN TIMES

29 MAR 2001

## Revolt sweeps 19 jails in Brazil, inmates kill eight

SAO PAULO: An unprecedented series of simultaneous prison revolts swept across the Brazilian state of Sao Paulo, with inmates killing at least eight people and taking hostage as many as 7,000, including prison officials and relatives of the prisoners. Sao Paulo's public security chief Marco Vinicio Petreluzzi said on Sunday night that the situation had been brought under control at nine of the 19 jails overtaken in the coordinated series of mutinies.

About half of Brazil's entire prison population of 196,000 has been detained at jails in the state of Sao Paulo, according to figures provided by the Roman Catholic Church. The most disruptive uprising, at Carandiru prison—Latin America's biggest prison complex—saw some 9,700 prisoners take some 5,000 people hostage, among them about



**A woman guard is aided by her colleagues during a riot at the Carandiru state penitentiary in Sao Paulo.**

1,000 children. Three people died in that riot, say security officials. Two other deaths were reported at a prison at Belen in Eastern Sao Paulo state as rioting inmates executed two of their own, military police commander Rui Cesar Mello said.

Inmates at Carandiru prison—home to some 10,000 prisoners—abducted visitors, including women and children, as the jail opened on Sunday for family visits, say security officials. Prisoners later released an undetermined number of captives after the riot police stormed the giant complex some five

hours after the uprising began.

According to Mr Petreluzzi, the mutinies were orchestrated by a prisoners' "organisation" which is demanding that ten of its leaders, switched from Carandiru to other jails this week, be returned to Sao Paulo. (Agencies)

THE TIMES OF INDIA

20 FEB 2001

not stop the entry of drugs at the gates of position.

## Booking Pinochet

AFTER DECADES of personal security, Chile's former strongman Augusto Pinochet may finally face justice. Chileans are divided over the 85-year-old general and his legacy. But if the Ricardo Lagos regime succeeds in making him pay for the atrocities committed during his reign, it will be seen as just retribution not only by Latin Americans but by the entire world. There are still many legal hurdles to be crossed before the order to place him under house arrest and bring him to trial for alleged human rights abuses can become operational. Pinochet supporters are angry. Perhaps an equal number of Chileans are sceptical about the process being taken to its logical conclusion. In December last year, when his arrest was ordered, Pinochet supporters demonstrated outside the house of the judge and later got the order overturned by the Supreme Court.

Those who hail Pinochet for the Chilean economic 'miracle' after the overthrow of the Salvador Allende regime are not expected to take things lying down. The army is still not completely out of Pinochet's shadow. Delaying tactics are still the best weapon for the wily general. But if the Pinochet case is hotting up again, it is because he no longer enjoys the immunity which he once had. A good sign is that the present Government is unlikely to play it safe as its predecessors did.

There are currently 187 cases pending against Pinochet. Recently the armed forces admitted that the bodies of 130 of the nearly 1,200 people who disappeared had been thrown into the sea. It is ironical that the West, particularly the US, which is putting enormous pressure on Yugoslav President Vojislav Kostunica to arrest former President Slobodan Milosevic, is keeping mum over the Pinochet affair. The West was party to Pinochet's dirty wars which claimed thousands of victims. That explains why it now prefers to look the other way. Pinochet's shocking record cannot be wished away and the crimes committed during his regime should not be overlooked.

THE HINDUSTAN TIMES

THE HINDUSTAN TIMES

1 FEB 2001