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SUBJECT: Early Report 10/10: 'CLINTON IS RIGHT TO PAY HIS SECOND VISIT T

TO: Doris O. Matsui (Doris O. Matsui@eop [UNKNOWN])
READ:UNKNOWN

TEXT:

With President Clinton's second visit to Latin America this year coming up

Sunday, the press abroad served up a smorgasboard of views on issues
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U.S. relations with its southern neighbors. In two of the three countries
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expectations that he would listen to their leaders' concerns on trade and
deliver on promises that he would grant Argentina major non-NATO ally
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Center-right O Estado de Sao Paulo focused on the need for the Clinton
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BRIEFS

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- North Korea: Kim Jong-Il's Leadership Becomes Official
- Report On Congo-Zaire: Did U.S. Know?, 'Reality Check' For Kabila

EDITORS: Mildred Sola Neely and Kathleen J. Brahney

'CLINTON IS RIGHT TO PAY HIS SECOND VISIT TO LATIN AMERICA'

ARGENTINA: "Leftists Against Clinton: Most Important Campaign Rally"

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'Thirty years after Che's death, Clinton and IMF, out' is the slogan

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Bill
Clinton the fast-track authority he requires to conduct U.S. foreign trade
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COSTA RICA: "Fear Of Massive Deportations"

The lead editorial in independent Diario Extra (10/8) stressed, "If the U.S.

Senate does not make any concessions, the consequence will be massive deportations. This situation would adversely affect development in the (Central

American) isthmus, especially in the countries with the largest numbers of

deportees. It is no secret that none of us is economically able to absorb them

without suffering dire consequences of all kinds. We hope that the meeting of

immigration chiefs, to be held in Costa Rica, can arrive at a joint approach

to this problem. We also hope that the U.S. government will offer some concessions in this regard."

CUBA: "U.S. Economic War Prevents Us From Defining Dates For Goals"

Previewing the Communist Party Congress, Central Communist Party Granma (10/8)

observed: "The Draft Economic Resolution of the Fifth Party Congress conveys

many essential ideas.... First, that the prevailing and ever-increasing economic war of the United States against our country, and the existing

world

economy conditions, prevent us from defining `exact dates for the attainment

of our goals.' Second, and for the same reasons, we must be realistic and foresee that the current restrictions to foreign credits and a feasible foreign-debt solution might prevail or even increase, in the near future....

Third, that efficiency is the core of our economic policy.... And fourth, that our changes so far and in the future will always be aimed at preserving the socialist essence of our Revolution....

"In its final part, the draft emphasizes that the right and successful enforcement of the economic policy decisively depends on the role of leaders,

'who must all be politically steadfast and loyal to the Revolution and socialism.'... The third part of the Economic Resolution Draft makes forecasts

for the next few years, although [some believe] it should have been more accurate.... However, just and logical goals are not always realistically minded, and it is difficult to forecast what may occur in four or five years."

GERMANY: "Socialism Is Dead"

According to right-of-center Nordbayerischer Kurier of Bayreuth (10/10),

"An

economy in tatters, a disastrous supply situation, and political refugees

are

trying to find their salvation in Florida where a resistance movement,

which

is willing to use force, is waiting for its moment to come. It is the

only

remaining aim of the 'lider maximo' to delay this moment. This policy

has

caused

unpredictable damage for the pauperized country. In Cuba itself, many

Cubans

are wishing for a reversal of Castro's slogan 'Socialismo o

muerte'--socialism

or death--into 'Socialismo esta muerto'--socialism is dead."

BRITAIN: "Clinton Hails 'Quiet But Impressive' Revolution"

The independent Financial Times noted about the Clinton visit (10/10):

"The

White House hopes the visit will draw attention to the 'quiet but

impressive

revolution' in Latin America over the last 10 years and cement ties across

a

range of issues from trade, the environment and democracy to common

problems

such as narcotics and crime. Billions of dollars of new American investment is pouring into the region, increasing American dominance among foreign investors. For this reason alone, the common agenda--on issues such as investment protection, intellectual property rights and energy--has been growing. However, trade will be the underlying theme of the visit--even though little is expected in the way of concrete advances."

"Clinton Is Right To Visit Latin America"

An editorial in the independent Financial Times said (10/10), "The president is right to pay his second visit to Latin America this year. Mr. Clinton's advisers have seen that the destinies of the United States and Latin America are likely to be ever more closely entwined strategically in the years ahead.

Venezuela is already the largest foreign supplier of oil to the United States.

That position will be strengthened in the coming years as Venezuela's oil production rises.

"What is important in this process is that the United States takes a full role, arguing for an FTAA that is as open as possible to third countries. This should ensure a trade arrangement for the hemisphere that not only meets

the

rules of the World Trade Organization but goes beyond them."

ITALY: "Another Clinton Success: Road To 'Fast Track' Now Smoother"

New York correspondent Mario Platero concluded in leading business II

Sole-24

Ore (10/10): "President Clinton is leaving for his awaited mission to

South

America with two approvals for the extension of 'fast track' authority:

after

the Senate, the House Ways and Means Committee also approved compromise

legislation to give the president the special powers which are necessary

to

negotiate new trade agreements with third countries. And there is no

doubt

that Latin American countries are the main candidates for an ambitious

project: to expand the NAFTA agreement with Canada and Mexico to the

whole

American continent, thus anticipating Europe.... The approval by the

Senate

and House committees will enable Clinton to present himself to his South

American interlocutors from a stronger position than was the case a few

days

ago."

BELGIUM: "Cuba Does Not Take New Roads"

The headline above ushered in this piece by Latin American affairs writer Francis Van den Berghe in independent Catholic De Standaard (10/10), "A gap has developed between Cubans with money and Cubans without. It is a climate which is fertile to social inequality and corruption. The PCC Congress hopes that it will be able to control those phenomena. That is why it is emphasizing that it has to keep a tight rein. There is no doubt that Cuba's problems would be much lighter without the American boycott. Havana can find solace in the fact that (that boycott) has been denounced repeatedly by the UN. In the meantime, however, (that boycott) is becoming increasingly tighter and wider--especially when the European Union, under U.S. pressure, imposes a moratorium on European investments in Cuba."

INDONESIA: "Castro Economic Reforms Offer Cuba Economic Alternative"

Leading, independent Kompas commented under the headline above (10/10):

"Western countries have often treated Castro as an object of ridicule, a

Communist fossil that must be eradicated from the earth. And the United States has failed in its attempts to topple Castro.... We view Cuba as having been treated badly by the West and the United States. We support Castro's endeavors to bring about economic reform, while hoping that Cuba will manage to overcome the difficulties it has been facing."

BRIEFS

RUSSIA: SIGNALS FROM YELTSIN, SIGNS OF 'CIVIL PROGRESS' IN DUMA

RUSSIA: "No Third Term For Yeltsin?"

Under this headline, reformist, business-oriented Kommersant Daily (10/10) carried a page-one report by Maria Parfanovich: "No sooner had Boris Yeltsin set foot on French soil than he declared to the roar of the still running aircraft engines, 'I am a guarantor of the Constitution. So I am the one to show all how to follow it. This is why I say again that I will not run for the presidency for a third time. My second term will end, and we will hope and wait for a young energetic and aggressive democrat to come along.' The president said that, but, living in Russia, you can't be absolutely sure that

his word is final and that he won't change his mind. Who knows? After a while, the presidential press service might come up with an explanation that it's just that there was too much noise from the aircraft engines in Strasbourg."

"Global Leadership Vs. Multipolar World"

Centrist Nezavisimaya Gazeta (10/10) front-paged this comment by Dmitry Gornostayev: "Curiously, the Russian president's overt and covert anti-American pronouncements coincided not only with the end of preparations for the Strasbourg forum, but with the beginning of preparations for the next Russian-American summit. While the United States constantly refers to its (own) global leadership, the Russians prefer the word 'multipolar' when talking of a world order. In Strasbourg, the Russian president will most likely give first priority to his closeness to the leaders of principal European nations."

GERMANY: "Civil Progress"

Klaus-Helge Donath opined in left-of-center Die Tageszeitung of Berlin (10/10): "Last year, Russian intellectuals warned against a further disintegration of the country, saying that Russia was on the brink of a

social

disaster which could have grave political consequences.... But in the fall of

1997, everything remained calm in Russia. Instead of an economic collapse,

starvation, political chaos, and a revolt of the armed forces,

statistical

data even indicates a tiny increase in the GNP by 0.2 percent, for the first

time since the transformation process in 1992....

"Although the extremely grim opposition in Russia's parliament is now threatening the government with a vote of no-confidence and does not want to

accept the draft budget, it continues to stick to parliamentary procedures and

is not engaging in overhasty initiatives. A mediation committee is now trying

to work out a compromise that could then be adopted by the Duma.... One may

consider this to be opportunistic or cowardice in the face of the enemy, but,

in the end, a budget will be adopted that also tries to satisfy the clientele

of the Communist Party. The Russian parliament, which was for a long time considered an accumulation of people who tended to create turmoil, is beginning

to learn how to make compromises and to discuss things. For Russia, this is formidable civil progress, which the model countries and their much-lauded civil society are about to forfeit right now."

NORTH KOREA: KIM JONG-IL'S LEADERSHIP BECOMES OFFICIAL

NORTH KOREA: "Kim Jong-Il, Greatest Man With Rare Clairvoyance"

According to the official Korean Central News Agency (KCNA, 10/9):

"Comrade

Kim Jong-Il is the greatest man in the world, who brought about the best days

of the Workers' Party of Korea and the Korean revolution with rare clairvoyance.... He with rare clairvoyance puts forward ideas and theories of

inexhaustible viability, looking into the distant future of the Korean revolution.... With his ideas and theories indicating the road ahead, the WPK

can lead socialist construction to a victory without making a mistake in shaping policies and deviating from them and creditably build an ideal society

of humankind on this land.... His estimates of the Vietnamese War, the Second

Mideast War, the civil war in Cambodia, the Gulf War and other events...are all

correct. No doubt, the Korean people under the leadership of the

far-sighted

general Kim Jong-Il will certainly win in their struggle to build a

powerful

country of Juche and accomplish the revolutionary cause of Juche in

Korea."

SOUTH KOREA: "Kim Jong-Il Leadership Becomes Official"

Independent Dong-A Ilbo observed (10/10): "We fully understand why the

North

is afraid of opening up. It rightfully fears that such opening will lead

to a

collapse of its system. The North, however, must understand that it has

no

other options if it is to find a fundamental solution to all its

predicaments.

And the North cannot do it without our assistance. To make things work,

the

North should first give up its strategic goal of unification by force,

and

then come to the table for dialogue. The South Korean government has to

have

ready a long-term strategy to help the North open up."

"Kim Jong-Il's Foreign Policy"

An op-ed article in moderate Hankook Ilbo maintained (10/10): "In order

to
maintain his regime, and to secure continued food aid, investment and
technology from the West, Kim Jong-il will take advantage of his
military as
a kind of leverage in negotiations with the West. The only reason the
United
States has any interest in the North is the North's strong military
forces...which the United States believes...greatly endanger regional
security. The threat (from North Korea) would be enormous, especially in
the
event of such an emergency as a collapse of the country. Knowing all
this, Kim
Jong-il will play his military card to win in negotiations with the United
States. As the North maneuvers to win, tensions on the Korean peninsula
will
go up sometimes."

THAILAND: "Now That Kim Is Leader, Real Task Begins"

In the words of the independent Nation (10/10): "For Kim (Jong-il) to be
a
'Great Leader' in deeds, he will have to do more than just give the odd
speech
or visit factories and kindergartens. He will need to give North Korea a
window to the world. There is no doubt that from his perspective, such
an
opening could in the long run have negative impacts. Weakening his

Stalinist

regime is one. But in the short term, it will help North Korea overcome

its

current food crisis.... On the political front, it is expected that Kim

will

continue to engage with such powers as the United States, Japan and

China...

The on-and-off four-party peace talks will definitely resume in the near

future. This is simply because the talks are the only diplomatic

channels in

which Pyongyang can touch base with Washington, Seoul and Beijing....

Kim

will make use of the Korean Energy Development Organization (KEDO) and

the

four-party talks to ensure that future assistance is forthcoming....

Doubtless, his promotion to the post of general secretary this week

reflects

the support he has within the ruling party. With such support, Kim can

afford

to be more flexible. And he can boost his image further by opening up

North

Korea to tourists and investors."

REPORT ON CONGO-ZAIRE: DID U.S. KNOW?, 'REALITY CHECK' FOR KABILA

FRANCE: "U.S. Knew Everything From The Start"

Jean Hatzfeld in left-of-center Liberation (10/10): "Besides giving proof

on

how the massacres were carried out, the strength of this new report

resides in

the fact that it points an accusing finger at the United States,

denouncing

Washington's guilty role, (as well as that of others) during the military

campaign in Zaire. 'Members of the international community, including

the

United States, were well aware of Kigali's intentions of attacking the

refugee

camps' says the report...adding that 'Washington provided key support to

Rwanda during the military campaign.' In other words, the United States

knew

everything."

BELGIUM: "Report On Congo-Zaire A Victory For Civil Society"

Marie-France Cros maintained in conservative Catholic La Libre Belgique

(10/10): "The U.S. organization Human Rights Watch/Africa and the

International Federation of Human Rights Leagues have just published a

report

on the massacres committed during the 'liberation war' in Congo-Zaire

under the

leadership of Laurent Kabila. This is a victory for civil society

because,

since last spring, (Kabila) has multiplied obstacles to prevent a similar investigation by a UN commission....

"This is a victory for the civil society also because the report is nuanced.

As of now, it will be impossible for Rwanda to say that its troops did not commit war crimes.... It is impossible for the Kinshasa government not to face

the reality: its existence results from a deal between Messrs. Kagame and Kabila, according to which the former provided the latter with the army he needed....in return for the right to do whatever would please him of the Rwandan Hutu refugees in Zaire. It is impossible for the Hutu extremists to

further deny that their army and militias used the civilian refugees--the only

real refugees in the eyes of international law--as a shield, letting them decline whereas they had been in good health."

##===== ATTACHMENT 1 =====
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===== ATTACHMENT 2 =====
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#XP\ P6QyP#Bill Richey, Branch Chief Media Reaction (R/MR), #:x2PkCXP# #XP\
P6QyP#Richey@usia.gov, (202) 6196511 Ann Pincus,
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"It would have come as a relief to her and the Community's foreign ministers and ambassadors in the United States that last Thursday's breakfast session coincided with the encouraging news that the U.S. Senate Trade and Finance Committee and the Senate itself were in a positive mood to give President Bill Clinton the fasttrack authority he requires to conduct U.S. foreign trade negotiations."

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NORTH KOREA: "Kim Jongil, Greatest Man With Rare Clairvoyance"

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the Second Mideast War, the ci
vil war in Cambodia, the Gulf War and other
events...are all correct. No doubt,
the Korean people under the leadership of
the farsighted general Kim JongIl wi
ll certainly win in their struggle to
build a powerful country of Juche and acc
omplish the revolutionary cause of
Juche in Korea."

X' hp x (# SOUTH KOREA: "Kim JongIl Leadership Becomes Official"

X' hp x (#

Independent DongA Ilbo observed (10/10): "We fully understand why the
North
is afraid of opening up. It rightfully fears that such opening will
lead to a
collapse of its system. The North, however, must understand that
it has no ot
her options if it is to find a fundamental solution to all its
predicaments. A
nd the North cannot do it without our assistance. To make
things work, the N
orth should first give up its strategic goal of
unification by force, and then
come to the table for dialogue. The South
Korean government has to have ready
a longterm strategy to help the North
open up."

"Kim JongIl's Foreign Policy"

An oped article in moderate Hankook Ilbo maintained (10/10): "In order to
main
tain his regime, and to secure continued food aid, investment and
technology fr
om the West, Kim Jongil will take advantage of his military
as a kind of leve
rage in negotiations with the West. The only reason the
United States has any
interest in the North is the North's strong military
forces...which the United

States believes...greatly endanger regional security. The threat (from North Korea) would be enormous, especially in the event of such an emergency as a collapse of the country. Knowing all this, Kim Jongil will play his military card to win in negotiations with the United States. As the North maneuvers to win, tensions on the Korean peninsula will go up sometimes."

THAILAND: "Now That Kim Is Leader, Real Task Begins"

In the words of the independent Nation (10/10): "For Kim (Jongil) to be a 'Great Leader' in deeds, he will have to do more than just give the odd speech or visit factories and kindergartens. He will need to give North Korea a window to the world. There is no doubt that from his perspective, such an opening could in the long run have negative impacts. Weakening his Stalinist regime is one. But in the short term, it will help North Korea overcome its current food crisis.... On the political front, it is expected that Kim will continue to engage with such powers as the United States, Japan and China... The onandof fourparty peace talks will definitely resume in the near future. This is simply because the talks are the only diplomatic channels in which Pyongyang can touch base with Washington, Seoul and Beijing.... Kim will make use of the Korean Energy Development Organization (KEDO) and the fourparty talks to ensure that future assistance is forthcoming.... Doubtless, his promotion to the post of general secretary this week reflects the support he has within the ruling party. With such support, Kim can afford to be more flexible. And he can boost his image further by opening up North Korea to tourists and investors."

X' hp x (#

REPORT ON CONGOZAIRE: DID U.S. KNOW?, 'REALITY CHECK' FOR KABILA

FRANCE: "U.S. Knew Everything From The Start"

X' hp x (#

Jean Hatzfeld in leftofcenter Liberation (10/10): "Besides giving proof on how the massacres were carried out, the strength of this new report resides

in the fact that it points an accusing finger at the United States, denouncing Washington's guilty role, (as well as that of others) during the military campaign in Zaire. 'Members of the international community, including the United States, were well aware of Kigali's intentions of attacking the refugee camps' says the report...adding that 'Washington provided key support to Rwanda during the military campaign.' In other words, the United States knew everything."

X` hp x (#

BELGIUM: "Report On CongoZaire A Victory For Civil Society"

MarieFrance Cros maintained in conservative Catholic La Libre Belgique (10/10)

: "The U.S. organization Human Rights Watch/Africa and the International Federation of Human Rights Leagues have just published a report on the massacres committed during the 'liberation war' in CongoZaire under the leadership of Laurent Kabila. This is a victory for civil society because, since last spring, (Kabila) has multiplied obstacles to prevent a similar investigation by a UN commission....

X` hp x (#

"This is a victory for the civil society also because the report is nuanced.

As of now, it will be impossible for Rwanda to say that its troops did not commit war crimes.... It is impossible for the Kinshasa government not to face the reality: its existence results from a deal between Messrs. Kagame and Kabila, according to which the former provided the latter with the army he needed....in return for the right to do whatever would please him of the Rwandan Hutu refugees in Zaire. It is impossible for the Hutu extremists to further deny that their army and militias used the civilian refugees as the only real refugees in the eyes of international law as a shield, letting them decline whereas they had been in good health."

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===== END ATTACHMENT 2 =====

ARMS Email SystemRECORD TYPE: FEDERAL (TRP NOTES MAIL)

CREATOR: USIA_Media_Reaction (
USIA_Media_Reaction/R__MR/WASHDC/USIA/GOV.USIA@notes1.usia.gov@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME:10-OCT-1997 07:44:00.00

SUBJECT: Early Report 10/10: 'CLINTON IS RIGHT TO PAY HIS SECOND VISIT T

TO: Lori Anderson (Lori Anderson@eop [UNKNOWN])

READ:UNKNOWN

TEXT:

With President Clinton's second visit to Latin America this year coming up

Sunday, the press abroad served up a smorgasboard of views on issues
dominating

U.S. relations with its southern neighbors. In two of the three countries
awaiting Mr. Clinton--Brazil and Argentina--dailies highlighted their
expectations that he would listen to their leaders' concerns on trade and
deliver on promises that he would grant Argentina major non-NATO ally
status.

Center-right O Estado de Sao Paulo focused on the need for the Clinton
tour to

go beyond "speeches, declarations, dinners and golf games" and deal with
"a lot

of broad and specific high-level subjects." Echoing this sense of the
importance of substantive ties between the U.S. and Latin America,
London's

independent Financial Times endorsed the president's decision to visit the
region twice in one year. "The destinies of the U.S. and Latin America
are

likely to be ever more closely entwined strategically in the years ahead,"
the

paper said, pointing to Venezuela's status as the U.S.' largest foreign supplier of oil and to the benefits of instituting a trade arrangement bringing the hemisphere together under Washington's proposal for a Free Trade Area of the Americas (FTAA).

Analysts in Central America and the Caribbean discussed their concerns over measures currently being examined by the U.S. Congress--granting the president fast track authority and deciding whether thousands of illegal Central American immigrants will be deported. Coverage of Cuba's Fifth Communist Party Congress--which is ending today--emphasized that island nation's dire economic straits and the reported refusal by President Castro to jettison the discredited socialist economic model.

BRIEFS

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- North Korea: Kim Jong-Il's Leadership Becomes Official
- Report On Congo-Zaire: Did U.S. Know?, 'Reality Check' For Kabila

EDITORS: Mildred Sola Neely and Kathleen J. Brahney

'CLINTON IS RIGHT TO PAY HIS SECOND VISIT TO LATIN AMERICA'

ARGENTINA: "Leftists Against Clinton: Most Important Campaign Rally"

Esteban Schmidt, political analyst for left-of-center Pagina 12, said

(10/9):

"Next Thursday, October 16, when Bill Clinton dines at the Rural Fair in

Palermo with Argentina's top thousand leaders, key leftist forces will

hold

their most important political activity this year, after the May 1

celebration. It will be a rally against the visit of the U.S. president.

'Thirty years after Che's death, Clinton and IMF, out' is the slogan

agreed

upon by the parties involved, which, for this rally, showed a natural bent

for

accords that they regretfully lack when they need to show they are a unified electoral alternative.... One of the major concerns of the organizers is the possible action of rioters during the rally and the following stop at the doors of the Rural. In order to avoid this possibility, they say there will be strict internal security measures and that 'we will not go beyond the police's official ropes, wherever they are displayed.'"

"Clinton Appointed Argentina MNNA Of U.S."

Washington correspondent Ana Baron filed for leading Clarin (10/9): "The Clinton administration took another step forward in the process of appointing Argentina as the United States' MNNA (major non-NATO ally status) by sending a letter to Congress with that request. The letter with Clinton's support is addressed to Senator Jesse Helms.... Argentina's appointment as MNNA recognizes the importance the United States grants to Argentine contributions to UN peace troops.... In spite of the fact that such status is more of a political nature than anything else, until the last minute there were legislators who were reluctant about Clinton's granting Argentina such status."

BRAZIL: "Why Clinton Should Listen On FTAA"

Center-right O Estado de Sao Paulo's editorial observed (10/9): "The interests

of the two nations (Brazil and Argentina) determine that some issues are treated in a uniform way.... Presidents Fernando Henrique Cardoso and Carlos

Menem should take this unique opportunity to stand their position and support

Mercosul's (Mercosur in Spanish) position regarding the timetable of the FTAA's

creation. They should make President Clinton see, with well-grounded arguments, that FTAA's premature creation would put at risk the efforts and

sacrifices made by the two nations to adjust their economies by overcoming

inflation, submitting budgets to more rigid disciplines and opening markets to

foreign competition. The moment is good for all this and much more to be said

personally to President Clinton. He should be willing to understand these arguments. After all, he will arrive in Brazil and Argentina without 'fast

track' in his luggage, without which the FTAA will not be negotiated....

"President Clinton should understand that for both Brazilians and

Argentines, the FTAA's creation will only benefit if made at the right time.

If there isn't such understanding, and the countries of the region were submitted to the irresistible pressure that could compromise the progress and well-being of its people, no amount of rhetoric will hide the existence of 'political differences' with the United States."

"Relevant Parts Of Clinton's Visit"

Center-right O Estado de Sao Paulo (10/9) remarked, "We hope that this trip

won't be full of speeches, declarations, dinners and golf games. Both

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discuss.... A relevant part of Clinton's visit should be in explaining

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cooperation between educational matters and the modernization and the

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"Also important will be Clinton's vision of the new Brazil--a nation that marches towards the third millennium free of inflation, in the process of privatizing state parasites, despite its social disturbances, it is

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overcoming its past problems."

BARBADOS: "Breakfast With Albright: Cautious Hope"

The pro-government Bridgetown Nation (10/9) commented: "The working breakfast session in New York between...Albright, and Caribbean Community foreign ministers seems to have inspired cautious hope for some positive developments in U.S.-Caribbean relations in the months ahead. Albright would have been aware of the deep feelings of disappointment and hurt among her Caribbean counterparts, and in particular those from the banana exporting countries, over the ruling by the World Trade Organization that now threatens the future of the region's vital banana industry.

"It would have come as a relief to her and the Community's foreign ministers and ambassadors in the United States that last Thursday's breakfast session coincided with the encouraging news that the U.S. Senate Trade and Finance Committee and the Senate itself were in a positive mood to give President Bill Clinton the fast-track authority he requires to conduct U.S. foreign trade negotiations."

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"Comrade

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inexhaustible viability, looking into the distant future of the Korean reolution.... With his ideas and theories indicating the road ahead, the WPK

can lead socialist construction to a victory without making a mistake in shaping policies and deviating from them and creditably build an ideal society

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##===== ATTACHMENT 1 =====
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id <01IOMVFVQCN400CJ5L@PMDF.EOP.GOV> for anderson_l@a1.eop.gov; Fri, 10 Oct 1997 08:20:36 -0400 (EDT)

Received: from storm.eop.gov (storm.eop.gov)

by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IOMVFTJKZK00OEK5@PMDF.EOP.GOV> for anderson_l@a1.eop.gov; Fri, 10 Oct 1997 08:20:31 -0400 (EDT)

Received: from notes1.usia.gov ([198.67.64.251])

by STORM.EOP.GOV (PMDF V5.1-7 #6879)

with SMTP id <01IOMVF3CQ8K0003MI@STORM.EOP.GOV> for anderson_l@a1.eop.gov; Fri, 10 Oct 1997 08:19:57 -0400 (EDT)

Received: by notes1.usia.gov (IBM OS/2 SENDMAIL VERSION 1.3.2)

/1.0) id AA0243; Fri, 10 Oct 1997 08:17:14 -0700

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15F5C3E7AC2D984F8525652C00407B41; Fri, 10 Oct 1997 08:13:23 +0000
X-Lotus-Type: Early Report

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===== ATTACHMENT 2 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

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FOREIGN MEDIA REACTION

#:2PkCP#EARLY REPORT #XX\ P6QyP#USIA #:Z2PkCP#U.S. INFORMATION AGENCY, WASHIN
GTON DC 20547 OFFICE OF RESEARCH AND MEDIA REACTIONOO
#XP\ P6QyP#Bill Richey, Branch Chief Media Reaction (R/MR), #:x2PkCXP# #XP\
P6QyP#Richey@usia.gov, (202) 6196511 Ann Pincus,
Director, (
202) 6196511

#Xn\ P6Qy&P#Friday, October 10, 1997

X' hp x (# 'CLINTON IS RIGHT TO PAY HIS SECOND VISIT TO LATIN AMERICA'
X' hp x (#

X' hp x (#With President Clinton's second visit to Latin America this year com
ing up

Sunday, the press abroad served up a smorgasboard of views on issues
dom

inating U.S. relations with its southern neighbors. In two of the three
countr

ies awaiting Mr. ClintonBrazil and Argentinadailies highlighted
their expectati

ons that he would listen to their leaders' concerns on trade
and deliver on pro

mises that he would grant Argentina major nonNATO ally
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stado de Sao Paulo focused on the need for the

Clinton tour to go beyond "speec
hes, declarations, dinners and golf games"

and deal with "a lot of broad and sp
ecific highlevel subjects." Echoing
this sense of the importance of substantiv

e ties between the U.S. and Latin
America, London's independent Financial Times

endorsed the president's decision to visit the region twice in one year. "The destinies of the U.S. and Latin America are likely to be ever more closely entwined strategically in the years ahead," the paper said, pointing to Venezuela's status as the U.S.' largest foreign supplier of oil and to the benefits of instituting a trade arrangement bringing the hemisphere together under Washington's proposal for a Free Trade Area of the Americas (FTAA).

X' hp x (#Analysts in Central America and the Caribbean discussed their concerns over measures currently being examined by the U.S. Congress granting the president fast track authority and deciding whether thousands of illegal Central American immigrants will be deported. Coverage of Cuba's Fifth Communist Party Congress which is ending today emphasized that island nation's dire economic straits and the reported refusal by President Castro to jettison the discredited socialist economic model.

BRIEFS

Russia: Signals From Yeltsin, Signs Of 'Civil Progress' In Duma
North Korea: Kim Jong Il's Leadership Becomes Official
Report On CongoZaire: Did U.S. Know?, 'Reality Check' For Kabila

EDITORS: Mildred Sola Neely and Kathleen J. Brahney

X' hp x (#

'CLINTON IS RIGHT TO PAY HIS SECOND VISIT TO LATIN AMERICA'

X' hp x (#

ARGENTINA: "Leftists Against Clinton: Most Important Campaign Rally"

Esteban Schmidt, political analyst for leftofcenter Pagina 12, said (10/9):

"

Next Thursday, October 16, when Bill Clinton dines at the Rural Fair in

Palermo

with Argentina's top thousand leaders, key leftist forces will hold their most important political activity this year, after the May 1 celebration. It will be a rally against the visit of the U.S. president. 'Thirty years after Che's death, Clinton and IMF, out' is the slogan agreed upon by the parties involved, which, for this rally, showed a natural bent for accords that they regretfully lack when they need to show they are a unified electoral alternative.... One of the major concerns of the organizers is the possible action of rioters during the rally and the following stop at the doors of the Rural. In order to avoid this possibility, they say there will be strict internal security measures and that 'we will not go beyond the police's official ropes, wherever they are displayed.'"

"Clinton Appointed Argentina MNNA Of U.S."

Washington correspondent Ana Baron filed for leading Clarin (10/9): "The Clinton administration took another step forward in the process of appointing Argentina as the United States' MNNA (major nonNATO ally status) by sending a letter to Congress with that request. The letter with Clinton's support is addressed to Senator Jesse Helms.... Argentina's appointment as MNNA recognizes the importance the United States grants to Argentine contributions to UN peace troops In spite of the fact that such status is more of a political nature than anything else, until the last minute there were legislators who were reluctant about Clinton's granting Argentina such status."

BRAZIL: "Why Clinton Should Listen On FTAA"

Centerright O Estado de Sao Paulo's editorial observed (10/9): "The interests of the two nations (Brazil and Argentina) determine that some issues are treated in a uniform way.... Presidents Fernando Henrique Cardoso and Carlos Menem should take this unique opportunity to stand their

position and support Mercosul's (Mercosur in Spanish) position regarding the timetable of the FTAA's creation. They should make President Clinton see, with wellgrounded arguments, that FTAA's premature creation would put at risk the efforts and sacrifices made by the two nations to adjust their economies by overcoming inflation, submitting budgets to more rigid disciplines and opening markets to foreign competition.

The moment is good for all this and much more to be said personally to President Clinton. He should be willing to understand these arguments. After all, he will arrive in Brazil and Argentina without 'fast track' in his luggage, without which the FTAA will not be negotiated....

X' hp x ("President Clinton should understand that for both Brazilians and Argentines, the FTAA's creation will only benefit if made at the right time. If there isn't such understanding, and the countries of the region were submitted to the irresistible pressure that could compromise the progress and wellbeing of its people, no amount of rhetoric will hide the existence of 'political differences' with the United States."

"Relevant Parts Of Clinton's Visit"

Centerright O Estado de Sao Paulo (10/9) remarked, "We hope that this trip won't be full of speeches, declarations, dinners and golf games. Both Brasilia and Washington have a lot of broad and specific highlevel subjects to discuss... . A relevant part of Clinton's visit should be in explaining the cooperation between educational matters and the modernization and the public administration. ... Also essential are the substantial discussions about FTAA and Mercosul....

"Also important will be Clinton's vision of the new Brazilian nation that marches towards the third millennium free of inflation, in the process of privatizing state parasites, despite its social disturbances, it is engaged

in overcoming
its past problems."

BARBADOS: "Breakfast With Albright: Cautious Hope"

The progovernment Bridgetown Nation (10/9) commented: "The working breakfast session in New York between...Albright, and Caribbean Community foreign ministers seems to have inspired cautious hope for some positive developments in U.S. Caribbean relations in the months ahead. Albright would have been aware of the deep feelings of disappointment and hurt among her Caribbean counterparts, and in particular those from the banana exporting countries, over the ruling by the World Trade Organization that now threatens the future of the region's vital banana industry.

"It would have come as a relief to her and the Community's foreign ministers and ambassadors in the United States that last Thursday's breakfast session coincided with the encouraging news that the U.S. Senate Trade and Finance Committee and the Senate itself were in a positive mood to give President Bill Clinton the fast-track authority he requires to conduct U.S. foreign trade negotiations."

COSTA RICA: "Fear Of Massive Deportations"

The lead editorial in independent Diario Extra (10/8) stressed, "If the U.S. Senate does not make any concessions, the consequence will be massive deportations. This situation would adversely affect development in the (Central American) isthmus, especially in the countries with the largest numbers of deportees. It is no secret that none of us is economically able to absorb them without suffering dire consequences of all kinds. We hope that the meeting of immigration chiefs, to be held in Costa Rica, can arrive at a joint approach to this problem. We also hope that the U.S. government will offer some concessions in this regard."

CUBA: "U.S. Economic War Prevents Us From Defining Dates For Goals"

Previewing the Communist Party Congress, Central Communist Party Granma (10/8

) observed: "The Draft Economic Resolution of the Fifth Party Congress conveys many essential ideas.... First, that the prevailing and everincreasing economic war of the United States against our country, and the existing world economy conditions, prevent us from defining 'exact dates for the attainment of our goals.' Second, and for the same reasons, we must be realistic and foresee that the current restrictions to foreign credits and a feasible foreigndebt solution might prevail or even increase, in the near future.... Third, that efficiency is the core of our economic policy.... And fourth, that our changes so far and in the future will always be aimed at preserving the socialist essence of our Revolution....

"In its final part, the draft emphasizes that the right and successful enforcement of the economic policy decisively depends on the role of leaders, 'who must all be politically steadfast and loyal to the Revolution and socialism.'...

The third part of the Economic Resolution Draft makes forecasts for the next few years, although [some believe] it should have been more accurate.... However, just and logical goals are not always realistically minded, and it is difficult to forecast what may occur in four or five years."

GERMANY: "Socialism Is Dead"

According to rightofcenter Nordbayerischer Kurier of Bayreuth (10/10), "An economy in tatters, a disastrous supply situation, and political refugees are trying to find their salvation in Florida where a resistance movement, which is willing to use force, is waiting for its moment to come. It is the only remaining aim of the 'luder maximo' to delay this moment. This policy has caused

unpredictable damage for the pauperized country. In Cuba itself, many Cubans are wishing for a reversal of Castro's slogan 'Socialismo o

muerte'socialism or
deathinto 'Socialismo esta muerto'socialism is
dead."

BRITAIN: "Clinton Hails 'Quiet But Impressive' Revolution"

The independent Financial Times noted about the Clinton visit (10/10): "The White House hopes the visit will draw attention to the 'quiet but impressive revolution' in Latin America over the last 10 years and cement ties across a range of issues from trade, the environment and democracy to common problems such as narcotics and crime. Billions of dollars of new American investment is pouring into the region, increasing American dominance among foreign investors. For this reason alone, the common agenda on issues such as investment protection, intellectual property rights and energy has been growing. However, trade will be the underlying theme of the visit even though little is expected in the way of concrete advances."

"Clinton Is Right To Visit Latin America"

An editorial in the independent Financial Times said (10/10), "The president is right to pay his second visit to Latin America this year. Mr. Clinton's advisers have seen that the destinies of the United States and Latin America are likely to be ever more closely entwined strategically in the years ahead. Venezuela is already the largest foreign supplier of oil to the United States. That position will be strengthened in the coming years as Venezuela's oil production rises."

"What is important in this process is that the United States takes a full role, arguing for an FTAA that is as open as possible to third countries. This should ensure a trade arrangement for the hemisphere that not only meets the rules of the World Trade Organization but goes beyond them."

ITALY: "Another Clinton Success: Road To 'Fast Track' Now Smoother"

New York correspondent Mario Platero concluded in leading business *Il Sole* 24
O

re (10/10): "President Clinton is leaving for his awaited mission to South America with two approvals for the extension of 'fast track' authority: after the Senate, the House Ways and Means Committee also approved compromise legislation to give the president the special powers which are necessary to negotiate new trade agreements with third countries. And there is no doubt that Latin American countries are the main candidates for an ambitious project: to expand the NAFTA agreement with Canada and Mexico to the whole American continent, thus anticipating Europe.... The approval by the Senate and House committees will enable Clinton to present himself to his South American interlocutors from a stronger position than was the case a few days ago."

BELGIUM: "Cuba Does Not Take New Roads"

The headline above ushered in this piece by Latin American affairs writer Francis Van den Berghe in independent Catholic De Standaard (10/10), "A gap has developed between Cubans with money and Cubans without. It is a climate which is fertile to social inequality and corruption. The PCC Congress hopes that it will be able to control those phenomena. That is why it is emphasizing that it has to keep a tight rein. There is no doubt that Cuba's problems would be much lighter without the American boycott. Havana can find solace in the fact that (that boycott) has been denounced repeatedly by the UN. In the meantime, however, (that boycott) is becoming increasingly tighter and wider especially when the European Union, under U.S. pressure, imposes a moratorium on European investments in Cuba."

INDONESIA: "Castro Economic Reforms Offer Cuba Economic Alternative"

Leading, independent Kompas commented under the headline above (10/10): "Western countries have often treated Castro as an object of ridicule, a Communist fossil that must be eradicated from the earth. And the United

States has failed
in its attempts to topple Castro.... We view Cuba as
having been treated badly
by the West and the United States. We support
Castro's endeavors to bring about
economic reform, while hoping that Cuba
will manage to overcome the difficulties
it has been facing."

X' hp x (#BRIEFS

RUSSIA: SIGNALS FROM YELTSIN, SIGNS OF 'CIVIL PROGRESS' IN DUMA

RUSSIA: "No Third Term For Yeltsin?"

X' hp x (#

Under this headline, reformist, business-oriented Kommersant Daily (10/10)
carried a page-one report by Maria Parfanovich: "No sooner had Boris Yeltsin
set foot

on French soil than he declared to the roar of the still running
aircraft engines, 'I am a guarantor of the Constitution. So I am the one to
show all how

to follow it. This is why I say again that I will not run for
the presidency for
or a third time. My second term will end, and we will hope
and wait for a young

energetic and aggressive democrat to come along.' The
president said that, but, living in Russia, you can't be absolutely sure that
his word is final and that

he won't change his mind. Who knows? After a
while, the presidential press
service might come up with an explanation that
it's just that there was too much

noise from the aircraft engines in
Strasbourg."

X' hp x (#

X' hp x (# "Global Leadership Vs. Multipolar World"

Centrist Nezavisimaya Gazeta (10/10) frontpaged this comment by Dmitry
Gornost

ayev: "Curiously, the Russian president's overt and covert
anti-American pronouncements
coincided not only with the end of preparations
for the Strasbourg summit,
but with the beginning of preparations for the next
Russian-American summit.

While the United States constantly refers to its
(own) global leadership, the
Russians prefer the word 'multipolar' when
talking of a world order. In Stras
bourg, the Russian president will most
likely give first priority to his close

ess to the leaders of principal European nations."

X' hp x (# GERMANY: "Civil Progress"

KlausHelge Donath opined in leftofcenter Die Tageszeitung of Berlin (10/10):

"Last year, Russian intellectuals warned against a further disintegration of the country, sying that Russia was on the brink of a social disaster which could have grave political consequences.... But in the fall of 1997, everything remained calm in Russia. Instead of an economic collapse, starvation, political chaos, and a revolt of the armed forces, statistical data even indicates a tiny increase in the GNP by 0.2 percent, for the first time since the transformation process in 1992....

X' hp x (#

"Although the extremely grim opposition in Russia's parliament is now threaten

ing the government with a vote of noconfidence and does not want to accept the

draft budget, it continues to stick to parliamentary procedures and is not en

gaging in overhasty initiatives. A mediation committee is now trying to work o

ut a compromise that could then be adopted by the Duma....

One may consider th

is to be opportunistic or cowardice in the face of the enemy, but, in the end,

a budget will be adopted that also tries to satisfy

the clientele of the Commu

nist Party. The Russian parliament, which was for

a long time considered an ac

cumulation of people who tended to create

turmoil, is beginning to learn how to

make compromises and to discuss things.

For Russia, this is formidable civil

progress, which the model countries and

their muchlauded civil society are abou

t to forfeit right now."

X' hp x (# NORTH KOREA: KIM JONGIL'S LEADERSHIP BECOMES OFFICIAL

NORTH KOREA: "Kim JongIl, Greatest Man With Rare Clairvoyance"

X' hp x (#According to the official Korean Central News Agency (KCNA, 10/9):

"Comrade

Kim JongIl is the greatest man in the world, who brought about the bes

t days

of the Workers' Party of Korea and the Korean revolution with rare

clairvoyance.... He with rare clairvoyance puts forward ideas and theories of inexhaustible viability, looking into the distant future of the Korean revolution...
With his ideas and theories indicating the road ahead, the WPK can lead socialist construction to a victory without making a mistake in shaping policies and deviating from them and creditably build an ideal society of humankind on this land.... His estimates of the Vietnamese War, the Second Mideast War, the civil war in Cambodia, the Gulf War and other events...are all correct. No doubt, the Korean people under the leadership of the farsighted general Kim JongIl will certainly win in their struggle to build a powerful country of Juche and accomplish the revolutionary cause of Juche in Korea."

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Xinhua (#

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ARMS Email SystemRECORD TYPE: FEDERAL (TRP NOTES MAIL)

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CREATION DATE/TIME:10-OCT-1997 11:03:00.00

SUBJECT: Daily Digest 10/10: CLINTON TO VENEZUELA, BRAZIL, ARGENTINA

TO: Lori Anderson (Lori Anderson@eop [UNKNOWN])

READ:UNKNOWN

TEXT:

As President Clinton prepares to depart Sunday for his second trip to

Latin

America this year, scenesetters in Latin America, Europe and Asia

addressed a

variety of issues dominating U.S. relations with its southern

neighbors--with

trade matters and security relations receiving the most scrutiny. Perhaps

not

so surprisingly, the prevailing sentiment among commentators in Latin

America

was that regional leaders must deal with the superpower from a position of

strength and be more assertive in protecting their nations' interests and

sovereignty. Caracas's leading left-of-center El Nacional, for example,

echoed

the sentiment of other media voices: "We fit nicely into the U.S.

agenda. So,

what about our agenda?... We have the right to demand proper treatment."

A

number of other observers welcomed the president's initiative in coming to

vi

sit the region for the second time this year. Several were hopeful that Mr.

Clinton would listen to the concerns of the Latin Americans and that his meetings with his counterparts would have substantive results.

Center-right O

Estado de Sao Paulo said the Clinton tour must go beyond "speeches, declarations, dinners and golf games" and deal with "a lot of broad and specific high-level subjects." Following are major themes of the commentary:

TRADE: Argentine, Brazilian and other dailies dwelled on what they saw as the

looming struggle between Washington and Mercosur--the regional trade pact--over

how to proceed with integration of trade markets throughout the Americas. In

Brazil--the country seen as the lynchpin trading partner in

Mercosur--commentators continued to stress that the trading bloc members were

not ready to enter into any free trade area of the Americas (FTAA) agreement

until sufficient economic progress has been made in those countries. They saw

the U.S. pushing for FTAA on its own terms and warned that the superpower was

making a grab for economic domination in the region. Center-right O Estado de

Sao Paulo maintained: "Presidents Fernando Henrique Cardoso and Carlos Menem

should take this unique opportunity to stand by their position and support

Mercosul's position regarding the timetable of the FTAA's creation....

President Clinton should understand that for both Brazilians and Argentineans,

the FTAA's creation will only be beneficial if made at the right time."

All

pundits noted that President Clinton is traveling to Latin America without fast

track authority to negotiate trade agreements. Some wondered what impact that

would have on the president's ability to make progress on important trade issues. However, at least one analyst in Brazil rejoiced that without fast

track, the president's "hands are tied.... And the Brazilian government will

have a free hand to pursue its own agenda in this area, in which the priority

instead of the FTAA, is to strengthen and expand the Mercosul."

Meanwhile,

U.S.-European trade rivalries dominated Milan's provocative, classical liberal

Il Foglio's coverage of the visit, with the headline "Latin American Economy

Running Towards Europe."

SECURITY: Journalists also focused on the U.S.' intention of granting Argentina major non-NATO ally status. There was some expression of irritation

among the analysts in countries neighboring Argentina. Argentinean papers for

the most part, however, viewed the U.S. decision positively and as a symbol of

the "'Copernican' revolution taking place in the relations between our country

and the most important power in the region and the world."

This survey is based on 33 reports from 14 countries, September 27-October 10.

EDITORS: Diana McCaffrey and Mildred Sola Neely

LATIN AMERICA

ARGENTINA: "Leftists Against Clinton: Most Important Campaign Rally"

Esteban Schmidt, political analyst for left-of-center Pagina 12, said (10/9):

"Next Thursday, October 16, when Bill Clinton dines at the Rural Fair in Palermo with Argentina's top thousand leaders, key leftist forces will hold

their most important political activity this year, after the May 1 celebration. It will be a rally against the visit of the U.S. president.

'Thirty years after Che's death, Clinton and IMF, Out' is the slogan agreed

upon by the parties involved, which, for this rally, showed a natural bent for accords that they regretfully lack when they need to show they are a unified electoral alternative.... One of the major concerns of the organizers is the possible action of rioters during the rally and the following stop at the doors of the Rural. In order to avoid this possibility, they say there will be strict internal security measures and that 'we will not go beyond the police's official ropes, wherever they are displayed.'"

"Clinton Appointed Argentina MNNA Of U.S."

Washington correspondent Ana Baron filed for leading Clarin (10/9): "The Clinton administration took another step forward in the process of appointing Argentina as the United States' MNNA (major non-NATO ally status) by sending a letter to Congress with that request. The letter with Clinton's support is addressed to Senator Jesse Helms.... Argentina's appointment as MNNA recognizes the importance the United States grants to Argentine contributions to UN peace troops.... In spite of the fact that such status is more of a political nature than anything else, until the last minute there were

legislators who were reluctant about Clinton's granting Argentina such status."

"Contrast Between Argentina, Davidow On Ally Status"

Sergio Serrichio, Washington-based correspondent of business/financial Buenos

Aires Economico, observed (10/8), "The importance given by the Argentine government to the 'great non-NATO alliance' is in contrast with (Secretary)

Davidow's own caution when he addressed the issue. When requested by Buenos

Aires Economico to 'define the term'... (Davidow) said it was a recognition of

Argentine participation in 'at least eight' international peace operations, and

(he) added that (Argentina's) non-NATO ally status has a 'different meaning'

than the one previously granted in other cases.... 'It is not a strategic alliance nor does it imply any kind of mutual defense obligation,' Davidow explained."

"The Other Name"

An editorial in pro-government La Prensa held (10/8), "The visitor [Clinton]

will find a high hurdle in the Southern Cone, where Mercosur stands up as

an
alliance that does not want to be damaged by the commercial attack of the
North.... The United States, an unparalleled example of liberties, must
defeat
its domestic protectionists, who seem not to have understood that free
trade is
a fruitful avenue, as long as a balanced two-way traffic is guaranteed.
Otherwise, liberty will only belong to the stronger one. And that has
another
name."

"U.S. And Our National Interest"

Rogelio Frigerio, head of the "Movimiento de Integracion y Desarrollo"
political party, wrote (10/8) in an op-ed piece in daily-of-record La
Nacion,

"With or without fast track, Washington will attempt to make fewer
concessions
than the ones demanded by our countries. This is being perceived in
Brazil.... In turn, in Argentina there are no clear official explanations
and
everything leads one to believe that Washington thinks of Buenos Aires as
a
kind of collaborator to break the Brazilian negotiating hard-line."

"Enormous Significance Of Clinton Visit, Non-NATO Ally Status"

An opinion piece by Guido Di Tella, Argentine foreign minister, in leading

Clarín (10/6), said, "We, Argentines, will receive the visit of the president

of the United States in the middle of this month, and before that date he will

have presented...the proposal of the executive branch to grant Argentina the

status of non-NATO strategic ally. Both facts are of enormous significance:

They are the symbol of the 'Copernican' revolution taking place in the relations between our country and the most important power in the region and

the world.... We have heard some opposition voices who recommend that we relinquish the condition of being an ally of the United States and (they) assure that these ties are contradictory with the ones we maintain with our

Mercosur neighbors. This is a 'light' vision of the old 'anti-imperialism' of the '60s."

"Clinton Could Express Objections To Mercosur"

Maria O'Donnell, political columnist at daily-of-record La Nación (10/7),

had

this to say about McLarty's Worldnet remarks: "Even though he praised regional blocs, McLarty said there is 'concern' over its effects on trade....

What will Bill Clinton say about Mercosur during his upcoming visit to Argentina? His words may not be of praise. Because, according to Clinton's

special envoy for the Americas, Thomas McLarty, 'trade groups, such as NAFTA,

Mercosur or the Andean Pact must facilitate trade and not change its direction.'" The columnist emphasized, "McLarty expresses, therefore, the views of some sectors of the Democratic administration which think Mercosur is

an obstacle to FTAA.... The construction of FTAA is a key issue of Clinton's

hemispheric policy and it will be 'the main topic' in next week's tour to the region."

"Clinton Will Express His Support For Mercosur"

German Sopena, deputy managing editor of daily-of-record La Nacion, held (10/6)

that President Clinton will come "with a soothing message: He will explicitly

say that the United States will support the growth of Mercosur and (he) will

add that there will not be a conflict between the regional bloc and a future

American free trade zone." La Nacion considered that Clinton "will dispel all

the doubts that may have arisen these past months."

"What Is Clinton Coming For?"

Leading Clarin commented (10/5): "The fact that Clinton is kindly praising

Mercosur does not mean that he is not coming to obtain certain advantages for

FTAA.... Few of the Latin American governments believe that anything similar

to a common market can exist before 2005.... Corruption is another White House concern that Clinton is bringing in his briefcase, taken in the framework of inequality to conclude business deals but not necessarily within

the framework of morality.... The Argentine Foreign Ministry knows that the

issue of corruption is important to Clinton, but his officials have not yet

given clues as to how the issue will be posed."

"Is Hemispheric Free Trade Convenient For Us?"

Julio Sevaes, leading Clarin's analyst on international economic issues,

wrote

(10/3): "Everything leads us to assume that Argentina would grant more

benefits than those it would receive. At present, the most important and

promising Argentine market is Mercosur.... During the period 1994-96,

exports

to Mercosur grew an average of 31.3 percent a year, representing 39

percent of

total foreign sales. Argentina had, in addition, a positive trade balance

of

\$2.314 billion. In the same period, exports to NAFTA grew less than one

half,

at an average rate of 13.8 percent, representing 10.5 percent of the total

sales. The average trade balance was negative, at \$2.939 billion. Trade

with

the EU grew in a smaller proportion. Trade expectations of Latin American

countries vis-a-vis a regional free trade area depend on their exporting

capacity, and in terms of Argentina, there aren't that many

possibilities....

"The (regional) differences are of decisive importance vis-a-vis the U.S.

project of trade liberalization. The differences reflect the weakness of

the

ties woven during recent years in the Southern Cone and reduce the

possibility

of facing joint negotiations instead of doing so bilaterally, which is

what

the United States prefers to do, following an old and convenient tradition."

"Barely a Battle, But Not War"

Washington correspondent Ana Baron wrote in leading Clarin (10/2):

"Yesterday's victory in the Senate's Finance Committee [voting to support renewal for fast track authority for President Clinton] is barely a battle in

a long war in which nothing seems to indicate, at least today, that the Democratic administration will win. This not only means that Clinton will travel to Latin America in 10 days without fast-track authority, but that he

will also arrive at the upcoming Summit of the Americas to be held in Chile in

April next year empty-handed as well. According to the agenda for that summit,

the key issue must be free trade and particularly the establishment of a free

trade area in the entire hemisphere. But without fast track, the United States

will not be able to start negotiating Chile's accession to NAFTA. To say nothing about sitting down to discuss a hemispheric free trade area.

This,

undoubtedly, will do a great deal to favor the position of Brazil, a country

which has been questioning the way in which the U.S. wants to impose its

style

on FTAA negotiations. And will also favor all Latin American trade partners,

especially Europe and Japan.... Not only is Chile important to the United States in terms of an eventual NAFTA partner in the framework of a strategy

aimed at enlarging that trade agreement. It is also a symbol of the possibilities of moving forward in a region which has slowly returned to the

agendas of the North, thanks to the growing circulation of money as a consequence of economic stability and integration processes. This is one of

the various aspects which explains Clinton's first trip to Latin America.

The

problem is that estimates were miscalculated and the saddlebags will be less

full than expected."

"The 'Fast-Track' Clinton Wants"

An editorial in leading Clarin read (9/27): "The fact that the key instrument

of U.S. foreign policy for Latin America is, at present, a presidential authority to sign free trade accords with other countries marks how far the

strategic interests of the area's leading power have shifted and what is its

probable influence in our region. The 'fast-track' authority occupies, in fact, a key position in U.S. 'post-Cold War' foreign policy, comparable to the one that armed accords and global geopolitical balance formerly had. The goal is world competitiveness over emerging markets, among them, Latin America and Asia.... The last two U.S. administrations, from Bush to Clinton, tailored their multilateralist words to the acceptance of a new regional role resulting from trade expansion. Nevertheless, the distrust with which Washington views supra-national economic associations which are able to compete for markets or obstruct the primacy of U.S. companies is clearly visible. This is why official U.S. policy maintains its tendency to bilateralism which, on occasions, slides towards unilateralism. This is the bottom line of Clinton's offensive to renew 'fast-track' authority.... In any case, until he obtains such authority and before starting his Latin American tour, Clinton will have to break through the resistance which, from left and right, reveals the continuing

controversy

regarding the methods adopted by the United States as world leader; in this

case, between 'internationalism' and a feeling of 'isolationism,' caused, precisely, by some of the results of opening the U.S. economy."

BRAZIL: "Why Clinton Should Listen On FTAA"

Center-right O Estado de Sao Paulo's editorial observed (10/9): "The interests

of the two nations (Brazil and Argentina) determine that some issues are treated in a uniform way.... Presidents Fernando Henrique Cardoso and Carlos

Menem should take this unique opportunity to stand their position and support

Mercosul's position regarding the timetable of the FTAA's creation. They should make President Clinton see, with well-grounded arguments, that FTAA's

premature creation would put at risk the efforts and sacrifices made by the two

nations to adjust their economies by overcoming inflation, submitting budgets

to more rigid disciplines and

opening markets to foreign competition. The moment is good for all this and

much more to be said personally to President Clinton. He should be

willing to

understand these arguments. After all, he will arrive in Brazil and

Argentina

without 'fast track' in his luggage, without which the FTAA will not be

negotiated.... President Clinton should understand that for both

Brazilians

and Argentineans, the FTAA's creation will only benefit if made at the

right

time. If there isn't such understanding, and the countries of the region

were

submitted to the irresistible pressure that could compromise the progress

and

well-being of its people, no amount of rhetoric will hide the existence of

'political differences' with the United States."

"Relevant Parts Of Clinton's Visit"

Center-right O Estado de Sao Paulo (10/9) remarked, "We hope that this

trip

won't be full of speeches, declarations, dinners and golf games. Both

Brasilia

and Washington have a lot of broad and specific high-level subjects to

discuss.... A relevant part of Clinton's visit should be in explaining

the

cooperation between educational matters and the modernization and the

public

administration.... Also essential are the substantial discussions about

FTAA

and Mercosul.... Also important will be Clinton's vision of the new Brazil--a nation that marches towards the third millennium free of inflation, in the process of privatizing state parasites, despite its social disturbances, it is engaged in overcoming its past problems."

"U.S. Will Use All Instruments To Make All Countries Open Their Markets"

Center-right O Estado de Sao Paulo's editorial (10/7) said, "Now, with no significant rival to face it, the United States started charging for the price of leadership, seeking in each and every part of the world the tribute it judges to be its due, in economic, social and environmental behavior that may open the world's borders to its products and to its vision of an ideal society. Such demands...are...deliberately intended, to the point of being included, year after year, in all national security formulations that the U.S. president has, by law, to send to Congress. The promotion of economic prosperity is the objective of the national security for the United States, and this means that Washington uses and will use all the instruments available to

make the allied countries, friends or rivals, open their markets to American products and investments. It will act as the hegemonic country that it is.

And it will share in decisions if and when this is in its interest."

"Praise For Argentina, Again"

Independent Jornal do Brasil (10/7) stated in a piece by Claudia Antunes on the McLarty remarks, "The Argentine government earned, once again, the praise of a representative of the U.S. government.... McLarty said that Argentina was an unfailing ally of the United States, and pointed out that President Carlos Menem had sent troops to the Gulf War, Bosnia and Haiti. 'This fact will receive recognition during President Clinton's visit,' said McLarty, in a reference to the proposed granting of special military ally status [to Argentina a].... In relation to Brazil, which was also praised for its action against last year's coup attempt in Paraguay, McLarty avoided positioning himself on the country's campaign for a permanent seat in the UNSC."

"Brazil Versus USA"

Liberal Folha de Sao Paulo held (10/4): "There is nothing more eloquent [said] about the ill will of the Brazilian government with respect to the FTAA, than the Brazilian Ambassador to Washington Paulo Tarso Flecha de Lima's statement, that it would cause no sadness to Brazil if the American Congress did not approve the fast track mechanism. Itamaraty's resistance is well known, with an ample business and even political support, in accepting to accelerate the elimination of the FTAA's commercial barriers. But it is not a comfortable position, for any country, to face the pressure of a United States, that is in a hurry to open up even more the Latin American markets. If Clinton's administration stays with its hands tied due to the lack of the fast track, the pressure at least will diminish.

"And the Brazilian government will have a free hand to pursue its own agenda in this area, in which the priority instead of the FTAA, is to strengthen and expand the Mercosul."

VENEZUELA: "The Unexpected Visit"

Leading left-of-center El Nacional carried this unsigned editorial

(10/9): "In

general, the presidents to the north tend to pass us by for some strange

reason--either because we enjoy no real priority in the continental

agenda, or

because they feel confident in the the international relations they have

established with us. In truth, no one knows whether to attribute this to

an

excess of confidence or simply to an aloof diplomacy that doesn't fully

grasp

our common interests.... (U.S. interest in our country) is not only

founded on

concern for Caribbean stability (where we indeed play an important role)

but

also on the domestic agenda of the United States--the reliable supply of

energy, a strong and permanent commercial relationship, and the struggle

against drugs. We shouldn't question the importance and the primary role

that

we have assumed.... We have displaced the Arabs from their hegemony in

the

U.S. petrochemical market.... As business partners, we have achieved a

growing

dynamism that goes beyond the phoenician buying-and-selling of merchandise

to

create an active interchange that breaks antiquated corporate molds....

As for

drugs, Venezuela has taken important steps to put together a serious and

suitable policy for combating the terrible danger that goes with living next to one of the countries most penetrated by the drug cartels....

"We fit nicely into the U.S. agenda. So, what about our agenda? Aren't we entitled to one? What are our priorities? If we are so successful, we have the right to demand proper treatment. Apparently, our brief visit from President Clinton signifies more than a fortuitous but unexpected visit. It demonstrates the deeply engrained flaccidity of our foreign policy, the weakness of a foreign ministry that should be playing an active role in the Caribbean and with respect to the United States, and the need to strengthen that office to achieve reasonable international respect. We deserve it."

BARBADOS: "Breakfast With Albright: Cautious Hope"

The pro-government Bridgetown Nation (10/9) commented: "The working breakfast session in New York between...Albright, and Caribbean Community foreign ministers seems to have inspired cautious hope for some positive developments in U.S.-Caribbean relations in the months ahead. Albright would have been aware of the deep feelings of disappointment and hurt among her Caribbean

counterparts, and in particular those from the banana exporting countries,
over
the ruling by the World Trade Organization that now threatens the future
of the
region's vital banana industry. It would have come as a relief to her
and the
Community's foreign ministers and ambassadors in the United States that
last
Thursday's breakfast session coincided with the encouraging news that the
U.S.
Senate Trade and Finance Committee and the Senate itself were in a
positive
mood to give President Bill Clinton the fast track authority he requires
to
conduct U.S. foreign trade negotiations."

BOLIVIA: "Globalization Of Economies"

Conservative El Diario observed (9/28): "The globalization of the economy
as a
consequence of the Cold War...has caused the continental powers to
struggle to
increase their markets and protect them from the constant threats of
other
economic conglomerates.... However, in spite of U.S. domestic and
external
efforts, it can be seen that the subregional mechanisms of

integration...move

on quickly. The requested fast track is an interesting step for the United

States, but its results will only be seen after October."

CHILE: "House Of Representatives Commission Votes On Fast Track"

Conservative, influential El Mercurio carried an article (10/8) written by its

special correspondent Isabel Seguel that included excerpts from the Davidow

briefing at the Foreign Press Center:

"In a briefing at the Washington Foreign Press Center Assistant Secretary for

Interamerican Affairs, Jeffrey Davidow, defended in his usual grumpy style,

President Clinton's trip to Venezuela, Brazil and Argentina....

Responding to

a question from the press, Davidow said that this visit [of President Clinton]

emanates from existing ties and is part of a genuine effort, and is not only a

photo opportunity as the press has stated. He confirmed that the White House

has not yet sent to Congress its request that Argentina become a major

non-NATO

ally.... He once again added that Chile will be the first country with which the United States will start conversations on free trade, and that Clinton would like to announce a formal opening of these (conversations) at the Summit (of the Americas) in Santiago in April 1998."

"Difficult Time"

Ratings-leading, conservative Catholic University of Chile Television network ran this prime-time news editorial (10/1) by conservative, international news commentator Karin Epensberger: "Brazil's position as a regional power creates political and commercial strains in its relations with the United States.

Brazil is Mercosur's key country, with 160 million inhabitants and a powerful economy. Many have seen in Washington's granting Argentina major non-Nato Ally status an attempt to hinder (the role of) Brazil as a regional leader, and to divide Mercosur. The United States prefers an FTAA; in other words, an inter-American trade (bloc) led by Washington, rather than by Mercosur.

Brazil

is a key ally for Chile in the balance of power in our region. President Cardoso's visit to Chile is very important at this difficult time."

COSTA RICA: "Fear Of Massive Deportations"

The lead editorial in independent Diario Extra (10/8) stressed, "If the U.S.

Senate does not make any concessions, the consequence will be massive deportations. This situation would adversely affect developments in the (Central American) isthmus, especially in the countries with the largest numbers of deportees. It is no secret that none of us is economically able to

absorb them without suffering dire consequences of all kinds. We hope that

the meeting of immigration chiefs, to be held in Costa Rica, can arrive at a

joint approach to this problem. We also hope that the U.S. government will

offer some concessions in this regard."

CUBA: "U.S. Economic War Prevents Us From Defining Dates For Goals"

Previewing the Communist Party Congress, Central Communist Party Granma (10/8)

observed: "The Draft Economic Resolution of the Fifth Party Congress conveys

many essential ideas.... First, that the prevailing and ever-increasing economic war of the United States against our country and existing world economic conditions, prevent us from defining 'exact dates for the attainment

of our goals.' Second, and for the same reasons, we must be realistic and foresee that the current restrictions to foreign credits and a feasible foreign-debt solution might prevail or even increase, in the near future....

Third, that efficiency is the core of our economic policy.... And fourth, that

our changes so far and in the future will always be aimed at preserving the

socialist essence of our Revolution.... In its final part, the draft emphasizes that the right and successful enforcement of the economic policy decisively depends on the role of leaders, 'who must all be politically steadfast and loyal to the Revolution and socialism.'... The third part of the

Economic Resolution Draft makes forecasts for the next few years, although

[some believe] it should have been more accurate.... However, just and logical goals are not always realistically minded, and it is difficult to forecast what may occur in four or five years."

EUROPE

GERMANY: "Socialism Is Dead"

According to right-of-center Nordbayerischer Kurier of Bayreuth (10/10),

"An

economy in tatters, a disastrous supply situation, and political refugees

are

trying to find their salvation in Florida where a resistance movement,

which

is willing to use force, is waiting for its moment to come. The only

remaining

aim of the 'lider maximo' is to delay this moment.

"This policy has caused unpredictable damage for the pauperized country.

In

Cuba itself, many Cubans are wishing for a reversal of Castro's slogan

'Socialismo o muerte'--socialism or death--into 'Socialismo esta

muerto'--socialism is dead."

BRITAIN: "Clinton Hails 'Quiet But Impressive' Revolution"

The independent Financial Times noted about the Clinton visit (10/10):

"The

White House hopes the visit will draw attention to the 'quiet but

impressive

revolution' in Latin America over the last 10 years and cement ties across

a

range of issues from trade, the environment and democracy to common

problems

such as narcotics and crime. Billions of dollars of new American

investment is

pouring into the region, increasing American dominance among foreign investors. For this reason alone, the common agenda--on issues such as investment protection, intellectual property rights and energy--has been growing. However, trade will be the underlying theme of the visit--even though

little is expected in the way of concrete advances."

"Clinton Is Right To Visit Latin America"

An editorial in the independent Financial Times said (10/10), "The president is

right to pay his second visit to Latin America this year. Mr. Clinton's advisers have seen that the destinies of the United States and Latin America

are likely to be ever more closely entwined strategically in the years ahead.

Venezuela is already the largest foreign supplier of oil to the United States.

That position will be strengthened in the coming years as Venezuela's oil production rises. What is important in this process is that the United States

takes a full role, arguing for an FTAA that is as open as possible to third

countries. This should ensure a trade arrangement for the hemisphere that not

only meets the rules of the World Trade Organization but goes beyond

them."

ITALY: "Another Clinton Success: Road To 'Fast Track' Now Smoother"

New York correspondent Mario Platero concluded in leading business II

Sole-24

Ore (10/10): "President Clinton is leaving for his awaited mission to

South

America with two approvals for the extension of 'fast track' authority:

after

the Senate, the House Ways and Means Committee also approved compromise

legislation to give the president the special powers which are necessary

to

negotiate new trade agreements with third countries. And there is no

doubt

that Latin American countries are the main candidates for an ambitious

project: to expand the NAFTA agreement with Canada and Mexico to the

whole

American continent, thus getting a leg up on Europe.... The approval by

the

Senate and House committees will enable Clinton to present himself to his

South

American interlocutors from a stronger position than was the case a few

days

ago."

"U.S. Vs. Europe: On Latin American Turf?"

With the headline "Latin American Economy Running Towards Europe. Clinton
Runs

After It (Breathlessly)," provocative, classical liberal Il Foglio
offered

this scenesetter (10/9), "Though in a less spectacular way than for the
Middle East, the Latin American area also is rapidly becoming an issue of
conflict between the various economic and trade policies of the United
States

and Europe.... In the domestic arena...the controversial request for
fast

track authority is a background issue.... But it is not the only one.

The

more comprehensive problem is that the present development trend in Latin
America economies risks weakening, if not excluding, a Yankee role. In
recent

years, Latin America, the (United States) former backyard, has been the
focus

of grandiose plans of continental development by the White House. On top
of

which there is NAFTA.... But the problem is that, beyond it, all other
post-NAFTA trade pacts are still on the open seas, and there is the
skepticism

of an important sector because of drug trafficking....

"Another problem for Clinton...is that European countries did not miss the opportunity...to speed up their trade and financial market penetration, which was also facilitated by the deregulation and privatization processes started in Latin America along the lines of the American economic model."

"U.S. Senate Committee Says 'Yes' To Fast Track"

New York correspondent Mario Platero commented in leading business II Sole-24

Ore (10/2): "The Clinton administration has managed to make a small step forward towards the renewal of fast track authority: The Senate Finance Committee yesterday approved by voice vote a compromise proposal for extending fast-track authority until the year 2001. The proposal will now have to be voted by the whole Senate and, if approved, as it seems likely, there will be stronger pressures on the House of Representatives to convince it to also grant its authorization. Resistance within the House, however, is much stronger than in the Senate, both among the Republicans and the Democrats."

BELGIUM: "Cuba Does Not Take New Roads"

The headline above ushered in this piece by Latin American affairs writer Francis Van den Berghe in independent Catholic De Standaard (10/10), "A gap has developed between Cubans with money and Cubans without. It is a climate which is fertile to social inequality and corruption. The PCC Congress hopes that it will be able to control those phenomena. That is why it is emphasizing that it has to keep a tight rein. There is no doubt that Cuba's problems would be much lighter without the American boycott. Havana can find solace in the fact that (that the boycott) has been denounced repeatedly by the UN. In the meantime, however, (that the boycott) is becoming increasingly tighter and wider--especially when the European Union, under U.S. pressure, imposes a moratorium on European investments in Cuba."

EAST ASIA AND PACIFIC

CHINA: "U.S. Plans For Inter-Continental Free Trade Zone"

Wu Zhihua wrote in the official Communist Party People's Daily (Renmin Ribao,

9/29): "Always regarding Latin America as its backyard, the United States is

using the American free trade zone to bring Latin American economic groups (Southern Common Market, the Andean Group and the Caribbean Community) into the free trade zone and under U.S.' leadership. In this way, the United States can strengthen its ability to compete with the European Union and consolidate its status in the world economy. It is apparent that its plan has already been disrupted by the South American common market countries."

INDONESIA: "Castro-Economic Reforms Offer Cuba Economic Alternative"

Leading, independent Kompas commented under the headline above (10/10):

"Western countries have often treated Castro as an object of ridicule, a Communist fossil that must be eradicated from the earth. And the United States has failed in its attempts to topple Castro.... We view Cuba as having been treated badly by the West and the United States. We support Castro's endeavors to bring about economic reform, while hoping that Cuba will manage to overcome the difficulties it has been facing."

##===== ATTACHMENT 1 =====
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CLINTON TO VENEZUELA, BRAZIL, ARGENTINA: TRADE, SECURITY ISSUES TOP LIST

X` hp x (#As President Clinton prepares to depart Sunday for his second trip t

o Latin

America this year, scenesetters in Latin America, Europe and Asia addre

ssed a

variety of issues dominating U.S. relations with its southern neighborsw

ith

trade matters and security relations receiving the most scrutiny. Perhaps

not so surprisingly, the prevailing sentiment among commentators in Latin

America was that regional leaders must deal with the superpower from a position of strength and be more assertive in protecting their nations' interests and sovereignty. Caracas's leading left-of-center El Nacional, for example, echoed the sentiment of other media voices: "We fit nicely into the U.S. agenda. So, what about our agenda?... We have the right to demand proper treatment." A number of other observers welcomed the president's initiative in coming to visit the region for the second time this year. Several were hopeful that Mr. Clinton would listen to the concerns of the Latin Americans and that his meetings with his counterparts would have substantive results. Centerright O Estado de Sao Paulo said the Clinton tour must go beyond "speeches, declarations, dinners and golf games" and deal with "a lot of broad and specific high-level subjects." Following are major themes of the commentary:

Xinhua (#TRADE: Argentina, Brazilian and other dailies dwelled on what they saw as the looming struggle between Washington and Mercosur the regional trade pact over how to proceed with integration of trade markets throughout the Americas. In Brazil the country seen as the lynchpin trading partner in Mercosur commentators continued to stress that the trading bloc members were not ready to enter into any free trade area of the Americas (FTAA) agreement until sufficient economic progress has been made in those countries. They saw the U.S. pushing for FTAA on its own terms and warned that the superpower was making a grab for economic domination in the region. Centerright O Estado de Sao Paulo maintained:

"Presidents Fernando Henrique Cardoso and Carlos Menem should take this unique opportunity to stand by their position and support Mercosul's position regarding the timetable of the FTAA's creation.... President Clinton should understand that for both Brazilians and Argentineans, the FTAA's creation will only be beneficial if made at the right time." All pundits noted that President Clinton

ton is traveling to Latin America without fast track authority to negotiate trade agreements. Some wondered what impact that would have on the president's ability to make progress on important trade issues. However, at least one analyst in Brazil rejoiced that without fast track, the president's "hands are tied.. .. And the Brazilian government will have a free hand to pursue its own agenda in this area, in which the priority instead of the FTAA, is to strengthen and expand the Mercosul." Meanwhile, U.S.-European trade rivalries dominated Milan's provocative, classical liberal Il Foglio's coverage of the visit, with the headline "Latin American Economy Running Towards Europe." SECURITY: Journalists also focused on the U.S.' intention of granting Argentina a major non-NATO ally status. There was some expression of irritation among the analysts in countries neighboring Argentina. Argentinean papers for the most part, however, viewed the U.S. decision positively and as a symbol of the "'Copernican' revolution taking place in the relations between our country and the most important power in the region and the world." This survey is based on 33 reports from 14 countries, September 27-October 10. EDITORS: Diana McCaffrey and Mildred Sola Neely

LATIN AMERICA

ARGENTINA: "Leftists Against Clinton: Most Important Campaign Rally"

Esteban Schmidt, political analyst for leftofcenter Pagina 12, said (10/9):
"Next Thursday, October 16, when Bill Clinton dines at the Rural Fair in Palermo with Argentina's top thousand leaders, key leftist forces will hold their most important political activity this year, after the May 1 celebration. It will be a rally against the visit of the U.S. president. 'Thirty years after Che's death, Clinton and IMF, Out' is the slogan agreed upon by the parties involved, which, for this rally, showed a natural bent for accords that they regretfully lack when they need to show they are a unified electoral alternative.... One

of the major concerns of the organizers is the possible action of rioters during the rally and the following stop at the doors of the Rural. In order to avoid this possibility, they say there will be strict internal security measures and that 'we will not go beyond the police's official ropes, wherever they are displayed.'"

"Clinton Appointed Argentina MNNA Of U.S."

Washington correspondent Ana Baron filed for leading Clarin (10/9): "The Clinton administration took another step forward in the process of appointing Argentina as the United States' MNNA (major nonNATO ally status) by sending a letter to Congress with that request. The letter with Clinton's support is addressed to Senator Jesse Helms.... Argentina's appointment as MNNA recognizes the importance the United States grants to Argentine contributions to UN peace troops In spite of the fact that such status is more of a political nature than anything else, until the last minute there were legislators who were reluctant about Clinton's granting Argentina such status."

"Contrast Between Argentina, Davidow On Ally Status"

Sergio Serrichio, Washingtonbased correspondent of business/financial Buenos Aires Economico, observed (10/8), "The importance given by the Argentine government to the 'great nonNATO alliance' is in contrast with (Secretary) Davidow's own caution when he addressed the issue. When requested by Buenos Aires Economico to 'define the term'... (Davidow) said it was a recognition of Argentine participation in 'at least eight' international peace operations, and (he) added that (Argentina's) nonNATO ally status has a 'different meaning' than the one previously granted in other cases.... 'It is not a strategic alliance nor does it imply any kind of mutual defense obligation,' Davidow explained."

"The Other Name"

An editorial in progovernment La Prensa held (10/8), "The visitor [Clinton] will find a high hurdle in the Southern Cone, where Mercosur stands up as an alliance that does not want to be damaged by the commercial attack of the North....

The United States, an unparalleled example of liberties, must defeat its domestic protectionists, who seem not to have understood that free trade is a fruitful avenue, as long as a balanced two-way traffic is guaranteed. Otherwise, liberty will only belong to the stronger one. And that has another name."

"U.S. And Our National Interest"

Rogelio Frigerio, head of the "Movimiento de Integración y Desarrollo" political party, wrote (10/8) in an op-ed piece in daily record La Nación, "With or without fast track, Washington will attempt to make fewer concessions than the ones demanded by our countries. This is being perceived in Brazil.... In turn, in Argentina there are no clear official explanations and everything leads one to believe that Washington thinks of Buenos Aires as a kind of collaborator to break the Brazilian negotiating hardline."

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"Enormous Significance Of Clinton Visit, NonNATO Ally Status"

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An opinion piece by Guido Di Tella, Argentine foreign minister, in leading Clarín (10/6), said, "We, Argentines, will receive the visit of the president of the United States in the middle of this month, and before that date he will have presented...the proposal of the executive branch to grant Argentina the status of nonNATO strategic ally. Both facts are of enormous significance: They are the symbol of the 'Copernican' revolution taking place in the relations between our country and the most important power in the region and the world....

We have heard some opposition voices who recommend that we relinquish the condition of being an ally of the United

States and (they) assure that these ties are contradictory with the ones we maintain with our Mercosur neighbors. This is a 'light' vision of the old 'antiimperialism' of the '60s."

"Clinton Could Express Objections To Mercosur"

Maria O'Donnell, political columnist at dailyofrecord La Nacion (10/7), had th is to say about McLarty's Worldnet remarks: "Even though he praised regional blocs, McLarty said there is 'concern' over its effects on trade.... What will I Bill Clinton say about Mercosur during his upcoming visit to Argentina? His words may not be of praise. Because, according to Clinton's special envoy for the Americas, Thomas McLarty, 'trade groups, such as NAFTA, Mercosur or the Andean Pact must facilitate trade and not change its direction.'" The columnist emphasized, "McLarty expresses, therefore, the views of some sectors of the Democratic administration which think Mercosur is an obstacle to FTAA.... The construction of FTAA is a key issue of Clinton's hemispheric policy and it will be 'the main topic' in next week's tour to the region."

"Clinton Will Express His Support For Mercosur"

German Sope9a, deputy managing editor of dailyofrecord La Nacion, held (10/6) that President Clinton will come "with a soothing message: He will explicitly say that the United States will support the growth of Mercosur and (he) will add that there will not be a conflict between the regional bloc and a future American free trade zone." La Nacion considered that Clinton "will dispel all the doubts that may have arisen these past months."

"What Is Clinton Coming For?"

Leading Clarin commented (10/5): "The fact that Clinton is kindly praising Mercosur does not mean that he is not coming to obtain certain advantages for FTAA.... Few of the Latin American governments believe that anything similar to a common market can exist before 2005.... Corruption is another

White House

concern that Clinton is bringing in his briefcase, taken in the framework of inequality to conclude business deals but not necessarily within the framework of morality.... The Argentine Foreign Ministry knows that the issue of corruption is important to Clinton, but his officials have not yet given clues as to how the issue will be posed."

"Is Hemispheric Free Trade Convenient For Us?"

Julio Sevares, leading Clarin's analyst on international economic issues, wrote

(10/3): "Everything leads us to assume that Argentina would grant more benefits than those it would receive. At present, the most important and promising

Argentine market is Mercosur.... During the period 1994-96, exports to Mercosur

grew an average of 31.3 percent a year, representing 39 percent of total foreign

sales. Argentina had, in addition, a positive trade balance of \$2.314 billion.

In the same period, exports to NAFTA grew less than one half, at an average

rate of 13.8 percent, representing 10.5 percent of the total sales. The average

trade balance was negative, at \$2.939 billion. Trade with the EU grew in a

smaller proportion. Trade expectations of Latin American countries visavis a regional

free trade area depend on

their exporting capacity, and in terms of Argentina, there aren't that many

possibilities....

"The (regional) differences are of decisive importance visavis the U.S. project

of trade liberalization. The differences reflect the weakness of the ties woven

during recent years in the Southern Cone and reduce the possibility of facing

joint negotiations instead of doing so bilaterally, which is what the United

States prefers to do, following an old and convenient tradition."

"Barely a Battle, But Not War"

Washington correspondent Ana Baron wrote in leading Clarin (10/2): "Yesterday

's victory in the Senate's Finance Committee [voting to support renewal for fast track authority for President Clinton] is barely a battle in a long war in which nothing seems to indicate, at least today, that the Democratic administration will win. This not only means that Clinton will travel to Latin America in 10 days without fasttrack authority, but that he will also arrive at the upcoming Summit of the Americas to be held in Chile in April next year emptyhanded as well. According to the agenda for that summit, the key issue must be free trade and particularly the establishment of a free trade area in the entire hemisphere. But without fast track, the United States will not be able to start negotiating Chile's accession to NAFTA. To say nothing about sitting down to discuss a hemispheric free trade area. This, undoubtedly, will do a great deal to favor the position of Brazil, a country which has been questioning the way in which the U.S. wants to impose its style on FTAA negotiations. And will also favor all Latin American trade partners, especially Europe and Japan.... Not only is Chile important to the United States in terms of an eventual NAFTA partner in the framework of a strategy aimed at enlarging that trade agreement. It is also a symbol of the possibilities of moving forward in a region which has slowly returned to the agendas of the North, thanks to the growing circulation of money as a consequence of economic stability and integration processes.

This is one of the various aspects which explains Clinton's first trip to Latin America. The problem is that estimates were miscalculated and the saddlebags will be less full than expected."

"The 'FastTrack' Clinton Wants"

An editorial in leading Clarin read (9/27): "The fact that the key instrument of U.S. foreign policy for Latin America is, at present, a presidential authority to sign free trade accords with other countries marks how far the strategic interests of the area's leading power have shifted and

what is its probable
 influence in our region. The 'fasttrack' authority
 occupies, in fact, a key pos
 ition in U.S. 'postCold War' foreign policy,
 comparable to the one that armed
 accords and global geopolitical balance
 formerly had. The goal is world compet
 itiveness over emerging markets, among
 them, Latin America and Asia.... The l
 ast two U.S. administrations, from
 Bush to Clinton, tailored their multilatera
 list words to the acceptance of a
 new regional role resulting from trade expans
 ion. Nevertheless, the distrust
 with which Washington views supranational econ
 omic associations which are
 able to compete for markets or obstruct the primacy
 of U.S. companies is
 clearly visible. This is why official U.S. policy maintai
 ns its tendency to
 bilateralism which, on occasions, slides towards unilateral
 ism. This is the
 bottom line of Clinton's offensive to renew 'fasttrack' autho
 rity.... In
 any case, until he obtains such authority and before starting his
 Latin
 American tour, Clinton will have to break through the resistance which
 , from
 left and right, reveals the continuing controversy regarding the method
 s
 adopted by the United States as world leader; in this case, between
 'internat
 ionalism' and a feeling of 'isolationism,' caused, precisely, by
 some of the re
 sults of opening the U.S. economy."

X' hp x (#

BRAZIL: "Why Clinton Should Listen On FTAA"

Centerright O Estado de Sao Paulo's editorial observed (10/9): "The
 interests
 of the two nations (Brazil and Argentina) determine that some
 issues are treat
 ed in a uniform way.... Presidents Fernando Henrique
 Cardoso and Carlos Menem
 should take this unique opportunity to stand their
 position and support Mercos
 ul's position regarding the timetable of the
 FTAA's creation. They should make
 President Clinton see, with wellgrounded
 arguments, that FTAA's premature cre
 ation would put at risk the efforts and
 sacrifices made by the two nations to a
 djust their economies by overcoming
 inflation, submitting budgets to more rigi

d disciplines and

opening markets to foreign competition. The moment is good for all this and much more to be said personally to President Clinton. He should be willing to understand these arguments. After all, he will arrive in Brazil and Argentina without 'fast track' in his luggage, without which the FTAA will not be negotiated.... President Clinton should understand that for both Brazilians and Argentines, the FTAA's creation will only benefit if made at the right time. If there isn't such understanding, and the countries of the region were submitted to the irresistible pressure that could compromise the progress and wellbeing of its people, no amount of rhetoric will hide the existence of 'political differences' with the United States."

X hp x (#

"Relevant Parts Of Clinton's Visit"

Centerright O Estado de Sao Paulo (10/9) remarked, "We hope that this trip won't be full of speeches, declarations, dinners and golf games. Both Brasilia and Washington have a lot of broad and specific highlevel subjects to discuss...

. A relevant part of Clinton's visit should be in explaining the cooperation between educational matters and the modernization and the public administration.

... Also essential are the substantial discussions about FTAA and Mercosul....

Also important will be Clinton's vision of the new Brazilian nation that marches towards the third millennium free of inflation, in the process of privatizing state parasites, despite its social disturbances, it is engaged in overcoming its past problems."

"U.S. Will Use All Instruments To Make All Countries Open Their Markets"

Centerright O Estado de Sao Paulo's editorial (10/7) said, "Now, with no significant rival to face it, the United States started charging for the price of leadership, seeking in each and every part of the world the tribute it judges to be its due, in economic, social and environmental behavior that may open the

world's borders to its products and to its vision of an ideal society. Such demands...are...deliberately intended, to the point of being included, year after year, in all national security formulations that the U.S. president has, by law, to send to Congress. The promotion of economic prosperity is the objective of the national security for the United States, and this means that Washington uses and will use all the instruments available to make the allied countries, friends or rivals, open their markets to American products and investments. It will act as the hegemonic country that it is. And it will share in decisions if and when this is in its interest."

"Praise For Argentina, Again"

Independent Jornal do Brasil (10/7) stated in a piece by Claudia Antunes on the McLarty remarks, "The Argentine government earned, once again, the praise of a representative of the U.S. government.... McLarty said that Argentina was an unfailing ally of the United States, and pointed out that President Carlos Menem had sent troops to the Gulf War, Bosnia and Haiti. 'This fact will receive recognition during President Clinton's visit,' said McLarty, in a reference to the proposed granting of special military ally status [to Argentina].... In relation to Brazil, which was also praised for its action against last year's coup attempt in Paraguay, McLarty avoided positioning himself on the country's campaign for a permanent seat in the UNSC."

X hp x (# "Brazil Versus USA"

Liberal Folha de Sao Paulo held (10/4): "There is nothing more eloquent [said] about the ill will of the Brazilian government with respect to the FTAA, than the Brazilian Ambassador to Washington Paulo Tarso Flecha de Lima's statement, that it would cause no sadness to Brazil if the American Congress did not approve the fast track mechanism. Itamaraty's resistance is well known, with

an ample business and even political support, in accepting to accelerate the elimination of the FTAA's commercial barriers. But it is not a comfortable position, for any country, to face the pressure of a United States, that is in a hurry to open up even more the Latin American markets. If Clinton's administration stays with its hands tied due to the lack of the fast track, the pressure at least will diminish.

"And the Brazilian government will have a free hand to pursue its own agenda in this area, in which the priority instead of the FTAA, is to strengthen and expand the Mercosul."

X' hp x (# VENEZUELA: "The Unexpected Visit"

Leading leftofcenter El Nacional carried this unsigned editorial (10/9):

"In general, the presidents to the north tend to pass us by for some strange reason either because we enjoy no real priority in the continental agenda, or because they feel confident in the the international relations they have established with us. In truth, no one knows whether to attribute this to an excess of confidence or simply to an aloof diplomacy that doesn't fully grasp our common interests.... (U.S. interest in our country) is not only founded on concern for Caribbean stability (where we indeed play an important role) but also on the domestic agenda of the United States: the reliable supply of energy, a strong and permanent commercial relationship, and the struggle against drugs. We shouldn't question the importance and the primary role that we have assumed.... We have displaced the Arabs from their hegemony in the U.S. petrochemical market.... As business partners, we have achieved a growing dynamism that goes beyond the phoenician buying and selling of merchandise to create an active interchange that breaks antiquated corporate molds.... As for drugs, Venezuela has taken important steps to put together a serious and suitable policy for combating the terrible danger that goes

with living next to one of the countries most penetrated by the drug cartels....

"We fit nicely into the U.S. agenda. So, what about our agenda? Aren't we entitled to one? What are our priorities? If we are so successful, we have the right to demand proper treatment. Apparently, our brief visit from President Clinton signifies more than a fortuitous but unexpected visit. It demonstrates the deeply engrained flaccidity of our foreign policy, the weakness of a foreign ministry that should be playing an active role in the Caribbean and with respect to the United States, and the need to strengthen that office to achieve reasonable international respect. We deserve it."

BARBADOS: "Breakfast With Albright: Cautious Hope"

The progovernment Bridgetown Nation (10/9) commented: "The working breakfast session in New York between...Albright, and Caribbean Community foreign ministers seems to have inspired cautious hope for some positive developments in U.S. Caribbean relations in the months ahead. Albright would have been aware of the deep feelings of disappointment and hurt among her Caribbean counterparts, and in particular those from the banana exporting countries, over the ruling by the World Trade Organization that now threatens the future of the region's vital banana industry. It would have come as a relief to her and the Community's foreign ministers and ambassadors in the United States that last Thursday's breakfast session coincided with the encouraging news that the U.S. Senate Trade and Finance Committee and the Senate itself were in a positive mood to give President Bill Clinton the fast track authority he requires to conduct U.S. foreign trade negotiations."

BOLIVIA: "Globalization Of Economies"

Conservative El Diario observed (9/28): "The globalization of the economy as a consequence of the Cold War...has caused the continental powers to struggle to increase their markets and protect them from the constant

threats of other economic conglomerates.... However, in spite of U.S. domestic and external efforts, it can be seen that the subregional mechanisms of integration...move on quickly. The requested fast track is an interesting step for the United States, but its results will only be seen after October."

CHILE: "House Of Representatives Commission Votes On Fast Track"
X hp x (#

Conservative, influential El Mercurio carried an article (10/8) written by its special correspondent Isabel Seguel that included excerpts from the Davidow briefing at the Foreign Press Center:

"In a briefing at the Washington Foreign Press Center Assistant Secretary for Interamerican Affairs, Jeffrey Davidow, defended in his usual grumpy style, President Clinton's trip to Venezuela, Brazil and Argentina.... Responding to a question from the press, Davidow said that this visit [of President Clinton] emanates from existing ties and is part of a genuine effort, and is not only a photo opportunity as the press has stated. He confirmed that the White House has not yet sent to Congress its request that Argentina become a major nonNATO ally He once again added that Chile will be the first country with which the United States will start conversations on free trade, and that Clinton would like to announce a formal opening of these (conversations) at the Summit (of the Americas) in Santiago in April 1998."

"Difficult Time"

Ratingsleading, conservative Catholic University of Chile Television network ran this primetime news editorial (10/1) by conservative, international news commentator Karin Epenberger: "Brazil's position as a regional power creates political and commercial strains in its relations with the United States. Brazil is Mercosur's key country, with 160 million inhabitants and a powerful economy. Many have seen in Washington's granting

Argentina major nonNato Ally s
tatus an attempt to hinder (the role of)
Brazil as a regional leader, and to d
ivide Mercosur. The United States
prefers an FTAA; in other words, an interAm
erican trade (bloc) led by
Washington, rather than by Mercosur. Brazil is a ke
y ally for Chile in the
balance of power in our region. President Cardoso's v
isit to Chile is very
important at this difficult time."

X' hp x (#COSTA RICA: "Fear Of Massive Deportations"

The lead editorial in independent Diario Extra (10/8) stressed, "If the U.S.
S
enate does not make any concessions, the consequence will be massive
deportatio
ns. This situation would adversely affect developments in the
(Central American
) isthmus, especially in the countries with the largest
numbers of deportees.
It is no secret that none of us is economically able
to absorb them without su
ffering dire consequences of all kinds. We hope
that the meeting of immigrati
on chiefs, to be held in Costa Rica, can arrive
at a joint approach to this pro
blem. We also hope that the U.S. government
will offer some concessions in thi
s regard."

CUBA: "U.S. Economic War Prevents Us From Defining Dates For Goals"

Previewing the Communist Party Congress, Central Communist Party Granma
(10/8
) observed: "The Draft Economic Resolution of the Fifth Party Congress
conveys
many essential ideas.... First, that the prevailing and
everincreasing economi
c war of the United States against our country and
existing world economic con
ditions, prevent us from defining `exact dates
for the attainment of our goals
' Second, and for the same reasons, we must
be realistic and foresee that th
e current restrictions to foreign credits
and a feasible foreigndebt solution m
ight prevail or even increase, in the
near future.... Third, that efficiency
is the core of our economic
policy.... And fourth, that our changes so far and
in the future will always
be aimed at preserving the socialist essence of our

Revolution.... In its final part, the draft emphasizes that the right and successful enforcement of the economic policy decisively depends on the role of leaders, 'who must all be politically steadfast and loyal to the Revolution and socialism.'... The third part of the Economic Resolution Draft makes forecasts for the next few years, although [some believe] it should have been more accurate.... However, just and logical goals are not always realistically minded, and it is difficult to forecast what may occur in four or five years."

EUROPE

GERMANY: "Socialism Is Dead"

According to rightofcenter Nordbayerischer Kurier of Bayreuth (10/10), "An economy in tatters, a disastrous supply situation, and political refugees are trying to find their salvation in Florida where a resistance movement, which is willing to use force, is waiting for its moment to come. The only remaining aim of the 'lider maximo' is to delay this moment.

"This policy has caused unpredictable damage for the pauperized country. In Cuba itself, many Cubans are wishing for a reversal of Castro's slogan 'Socialism or death' into 'Socialismo esta muerto' socialism is dead."

BRITAIN: "Clinton Hails 'Quiet But Impressive' Revolution"

The independent Financial Times noted about the Clinton visit (10/10): "The White House hopes the visit will draw attention to the 'quiet but impressive revolution' in Latin America over the last 10 years and cement ties across a range of issues from trade, the environment and democracy to common problems such as narcotics and crime. Billions of dollars of new American investment is pouring into the region, increasing American dominance among foreign investors. For this reason alone, the common agenda on issues such as investment protection, intellectual property rights and energy has been growing. However, trade will be t

he underlying theme of the visit even though little is expected in the way of concrete advances."

"Clinton Is Right To Visit Latin America"

An editorial in the independent Financial Times said (10/10), "The president is right to pay his second visit to Latin America this year. Mr. Clinton's advisers have seen that the destinies of the United States and Latin America are likely to be ever more closely entwined strategically in the years ahead. Venezuela is already the largest foreign supplier of oil to the United States. That position will be strengthened in the coming years as Venezuela's oil production rises. What is important in this process is that the United States takes a full role, arguing for an FTAA that is as open as possible to third countries. This should ensure a trade arrangement for the hemisphere that not only meets the rules of the World Trade Organization but goes beyond them."

X' hp x (# ITALY: "Another Clinton Success: Road To 'Fast Track' Now Smoothed"

X' hp x (#

New York correspondent Mario Platero concluded in leading business II Sole24 O

re (10/10): "President Clinton is leaving for his awaited mission to South America

with two approvals for the extension of 'fast track' authority: after the

Senate, the House Ways and Means Committee also approved compromise legislation

to give the president the special powers which are necessary to negotiate new

trade agreements with third countries. And there is no doubt that Latin American

countries are the main candidates for an ambitious project: to expand the N

AFTA agreement with Canada and Mexico to the whole American continent, thus getting

a leg up on Europe.... The approval by the Senate and House committees will

enable Clinton to present himself to his South American interlocutors from a

stronger position than was the case a few days ago."

"U.S. Vs. Europe: On Latin American Turf?"

X' hp x (#

With the headline "Latin American Economy Running Towards Europe. Clinton Run

s After It (Breathlessly)," provocative, classical liberal Il Foglio offered t

his scenesetter (10/9), "Though in a less spectacular way than for the Middle

East, the Latin American area also is rapidly becoming an issue of conflict b

etween the various economic and trade policies of the United States and Europe

.... In the domestic arena...the controversial request for fast track authorit

y is a background issue.... But it is not the only one.

The more comprehensi

ve problem is that the present development trend in

Latin America economies ri

sks weakening, if not excluding, a Yankee role.

In recent years, Latin Americ

a, the (United States) former backyard, has

been the focus of grandiose plans

of continental development by the White

House. On top of which there is NAFTA

.... But the problem is that, beyond

it, all other postNAFTA trade pacts are s

till on the open seas, and there is

the skepticism of an important sector becau

se of drug trafficking....

"Another problem for Clinton...is that European countries did not miss the opp

portunity...to speed up their trade and financial market penetration, which was

also facilitated by the deregulation and privatization processes started in La

tin America along the lines of the American economic model."

"U.S. Senate Committee Says 'Yes' To Fast Track"

X' hp x (#

New York correspondent Mario Platero commented in leading business Il Sole24

Ore (10/2): "The Clinton administration has managed to make a small step forw

ard towards the renewal of fast track authority: The Senate Finance Committe

e yesterday approved by voice vote a compromise proposal for extending fasttra

ck authority until the year 2001. The proposal will now have to be voted by t

he whole Senate and, if approved, as it seems likely,

there will be stronger p

ressures on the House of Representatives to convince

it to also grant its authorization. Resistance within the House, however, is much stronger than in the Senate, both among the Republicans and the Democrats."

BELGIUM: "Cuba Does Not Take New Roads"

The headline above ushered in this piece by Latin American affairs writer Francis Van den Berghe in independent Catholic De Standaard (10/10), "A gap has developed between Cubans with money and Cubans without. It is a climate which is fertile to social inequality and corruption. The PCC Congress hopes that it will be able to control those phenomena. That is why it is emphasizing that it has as to keep a tight rein. There is no doubt that Cuba's problems would be much lighter without the American boycott. Havana can find solace in the fact that (that the boycott) has been denounced repeatedly by the UN. In the meantime, however, (that the boycott) is becoming increasingly tighter and wider especially when the European Union, under U.S. pressure, imposes a moratorium on European investments in Cuba."

EAST ASIA AND PACIFIC

X' hp x (#

X' hp x (# CHINA: "U.S. Plans For InterContinental Free Trade Zone"

Wu Zhihua wrote in the official Communist Party People's Daily (Renmin Ribao, 9/29): "Always regarding Latin America as its backyard, the United States is using the American free trade zone to bring Latin American economic groups (Southern Common Market, the Andean Group and the Caribbean Community) into the free trade zone and under U.S.' leadership. In this way, the United States can strengthen its ability to compete with the European Union and consolidate its status in the world economy. It is apparent that its plan has already been disrupted by the South American common market countries."

INDONESIA: "Castro Economic Reforms Offer Cuba Economic Alternative"

Leading, independent Kompas commented under the headline above (10/10):

"Weste
rn countries have often treated Castro as an object of ridicule, a
Communist fo
ssil that must be eradicated from the earth. And the United
States has failed
in its attempts to topple Castro.... We view Cuba as
having been treated badl
y by the West and the United States. We support
Castro's endeavors to bring ab
out economic reform, while hoping that Cuba
will manage to overcome the difficu
lties it has been facing."

##

X' hp x (#%#Xx\ P6QyXP#

===== END ATTACHMENT 2 =====

ARMS Email SystemRECORD TYPE: FEDERAL (TRP NOTES MAIL)

CREATOR: larryshannon (larryshannon@ibm.net@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME:11-OCT-1997 11:18:00.00

SUBJECT: bcc: Saturday Texas Clips

TO: Lucia A. Wyman (Lucia A. Wyman@EOP [UNKNOWN])

READ:UNKNOWN

TEXT:

[Star-Telegram.com Home]

Updated: Saturday, Oct. 11, 1997 at 01:15 CDT

Fort Worth sues Dallas over airport

By Jack Z. Smith and Dan Reed

Star-Telegram staff writers

FORT WORTH -- Claiming that expanded air service at Love Field would prove "disastrous" to Dallas/Fort Worth Airport, Fort Worth sued Dallas yesterday in an effort to block any increase in flights from Love.

In an 8-0 vote in an emergency meeting yesterday morning, the City Council authorized a lawsuit in which it seeks a court order prohibiting "any expansion of interstate passenger services" at the Dallas- owned airport.

The council's action came a day after Congress passed legislation that eases federal flight restrictions at Love by permitting nonstop commercial travel from the airport to cities in Kansas, Alabama and Mississippi.

The legislation would also allow large jets modified to seat 56 passengers or fewer to make nonstop flights from Love to anywhere in the United States.

The measure paves the way for start-up carrier Legend Airlines to launch such service out of the Dallas airport next year.

The legislation would reduce the restrictions imposed by the Wright Amendment, passed by Congress in 1980. The Wright law allowed nonstop flights from Love to only cities in Texas and the four states that border it -- New Mexico, Oklahoma, Arkansas and Louisiana.

Fort Worth contends in its lawsuit that if Dallas allows expanded operations at Love it would breach the contract and bond covenants that the two cities entered into in 1968 to jointly construct D/FW.

"A deal is a deal, and frankly we expect our friends in Dallas to live up to that deal," Fort Worth Mayor Kenneth Barr said yesterday after the council meeting at City Hall.

Barr said expanded service at Love "would be disastrous for D/ FW," ultimately weakening its large hub operation, reducing the flights available from the airport and leading to significant losses in jobs for North Texans

who have benefited from the airport's growth.

Critics of the flight restrictions at Love say, however, that expanded service there would boost airline competition and lead to lower fares at D/FW.

Dallas city officials, including Mayor Ron Kirk, could not be reached for comment yesterday.

Barr said the lawsuit is an effort to protect Fort Worth's interests and should not be considered an "attack" on Dallas. But he acknowledged that the lawsuit could strain relationships between the historically contentious rivals.

"I think we enjoy the best relationship we've had with Dallas in a long time and I recognize this is not going to help it," he said.

Barr said he talked to Kirk yesterday morning about the lawsuit and "he wasn't very happy about it."

Fort Worth has scheduled full-page advertisements to run in tomorrow's Star-Telegram and Dallas Morning News to explain the city's opposition to Love Field expansion and its desire to keep D/FW Airport strong.

In the text prepared for the ad -- which is an open letter to Kirk, Dallas

City Council members and Dallas residents from Fort Worth City Council members -- D/FW is labeled "the single most powerful positive economic influence in North Texas."

The ad says Congress passed the new legislation "without public hearing," and the measure "not only weakens the Wright Amendment, but also undermines the basic premise on which DFW was founded."

Legend Airlines founder and lead investor Bruce Leadbetter said he was "not surprised at all" by Fort Worth's lawsuit, filed yesterday in 48th State District Court in Fort Worth. But he said he doesn't see how a state court can determine the scope of air services at Love, which operates under federal regulations.

"These airports are federally funded and it involves federal interstate commerce," Leadbetter said.

Officials of American Airlines, the largest carrier at D/FW, "hope that the lawsuit is successful and that the original agreement to restrict service at Love Field is honored," company spokesman John Hotard said.

American, led by outspoken Chief Executive Officer Robert Crandall, has been among the most vocal opponent of changes to the Wright Amendment. Crandall has threatened both to "sue everyone in America" and, alternatively, to move

a significant percentage of American's 530 daily departures at D/FW over to Love Field if long-haul air service is permitted there.

Barr expressed alarm yesterday at recent comments by some Dallas City Council members who indicated that they favor expanding flights at Love.

In its lawsuit, Fort Worth alluded to the comments and said "there is now a serious and imminent threat" that Dallas will violate the 1968 agreements "by permitting or condoning unrestricted interstate flights to and from Love Field."

Under the pacts reached in 1968, Fort Worth and Dallas agreed to shift interstate air carriers' operations to D/FW and bar commercial interstate flights from the cities' other municipal airports. Fort Worth shut down its Greater Southwest International Airport as a result of the agreements.

However, Southwest Airlines won a legal battle that gave it the right to fly within Texas from Love. And in 1979, after deregulation of the airline industry, the federal Civil Aeronautics Board granted Southwest the right to initiate interstate service to New Orleans. Fort Worth and Dallas subsequently backed passage of the Wright Amendment in 1980 in an effort to limit interstate flights from Love.

Congressional leaders from Texas expressed chagrin yesterday over Fort

Worth's lawsuit. Republican Sen. Kay Bailey Hutchison said she was "sad that

Congress caused this disruption in the 25-year relationship between Dallas and Fort Worth and that they did it without really understanding the consequences."

Rep. Kay Granger, R-Fort Worth, said the lawsuit is "exactly what I predicted." The result of Congress' action is "going to be lawsuits and a lot of lawyers making a lot of money," Granger said.

She was mayor of Fort Worth when the city sued Dallas in 1992 to stop a movement to repeal the Wright Amendment. Fort Worth dropped its lawsuit after the Dallas City Council voted not to push for changes in the amendment.

In the lawsuit filed yesterday, Fort Worth named as defendants: the city of Dallas, the D/FW Airport Board and D/FW Executive Director Jeff Fegan, Legend Airlines and Dalfort Aviation, which would modify and maintain the planes Legend would fly. Leadbetter, the Legend founder, owns Dalfort.

D/FW Airport spokesman Joe Dealey said it appears that the airport is listed as a defendant in the lawsuit "as a technical matter because we're the organization responsible to . . . Dallas and Fort Worth for the operation of their airport."

But Dealey made it clear that D/ FW's management strongly opposes expanded service at Love.

"Simply adding three states to the zone of service out of Love Field, doesn't seem to be all that big a deal to people who don't know what this is all about," he said. But the issue of expanding operations at Love "could split the cities and do a huge amount of damage to the whole region," he said.

"This airport really is the economic engine that powers the region's economy," Dealey said. "Say what you will, but you can't argue with \$9.7 billion annual economic impact."

Fort Worth has hired the firm of Kelly, Hart and Hallman to represent the city in the lawsuit. The firm's head, Dee Kelly Sr., is a board member of AMR Corp., the parent of American Airlines.

Staff writer Max B. Baker contributed to this report.

-

, 1997 Fort Worth Star-Telegram -- Terms and Conditions -- Send us your

Feedback.===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

RFC-822-headers:

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)
id <011OOFVJ375C00LDLW@PMDF.EOP.GOV> for "Lucia A. Wyman"@oa.eop.gov; Sat,
11 Oct 1997 11:16:41 -0400 (EDT)

Received: from storm.eop.gov (storm.eop.gov)
by PMDF.EOP.GOV (PMDf V5.0-4 #6879) id <01I0OFVGZN8G00OT2T@PMDf.EOP.GOV> for
Lucia_A._Wyman@oa.eop.gov; Sat, 11 Oct 1997 11:16:35 -0400 (EDT)
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by STORM.EOP.GOV (PMDf V5.1-7 #6879)
with ESMTP id <01I0OFUOBQGM0007YN@STORM.EOP.GOV> for
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by out1.ibm.net (8.8.5/8.6.9) with SMTP id PAA155424; Sat,
11 Oct 1997 15:14:26 +0000 (GMT)
X-Mailer: Mozilla 3.01 (Win95; I)

===== END ATTACHMENT 1 =====

===== ATTACHMENT 2 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

[Image] [The Texas & Southwest desk] [The Texas & Southwest desk]
[Image]

[Image]

[Image] Governor lists \$567,997 in income on tax return

[Image]

[Image] 10/11/97

Texas &

Southwest By Wayne Slater / The Dallas Morning News
summaries

AUSTIN - Gov. George W. Bush earned \$567,997 last
year, much of it from investments in a blind trust,
according to his 1996 income tax returns released
Friday.

Mr. Bush and his wife, Laura, paid \$172,940 in
federal income taxes this year on their taxable
income.

The return was filed with the Internal Revenue
Service this month after the Republican governor
got an extension earlier in the year.

Mr. Bush began releasing his income tax returns,
going back to his 1991 returns, when he challenged
Gov. Ann Richards.

According to this year's return, the governor made
\$88,131 from his state salary and \$436,104 in
capital gains and dividend income from assets that
were placed in a blind trust. The trust was
established after he was elected governor in 1994.

The rest of his 1996 income came from bank, bond
and trust interest.

Mr. Bush's income in 1996 was higher than in the
last two years.

Last year, Mr. Bush paid \$122,785 on \$419,481 in taxable income. The year before, his income was \$474,937.

His highest income in the last six years was in 1993, when he earned \$610,772 and paid \$182,000 in income taxes.

Because most of his investments are in a blind trust, it was not possible to know the source of Mr. Bush's capital gains.

Mr. Bush is a partner in the Texas Rangers baseball team and, according to the return, has oil and gas interests.

He reported \$13,176 in partnership losses. Although details were not available for this year's return, tax returns in the past have listed his partnership interest with the Texas Rangers and investments with Fort Worth billionaire Richard Rainwater.

According to the tax return, the Bushes gave \$14,338 to charity.

Mr. Bush reported \$18,341 in out-of-pocket job expenses as governor.

[Image] [Back to Top](#)

[Image] [Send a letter to the editor about this story](#)

[Image] [Back to Texas&Southwest indexes](#)

[Image]

1997 The Dallas Morning News

[About us]

===== END ATTACHMENT 2 =====

===== ATTACHMENT 3 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

[Houston Chronicle Interactive logo] 8:52 PM 10/10/1997

Houston Chronicle Interactive

President picks Texan for trade

Section: National job

----- Copyright 1997 Houston Chronicle

[Sam Houston Raceway Park] Washington Bureau

----- WASHINGTON -- The White House said

HCI's National News forum Friday that President Clinton has
nominated Richard W. Fisher, a
Recent related stories: politically well-connected Dallas
investment specialist, to be

* Thursday: Fishing report for deputy U.S. Trade Representative.
10/10

* October 2: Fishing report for If confirmed by the Senate,
10/5 Fisher, 48, will join the

* October 2: Fishing/hunting executive branch agency
report for 10/2 responsible for trade negotiations

* October 2: Fishing/hunting for at a critical moment, as the
10/08 Clinton administration seeks broad
authority to move forward on
international commercial
agreements.

Fisher had long been rumored to be
the leading contender for the
post, which carries the rank of
ambassador. He would become one of
the highest ranking Texans in the
Democratic administration.

Fisher, as the Democratic Senate
nominee, lost by almost 1 million
votes in 1994 to Sen. Kay Bailey
Hutchison, R-Texas. The year
before, Fisher had run in a
special election to fill the
vacancy when Sen. Lloyd M. Bentsen
became secretary of Treasury. In
the two races, Fisher reported
spending \$4 million of his own.

Fisher would fill one of the two
deputy positions in the Washington
office of U.S. Trade
Representative Charlene
Barshefsky. The vacant post is
traditionally the deputy who
handles Asian issues, one of
Fisher's specialities.

During the Carter administration,
Fisher was executive assistant to
Treasury Secretary Michael
Blumenthal and was part of a group
that worked to settle outstanding
financial claims between the
United States and China as
official ties between Washington
and Beijing grew.

Fisher is managing partner of

Fisher Capital Management.

===== END ATTACHMENT 3 =====

===== ATTACHMENT 4 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

[submitnews] [submitsite]

[Los Angeles Times] [NATION & WORLD]

[MediaOne]

Saturday, October 11, 1997

DIPLOMACY

Unlike Bush, Clinton Will Find a Friendly Latin America
President's first visit to region culminates period of

profound change there. Reforms have brought thriving
democracies and economies--and ties with U.S. have
improved.

By SEBASTIAN ROTELLA, Times Staff Writer

PREV [B]UENOS AIRES--The last time Air Force One touched down here, the
STORY president of the United States stepped onto hostile and uncertain

turf.

NEXT It was 1990: President Bush visited Argentina a day after a
STORY failed military rebellion culminated in a firefight in front of the
presidential palace. The region was struggling to shake off a history

of tyranny and political and economic turmoil. Anti-Americanism was
so virulent that Argentine Congress members tried to declare Bush
persona non grata.

Seven years later, President Clinton will make his first trip to

South America, a visit that culminates a period of profound change.

Besides Venezuela, the biggest U.S. oil supplier, Clinton will
visit Brazil and Argentina, the continental powers that have led the

region's transformation: Their democracies thrive, and their
economies boom as the result of once-unimaginable reforms.

"The region is experiencing a moment that seems too good to be
true," said Guido di Tella, Argentina's foreign minister. "The
principal countries have enacted reforms, reduced inflation; there is

democracy in all the nations except for Cuba. It's another world. The

two emerging regions that will be the big news of the 21st century are the Asian Pacific and Latin America."

No one denies the pressing challenges of poverty, drugs and injustice. But the Clinton visit is shaping up as a celebration of progress.

Not only have authoritarian and statist regimes toppled, not only is U.S. trade to Latin America growing at twice the rate as to other regions, but U.S. relations with most Latin nations have improved dramatically.

"Since I can remember at least, we have never had such a good relationship [with the U.S.] as now," President Fernando Henrique Cardoso of Brazil said.

Argentina's turnaround is emblematic. One of the Argentine Congress members who condemned the Bush visit in 1990 will meet with

Clinton next week, part of a delegation of opposition leaders who lobbied for the photo opportunity days before legislative elections here.

After a century of anti-U.S. sentiment that united fascist-inspired dictators and leftists, it has become better politics to shake Uncle Sam's hand than burn him in effigy. And the hip vacation spot for middle-class Argentines--and Brazilians--is not

Rome or Madrid, but Miami.

"All the anti-American nonsense has been discarded," Di Tella said.

Argentina began to break with the past in 1989 and positioned itself as a steadfast U.S. ally, denouncing Castro's Cuba and sending

frigates to support Operation Desert Storm during the Persian Gulf War. In return, Clinton will use the trip to announce his designation

of Argentina as a major non-NATO ally, a status shared by nations such as Israel and Australia.

The gesture recognizes President Carlos Menem's success in dismantling a once-repressive and destabilizing military. It was the

region's most thorough disarmament: Menem abolished the draft and reinvented the scaled-down military as a good-citizen participant in

peacekeeping efforts from Bosnia-Herzegovina to Haiti.

Although largely symbolic, the anticipated designation ruffles Argentina's neighbors.

Chilean rightists accuse the U.S. of sowing dissent in the region. Brazil, meanwhile, aspires to a permanent seat on the U.N. Security Council. That befits many Brazilians' view of their nation as a world-class power. Brazil's partnership with the United States,

therefore, is friendly but more complex and measured.

Brazil's industrialized economy, the region's biggest, will receive an expected \$16 billion in foreign investments this year. Brazil dominates Mercosur, the South American trading bloc. Some Brazilians worry about Clinton's vision of a free-trade zone for the

Americas by 2005, his foreign policy centerpiece for a continent that has not been a diplomatic priority.

"Free trade is in the interest of countries with high technology that export industrialized products," said Helio Jaguaribe, a political scientist. "Brazil is a developing country in an intermediate situation. If Brazil signs the trade agreement for 2005, it will destroy its industry and can go back to coffee exporting."

Publicly, Brazilian officials disagree about such a threat to Mercosur. Any friction will be muted during a presidential visit emphasizing upbeat themes such as educational programs involving U.S.

high-tech aid and student exchange programs. Cardoso sees education as the key to overcoming Brazil's enormous social inequalities--and an example of a meaningful partnership with Clinton.

"Tariffs are not an exciting issue. It is rather boring," Cardoso said jovially during an interview recently. "If we want to exercise leadership in order to have more integration across the hemisphere, we need more than that, we need values. . . . Education is basic to the future in terms of jobs, democracy, turning people into citizens. This is the crucial battle of the coming millennium."

Cardoso, a distinguished scholar and one of the continent's best-regarded leaders, has raised teacher salaries and installed 50,000 televisions in rural schools. As part of a blockbuster package

of reforms similar to those accomplished in Argentina, he has also brought down inflation, privatized torpid state industries, given land to more than 300,000 poor families and begun to slash budget-devouring bureaucracies.

Human rights advocates call him the first president to openly confront lawlessness and other social crises.

"We are putting on the table our social problems," he said. "The government is not trying to cover up what's wrong in Brazil. The Amazon forest is being burned? Let's see if it's true because I don't want that. The police are violent? Yes, it's true, so let's discuss violence."

Despite such reformist vigor, the lives of millions of Brazilians and other South Americans seem walled off from the bounties of macroeconomic progress and democratization. The consequences can be grim: guerrilla war in Colombia, militaristic rumblings in Peru, anarchic strikes by police forces in Brazil and the endemic menaces of drugs and crime.

Reforms are vital to the future because corruption undermines low-crime, comparatively middle-class nations like Argentina as well

as more violent, unequal ones like Brazil, according to Luis Moreno Ocampo, an Argentine anti-corruption consultant.

Moreno, who prosecuted military dictators in the 1980s, now advises Latin American governments and corporations.

The past shows that today's crises are not as insurmountable as they may seem, he said, noting: "Twenty years ago, if you had said we could resolve the problem of military dictatorships, people would have said it was impossible. I think corruption is the new form of abuse of power and can also be fought and reduced."

* * *

The Latin Makeover

President Clinton's visit to Latin America, which begins Sunday, comes as the region undergoes a rebirth, enacting reforms and bringing runaway economies under control.

* Designates the stops in Clinton's tour of Latin America.

- (1) Caracas
- (2) Brasilia
- (3) Sao Paolo
- (4) Rio De Janeiro
- (5) Buenos Aires
- (6) Bariloche

[Image]	ARGENTINA	BRAZIL
Population	32 million	167 million
Inflation	1% annually (down from hyperinflation of 1980s)	8% annually (down from 40% monthly in 1994)
Per capita income	\$9,000	\$3,500
Returned to democracy from dictatorship	1983	1985

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PREV
STORY -----

NEXT [submitnews] [submitsite]
STORY

===== END ATTACHMENT 4 =====

ARMS Email SystemRECORD TYPE: FEDERAL (TRP NOTES MAIL)

CREATOR: USIA_Media_Reaction (
USIA_Media_Reaction/R__MR/WASHDC/USIA/GOV.USIA@notes1.usia.gov@INET@LNGTWY [UNKNOWN])

CREATION DATE/TIME:14-OCT-1997 11:52:00.00

SUBJECT: Daily Digest 10/14: CLINTON TO LATIN AMERICA

TO: Kristen E. Panerali (Kristen E. Panerali@eop [UNKNOWN])
READ:UNKNOWN

TEXT:

The press in Latin America and other regions emphasized that President Clinton's visit over the weekend to Venezuela, his current tour of Brazil and his upcoming stay in Argentina are designed to showcase the importance of Latin America to the U.S.--particularly as a burgeoning trade market under the aegis of the U.S.' Free Trade Area of the Americas (FTAA) initiative. Observers held that the issue of trade will not provide smooth sailing for the U.S. president--particularly in Brazil, where a considerable segment of opinion remains convinced that Washington wants to reassert its dominance and "neutralize Brazil's growing hegemony" in the South American trade bloc Mercosur (Mercosul in Portuguese). Nevertheless, editorialists in the three countries hosting Mr. Clinton also underlined that the visit celebrates "a new dialogue" between the U.S. and Latin America. This new relationship, indicated the Brazilian ambassador to Washington in liberal Folha de S?o Paulo, is

based

on "a communion of values" between the U.S. and these countries, which are solidifying their democracies and opening their economies to world markets.

This sentiment was echoed by Caracas's left-of-center El Nacional, which remarked on the "peaceful climate" that prevailed during the Clinton visit--a

sharp contrast to previous U.S. presidential sorties which were awaited "like a

countdown at Cape Canaveral," with protests and "burning debates on ideological

issues." Pundits were quick to praise their respective leaders for improving

ties with the U.S. One Buenos Aires daily pronounced the Clinton tour "a landmark in the consolidation of mutual relations" and agreed with pro-government La Prensa--also of Buenos Aires--that Argentinean President Menem "received the credit for leaving behind 100 years of confrontation policies which...caused the country serious damage." Following are other highlights in coverage:

VENEZUELA--Coverage of Mr. Clinton was very positive, with Caracas's leading,

conservative El Universal noting that "he came to reiterate the friendship between the U.S. and Venezuela, to tell the country that we are energy partners, to tell U.S. investors that Venezuela is a good place to invest."

BRAZIL--Many journalists voiced resentment and suspicion of the U.S. regarding

its alleged desire to impose the FTAA at the expense of Mercosur, with Argentina portrayed as the Trojan horse of this alleged U.S. strategy.

However, independent Jornal da Tarde detected "a softening of the diplomatic dispute" between the two countries, with the decision to deal with their disputes through the World Trade Organization. Center-right, pro-government

Correio Braziliense stressed the importance for Brazilian President

Cardozo of

an education memorandum of understanding with the U.S., which he hopes will

"narrow the gap between northern and southern countries." Some ink was also

devoted to bruised feelings over remarks on corruption in Brazil made in a report by the American Embassy there.

ARGENTINA--Analysts in Buenos Aires, in turn, were delighted with the prospect

of Mr. Clinton's visit, stressing that his arrival coincides with

"excellent

bilateral relations" they hope will be capped by Argentina's nomination as

a

U.S. major non-NATO ally.

This survey is based on 55 reports from 10 countries, Oct. 10-14.

EDITOR: Mildred Sola Neely

LATIN AMERICA AND CARIBBEAN

VENEZUELA: "A Peaceful Visit"

An editorial in left-of-center El Nacional (10/14) said, "What most calls the attention about the visit of approximately 23 hours that brought President Bill Clinton and his wife Hillary to Caracas was the peaceful climate that prevailed in the streets of the capital and the low public profile of the visit that could be felt among different social strata. These two aspects should be analyzed, taking into consideration the background when, in different periods, three U.S. presidents touched on Venezuelan soil.

"During the previous visits there was always, to greater or lesser degree, political conflict in the society which debated the historical role and the role of the moment played by the U.S. government with regard to our destiny, and, of course, our posture in the midst of a number of possibilities from the closest cooperation to total rejection of any contamination by the 'Northern Giant.' Certainly the discussion was not centered exclusively as now on the list of issues to be discussed and agreements to be signed, but it went

beyond
these formalities: There were burning debates on ideological issues and
the
recent past of Latin American people and the intervention of the
Marines. The
intensity of the debate ignited opposing groups, from trade unions to un
iversities to the congress.... Half the society, distant viewers of these
events, viewed the date of the arrival of the head of the White House like
a
countdown at Cape Canaveral: It instilled a great uncertainty about the
success
or failure of the mission. In any case, there was not political
indifference.

"Now there is political indifference, despite the proven charisma of
Clinton,
his wife's forceful personality, and her great sense of social concern,
especially with regard to poor women. Beyond the postures of some
columnists
who remain faithful to their beliefs, the silence of the political parties
has
been eloquent, not because they have avoided the issue but because they
did not
strive to criticize the event if they ever wanted to. Only the Communist
Party
distributed tiny leaflets among the audience at the Pantheon and a flag
was

burned yesterday by students at the teacher training college.... It was remarkable to verify that most of Venezuela watched at home, on TV, the arrival at La Carlota more from curiosity than anything else. And they could watch the parade of high-ranking officials, from the most renowned rightists up to a trio of leftist ministers who until 20 years ago were forbidden from entering the United States because they were communists, shake the visitor's hand while sporting broad smiles. This consensus was undoubtedly achieved by Caldera, and thus Clinton's eulogies of our national leader shouldn't be surprising. It should be stressed that the joint declaration reinforcing the creation of a hemispheric free trade area by the year 2005, and the agreements signed on oil supply and the fight against drug trafficking are in line with the White Agenda. Another rooster will crow in Brazil where the atmosphere looks less peaceful because of Mercosur and where President Fernando Henrique Cardoso will be an uncomfortable listener. For now, goodbye, Bill."

"U.S. Proud Of Its Association With Venezuela"

Coverage of the first day of President Clinton's two-day visit to
Venezuela

dominated the front pages in all Venezuelan newspapers (10/13). Lead
stories

focused on the president's remarks at the arrival ceremony in Caracas,
particularly his expression of pride in the U.S.' relations with
Venezuela.

Page one lead headlines included: "Venezuela Is Inspiration For Our
Continent"

(leading, conservative El Universal). "U.S. Proud Of Its Association With
Venezuela" (influential, left-of-center El Nacional), "Clinton Guarantees
Prosperity With Market Opening" (left-of-center, national El Globo)."

"(Colombian) Guerrilla Uprising Discussed In La Casona"

Leading, conservative El Universal (10/13) noted in a report on the
bilateral
meeting between

the two presidents, "The impact of the Colombian situation on Venezuela
was one

of the points discussed by...Clinton in his Sunday evening meeting with
his

Venezuelan counterpart Rafael Caldera, according to the Deputy Assistant
of the

National Security Council, Jim Steinberg. Both leaders characterized as

'worrisome' the growing collaboration between the guerrilla uprising and drug trafficking.... The visitor, who began his South American tour in Caracas, hopes to encourage continental cooperation against drug trafficking, among other things.... The meeting between Clinton and Caldera began with a declaration of thanks from the U.S. president for the veteran Venezuelan leader's dedication to democracy, for his struggle against corruption, and for having been an 'energetic and reliable partner.'"

"Clinton Came To Reiterate U.S.-Venezuela Friendship"

In a piece in El Universal (10/13), Venezuelan Ambassador to the United States

Pedro Luis Echeverria said: "I don't know why we persist in thinking that the president came to sign treaties. He came to reiterate the friendship between the United States and Venezuela, to tell the country that we are energy partners, to tell U.S. investors that Venezuela is a good place to invest. We will continue to negotiate the investment protection treaty, but we want to reconcile the interests of both countries."

BRAZIL: "Argentina May Renege On Mercosul"

Under the headline above, liberal Folha de Sao Paulo (10/14) fretted,

"Since

Bill Clinton up to now did not have political strength to bring not even

the

promised Chile into NAFTA, Argentina has just integrated itself into

Mercosul,

what has brought to it (Argentina) undeniable economic advantages. Owing

to

its historical rivalry with Brazil, Argentina's dependent situation of

economic growth on the Brazilian imports causes nervousness in the

neighboring

country. That's why one can understand that Argentina wants to see the

FTAA

moving fast ahead.

"For the United States, to bring Argentina to NAFTA or to a bilateral

free

trade agreement is the best way to neutralize Brazil's growing hegemony

in

South America. Since Clinton has no legislation that permits him to

invite

Argentina, he continues to prick Brazil with small gestures, only

symbolic, it

is true, but that has a tendency of always pleasing Argentina. It is

true

that Brazil never asked for the status of 'close military ally' to the

United

States.... It is clear that the Clinton administration will not waste an opportunity to caress Argentina and ignore Brazil."

"U.S.-Brazil: A Decision To Ease Clinton's Visit"

An op-ed piece in independent Jornal da Tarde (10/14) remarked, "A softening of the diplomatic dispute that preceeds the arrival of President Bill Clinton in Brazil yesterday denotes a maturing of the bilateral relations between both countries. Neither American gaffes, making exaggerated demands for the security of the visitor and recording unflattering written comments about corruption, deficiencies in the educational system and problems in the area of public security, otherwise responded to in a disproportionately emotional way by some Brazilian authorities, will compromise the cordiality of the political climate which has been deteriorated by the trade impasse.

"The degree of acrimony between the two countries was at the point of jeopardizing the spirit (sic) of the guest and of the hosts.... That is why the decision to treat the differences...through the World Trade Organization

is the best solution, one that will free up Clinton on his visit. The measure was providential. Thanks to it, neither the political gaffes--the polemic report of the embassy and the unbecoming requests to stop the trains and change the daylight savings time, will upset the cordiality which appears to gain force as the predominant tone of the visit."

"The Great Partnership On Education"

An editorial in center-right, pro-government Correio Braziliense (10/14) held regarding the education memorandum of understanding: "The importance given by the government of Brazil to the MOU is linked to President Cardoso's belief that hemispheric integration must be preceded by actions which narrow the gap between northern and southern countries. The starting point for this process is education. Specialists have long known that underdevelopment is linked to low education levels.... The domestic computer industry is concerned that the agreement is merely an excuse to make Brazil buy from American

manufacturers.... To ensure that the agreement does not fail, as happened with the USAID-Ministry of Education accord in the 1960s, the MOU must be greeted without illusions or pre-conceived notions. Its success depends on a lot of work and good will."

"Brazil-U.S. Relations On A New Level"

President of the Senate Foreign Relations Committee and former Brazilian

President Jose Sarney wrote in center-right, pro-government Correio

Braziliense

(10/14), "Brazil-U.S. relations are on a new level. Anti-American rhetoric

cannot be used anymore as a domestic political weapon. The current

outcry

reeks of the CIA of the '50s and '60s."

"Brazil's Prospects: Avoiding Total Defeat"

Center-right, pro-government Correio Braziliense (10/14) claimed in a piece by

columnist Ruy Fabiano, "American efforts are concentrated on breaking-up

Mercosul. President Clinton's visit [to the region], where will spend the

most

glamorous part of his visit in Buenos Aires, has this essential

objective.

Argentina is the key to this break-up. Up until the Santiago meeting

(next

year's Summit of the Americas) many things can happen. The encouragement

of

an arms-race in the Southern Cone, the granting of MNNA (major non-NATO

ally)

status to Argentina and the efforts to bring Chile into NAFTA are some of

the

rounds in this fight between Goliath and David. Prospects for Brazil are

not

exactly of winning, but rather avoiding total defeat. The immediate

struggle

is to gain more time."

"Is FTAA Good Business For All?"

A byliner in liberal Folha de Sao Paulo (10/14) argued that "President

Clinton

is visiting Venezuela, Brazil and Argentina to try to convince us of what

he

could not do with his own people: that the FTAA is good business for

all.

The...extension of NAFTA to the continent..represents a new and bigger

threat

for the American workers. It is said that the 'fast track' refusal would

mean

the support for American protectionism and would put at risk the accords in negotiation, or the ones already concluded.

"The differences between the economies of the countries involved impede a fair agreement (NAFTA is responsible for 88 percent of the Americas' GNP, against 8 percent of Mercosul). Mercosul cannot be dissolved into other commercial agreements. Its process of economic, political and cultural integration, with productive complementary policies with respect to the social dimension, will be more interesting for the people of our countries."

"The Inability To Say No"

Liberal Folha de Sao Paulo (10/14) maintained, "The United States has the political, military, financial and even the power of language. It has been playing these cards for years in the multilateral organizations and in international commerce, and after the fall of the Berlin Wall, it practically has no opponents. That's why American diplomacy is not worried by subtlety, elegance and other details that are almost synonymous with diplomacy itself. It is considered rude, ill-bred, arrogant.

"Brazilian diplomacy was shaped by courtesy, elegance and by the inability to say no. Celso de Mello (a Brazilian judge) yelled from the Brazilian Supreme Court, Senator Antonio Carlos Magalhaes shouted abuse from the congress, and even Brasilia's governor Cristovam Buarque wanted to get his piece in on the eve of Clinton's arrival. But the diplomats continued to act as Brazilian diplomats. Not a single word about American rudeness. One did not expect acts of bravura, but at least a more acidic word, a dig or even a twist of irony making clear that the inferiority complex is not over, but is diminishing."

"Message For President Clinton"

Center-right, pro-government, business Gazeta Mercantil of Brasilia (10/13)

commented in an editorial under the headline above, "[Intra-Mercosul trade grew four-fold since 1993] and this expansion was simultaneous with the bloc's

increase in trade with the EU, APEC and NAFTA, demonstrating that [Mercosul's] integration did not represent [trade diversion], but rather the relentless opening of economies that had been underdeveloped for centuries. To ignore or dismiss this powerful reality is no longer possible; to meet it with arrogant rhetoric is, at the very least, foolish, since the FTAA's feasibility depends on Mercosul's consolidation. Mercosul is the true priority of the southern half of the continent.... The 1994 meeting in Miami which launched the FTAA defined 2005 as the year for its implementation. [Brazil] cannot accept any alteration in this timetable [because integration would suffer.] We trust, as citizens of the New World, that the trade diplomacy practiced by the United States will respect our decisions."

"Corruption"

Herbert Levy concluded in center-right, pro-government, business Gazeta Mercantil of Brasilia (10/13), "Judging from Ambassador Levitsky's press statements, President Clinton is coming to scold us because of excessive

corruption in Brazil.... [The United States also has corruption.] Thus, the subject should be avoided because criticisms will come from both sides. Insistence that the government of Brazil should drop Mercosul and go for the FTAA was never properly justified.... The American government, instead of acknowledging our proper commitment to Mercosul, chose rather to attempt to estrange Argentina from us. The choosing of that country as its 'preferential partner' and the encouragement of criticism against our UNSC bid revealed a rudimentary and crass policy of stimulating antagonisms between Brazil and Argentina."

"The Truth Hurts"

Conservative O Globo (10/12) ran extensive coverage of President Clinton's visit to Brazil. On page 4, Marcio Moriera Alves wrote: "Only the truth hurts, as the French say. This is the reason for the protests of sensitive offense in reaction to the 131-page report about Brazil the American Embassy put in the Internet to inform U.S. businessmen. It said our education is pitiful, that corruption is endemic, that justice is slow and

inefficient, but

that, in spite of these blemishes, Brazil offers excellent opportunities for

investment. Is there a lie among these affirmations? If not, there is no

reason why meritorious judges, excellent parliamentarians and some journalists

had nervous fits when they found out about the document.... Primary education

in Brazil is the worst of any other Latin American country, except Haiti....

What the Americans should have said is that corruption in Brazil goes totally

unpunished. There is no one in jail for the theft of millions."

"New Dialogue In A Changed World"

Clovis Brigagao wrote in conservative O Globo (10/12): "Brazil has also made

changes in its house. A political strategy has also now at its foundations

democratic values as the central premise of international relations....

It

is in this context that the new dialogue between Clinton and Fernando Enrique

Cardoso opens. Accustomed to be dominant and to treat the region as a whole,

the United States must make significant adjustments with Brazil.

"The critical point is Mercosul."

"Collision Course"

According to center-right, pro-government Correio Braziliense's Ruy Fabiano

(10/12): "The visit's agenda is really limited to a single, obsessive topic:

the suppression of Mercosul and immediate implementation of the FTAA.

All

other points are irrelevant. The United States does not want Brazil to strengthen its leadership in the continent. It does not want another

United

States to the south, in what they usually term their backyard.... What is

really at stake is an attempt at market annexation. If Mercosul sinks, then

South American development will be compromised. The United States has many

ways of imposing itself, including militarily and economically, hence the studied nonchalance it uses in diplomatic matters. It is obvious that the

area professionals know that [the Country Commercial Guide], a document prepared by the government which mentions corruption in Brazil, is a diplomatic faux pas. But it also serves the purpose of breaking the

country's

pride and exposes it to embarrassments both domestically and outside

Brazil.

There is nothing casual about the matter. Each gesture is carefully

studied

and serves a specific purpose. [The weapons controversy] is intended to

be a

flaunting of strength, to intimidate, to demoralize. It is not a mere

detail.

[MNNA status to Argentina] is also a part of the [U.S.] divisionist

strategy."

"Gentle Atmosphere Of The Visit"

Center-right O Estado de Sao Paulo observed (10/12): "President Bill

Clinton's

visit was preceded by a healthy change of atmosphere in relations between

Brasilia and Washington. Brazil and the United States have conflicting

views

in their trade relations. In the last weeks, the two countries decided to

take

the trade problems that they could not resolve through quick negotiations

to

the World Trade Organization. And this decision, that each country took

individually and for different reasons, is contributing decisively to an

easing of the political atmosphere that was about to turn sour due to the

virtual impasse in the trade area. Brazil and the United States did well

to

separate the political agenda from the trade one. The two countries have different institutional and administrative structures, which make mutual understanding difficult and the administrative solutions impracticable.

Finally it seems that the State Department and Brazilian Foreign Ministry have

reached a better understanding: They will serve their countries better

if

they separate political issues from commercial issues. The easing was helped

by the slight change in the tone of the American government towards the FTAA.

Before, the Clinton administration pressured the countries of the hemisphere

for political concessions in the short term, making the FTAA its main foreign

policy objective. Now, with fast track legislation pending in Congress, the

president has to overcome the unpopularity of any initiative which resembles

NAFTA. Confronting this reality helped to tone down the argument of the American negotiators. Clinton will travel to South America without any new

initiatives, but certainly will encounter a more gentle and receptive atmosphere."

"Same Agenda For U.S., Brazil"

Liberal Folha de S?o Paulo (10/12) ran this by Paulo de Tarso Flecha de Lima,

Brazilian ambassador in Washington: "This trip represents a communion of values that have no precedent in the bilateral relationship. Nowadays, when we talk, in Brazil and in the United States, about human rights, democracy, education, preservation of the environment, intensification of commerce, non-proliferation of arms, combatting narcotics, we are talking about the same agenda and the same objectives. The visit by the Brazilian president to Washin gton, April 1995, and the excellent personal relationship established with President Clinton, begun an important chapter in our countries' bilateral relationship. In the meantime, Brazil recovered its economic stability, full democracy, and welfare of its society. The opening of the Brazilian market to commerce and investments give the country credentials for a competitive participation in the world economy."

"Are We More Worried About Criticism Than About Actual Corruption?"

Liberal Folha de Sao Paulo stated (10/11): "It's only logical for

President

Clinton to have maximum security, especially if he is traveling to a

Third

World country where people often die from random gunshots. To Americans

all

of this is logical and legitimate. They prepared a report declaring that

corruption in Brazil is endemic. Is that wrong? No, it is absolutely

correct.

Even the Pope brought his 'Popemobile' and no one said anything. Besides,

the

use of machine guns and bazookas in the slums (of Rio) is very common.

The

fact that Brazilian government officials, in reacting to U.S. criticism,

showed an attitude of 'missing the slave quarters' is shocking. These

leaders

are nostalgic for the days when they did everything without any protest.

Are

you, the reader, more worried about the actual U.S. criticism, or about

the

misery that most Brazilians experience daily?.... According to the

ferocious

reaction of Brazilian leaders, they are more worried about the

criticism."

ARGENTINA: "A Celebration"

An opinion piece by Diego Guelar, Argentine ambassador to the United

States,

in the op-ed page of leading Clarin (10/14), read, "What was marginal and almost despicable [Latin America and the idea of a 'backyard'] is today

an

important projection to the year 2010, to the point that U.S. exports to

Latin

America will surpass, that year, that country's combined sales to Japan

and

Europe. This element should be seen within the context of the debate over

fast

track.... Its approval will contribute to the consolidation of the

process of

hemispheric integration, including Mercosur, that is undergoing a

parallel

debate.

"For us, is this trip a celebration? Categorically, yes. Mercosur exports

to

the United States have had a very small increase compared to U.S.

exports....

Nevertheless, an important percentage of our purchases are capital goods

and

these are allowing us to reequip our industry and make it competitive....

Other issues, such as nuclear, satellite, environmental and educational

cooperation, (as well as) the fight against drug trafficking and

security, are

not less important than the economic issues and have their role in the

hemispheric agenda.... We will sit at the table to negotiate, and I am sure the result will be a united America, respectful of its diversity, proud of its culture, humble when it comes to its needs and committed to ending the poverty and injustice that still exists in a great part of our continent."

"An Alliance Against Drugs Will Be Signed"

Daniel Santoro, diplomatic issues analyst of leading Clarin (10/14), stressed,

"In the framework of the visit of President Bill Clinton, Argentina will sign the day after tomorrow an agreement to join the Strategic Alliance against Drugs, promoted by the United States.... McCaffrey will deliver a letter from Clinton, contents still unknown, related exclusively to the fight against drugs, one of the key issues of the U.S. agenda for Latin America. The letter will surely praise the basic outline of the Argentine plan to fight drugs even if Latin America and the United States have not yet agreed upon who will evaluate those programs in the future."

"U.S.-Argentina Relations"

An editorial in leading Clarin held (10/12), "The visit of President Bill Clinton to our country is a landmark in the consolidation of mutual relations.

On this occasion no important agreements will be signed, but they will advance

the dialogue in terms of economic issues and particularly regarding the formation of a continental free trade area. The arrival of the U.S.

leader

takes place at a moment of excellent bilateral relations, resulting from,

basically, a policy of unrestricted alignment carried out by President

Menem's

government.... A key issue in the 'rapprochement' strategy with the

United

States has been the nomination of Argentina as the U.S.' s MNNA (major

non-NATO

ally), by President Clinton.

"With respect to the U.S. agenda for Argentina and Latin America, the

economic

issue is a

priority for Bill Clinton.... President Clinton's visit will contribute,

finally, to consolidate an improvement in bilateral relations which was

necessary to carry out. Nevertheless, we must take into consideration

that the

reliability of a country in terms of its relations with the United States

or

any other country does not only depend on gestures or declarations but on factors such as stability and growth, security of the judicial system and government transparency. One must bear in mind that alignment and good relations do not exclude the defense of economic or strategic interests."

"The Clinton Doctrine"

An opinion piece by international political analyst Avedis Hadjian in pro-government La Prensa read (10/12), "With all its limitations, Bill Clinton's trip to Latin America seems to point to the birth of a new doctrine which could carry the name of the U.S. president, and which could entail an update of the 19th century 'Monroe Doctrine.' The 'Clinton Doctrine' is the result of a more self-centered United States.... In this context of domestic preferences and the lack of rival powers...a variable rules the almost sovereign U.S. foreign policy: trade; i.e., exports. The Clinton visit, then, marks in truth a confrontation of interests.

"While he visits Venezuela, Brazil and Argentina with the purpose of increasing even more the economic introduction of U.S. companies and exports in the region...the accumulated deficits generate irritation among local authorities, which give nationalistic interpretations (particularly in

Brazil)

to these matters.... There is another decisive factor which moves the U.S. interest in strengthening, once again...its relations with the rest of America. The paradox of globalization; this is also an era of regional blocs.

And Latin America means, to the United States, a market which has grown 200

percent.... In view of this fact, the MNNA with Argentina has a value which goes beyond the merely commercial one...because such status allows the purchase of U.S. surplus military materiel. Argentina's trade importance as a military market does not exceed its political importance as Washington's firmest regional ally."

"A Hundred Years Of Conflicts And Six Of Carnal Relations"

Juan Carlos Casas, political analyst for pro-government La Prensa, told readers

(10/12) "Bill Clinton has just declared Argentina as the U.S.' MNNA, which puts an end to more than a hundred years of absurd confrontations by our country with the world's first power.... Carlos Menem received the credit for leaving behind 100 years of confrontation policies which could have no possible success and which caused the country serious damage. The serious,

coherent and continuing labor of reinserting the country in the Western world, carried out with the help of Ministers Cavallo (Economy) and Di Tella (Foreign Affairs), and in coordination with a policy of open economy and privatization which attracted strong foreign capital, bear fruit today with the U.S. declaration appointing Argentina a MNNA, like Australia, New Zealand, Japan, South Korea and other countries which are not limited to the North Atlantic.

This recognition, even though it does not mean immediate nor tangible economic advantages implies the recognition of the fact that Argentina has recovered its mental health, and the subsequent reduction of risk in the continent."

"Trade Offensive"

Leading Clarin's correspondent Ana Baron opined (10/12), "Clinton's trip to Venezuela, Brazil and Argentina has a very specific goal: The United States wants to recover its trade leadership in our hemisphere.... It views with concern the fact that Europe and Asia are taking advantage of the space the

United States has left vacant.... The problem is that Clinton's attempt to recover trade leadership is confronted with two difficulties. First, he travels to the region without obtaining 'fast-track' authority from Congress.... Second, some of his advisers were unable to measure the importance of Mercosur, an integration process which they viewed as being incompatible with the FTAA promoted by Washington. Undoubtedly, each speech Clinton will deliver will have implicit paragraphs dedicated to the U.S. Congress and to the

urgency in granting him 'fast-track.' And, in a real 180-degree spin, he will not only praise Mercosur: He will also say it is one of FTAA's milestones."

"American Breakfast"

An opinion piece by Marcelo Bonelli, economic analyst of leading Clarin, held (10/11), "Turbulence may start when Clinton defends his project of establishing one common market in America. In its essence, the FTAA has germs that will destroy Mercosur, the economic project that is strategically shared

by Radicals and Peronists. The position of Argentine industrialists will not be one of direct confrontation with the Clinton administration. But they only want to negotiate the access to an American common market once Mercosur is consolidated as an economic area common to Argentines and Brazilians....

The attitude will cause economic rumbles during Clinton's visit, (since) the Democratic administration does not accept the position taken by the region's businessmen."

CHILE: "Fast Track: Careful With The Excess Of Optimism"

Santiago's financial El Diario Financiero opined (10/10), "Despite progress,

in this opportunity there is no possibility for being led by optimism seeing

that in 1995 similar circumstances occurred and fast track (authority) was finally rejected.... Now the initiative must be heard by the plenum of the

House of Representatives and, most probably, difficulties will appear, especially from members of the Democratic Party, who look unfavorably upon this project....

"Undoubtedly, this will demand new efforts from the president (in order)

to
find his fellow supporters' backing, especially because if fast track
isn't
authorized, the United
States will continue losing ground to Europe in Latin America, reflecting
the
important investments carried out by different businesses from the Old
World in
the region, in
comparison with the ones finalized by the Americans.... Therefore, even
if
Clinton does his best to be optimistic over this subject, which almost
surely
he will in his upcoming visit to Argentina, Brazil and Venezuela--for the
moment one ought not to lose the perspective of reality and the existing
difficulties for fast-track to reach the hands of the president."

"Divided Opinions Over Fast Track"

Conservative, influential El Mercurio (10/10) ran an article by Washington
correspondent Maria Isabel Seguel, reporting on the House of
Representatives
Ways and Means Committee's approval: "(President Clinton) counts on the
U.S.
Congress' timid support, the result of which is still in doubt. And the
doubt
is centered in what the Legislative (branch) really wants to grant the

Executive in terms of trade.... The scarce four Democratic votes obtained on

Wednesday leave Clinton in an uncomfortable situation, and with only few weeks

before the end of the month to convince more Democrats to support the legislation, once it passes to the floor of the House....

"The Committee's vote constitutes a barometer of how difficult it will be to

obtain more votes from the Democrats for the final voting. And not only from

that side of the political spectrum. During Wednesday's voting and in the initial counting, a majority of Republican congressmen voted 'pass' to see how

other Democratic colleagues voted."

DOMINICAN REPUBLIC: "For Chile, Nothing Is Guaranteed"

Filing from Washington, commentator Lucy D ;vila wrote in left-of-center Hoy

(10/10), "It is true that Chile was held as an example of economic management

in the region and that the United States held it in a privileged position,

with respect to its neighbors. Still, this was not enough guaranty then, nor

it is now, that, if fast track is approved, Chile will really obtain a

good

trade agreement.... Clinton's current strategy is directed at obtaining a favorable but narrow result in congressional voting. Without the pressure of an election campaign and with an incredible

position thanks to the prosperity and the strong economic growth that the country is experiencing, the North American president has laid out all the benefits that trade liberalization with other countries, not only with Chile, has brought....

"From Chile's process of 'loss of innocence' one can objectively judge whether

fair negotiation between rich and poor countries is possible.... For Chile,

nothing is guaranteed, not even if fast track is approved at the end of this

year or the beginning of the next one. It seems that this time Chile will

assume its position as first in line with greater temperance. Because bets

cannot be crossed and a good relationship with the United States is no protection against the power struggle unleashed in this country."

EUROPE

BRITAIN: "Clinton Should Add Latin America To His Legacy"

The conservative Times' editorial pointed out (10/13), "The region is one of ever-increasing significance to America's interests. In its own way, Mr. Clinton's mere presence in Brazil, Argentina and Venezuela makes this one of the most important overseas ventures of his tenure. It is unlikely that it will be another 20 years before a successor makes a similar trip.... Mr. Clinton would like to make the expansion of free trade the centerpiece of his agenda. His early decision to embrace NAFTA was among the most positive acts of his presidency. The timing of this tour though is slightly inconvenient. The president is struggling to secure congressional support for his full power over trade negotiations. His opponents have painted free trade as the means by which American firms will export employment from the Midwest to South American sweatshops.

"For that reason, the president will choose to tread carefully. He should not

allow these short-term factors to obscure America's future. Mr. Clinton should publicly welcome the reforms that have been made as well as the remaining difficulties that must be tackled. He should make it clear that he would like to see NAFTA extended to include Chile and full inter-American free trade by the early years of the next century.... The president still has time to make this central to his legacy."

FRANCE: "Clinton's Renewed Interest In Foreign Policy"

According to Jean-Jacques Mevel in right-of-center Le Figaro (10/13), "Clinton wants to give a new boost to his foreign policy.... First with his Latin American tour, and later his meeting with Jiang Zemin in Washington.... This renewed interest in foreign policy is explained by economic priorities...and a desire to divert attention from the campaign funding scandal which is raging in Washington."

RUSSIA: "Unfair Competition"

Official government Rossiyskaya Gazeta (10/14) reported with reference to

the

Russian Foreign Ministry: "The American media have of late been trumpeting

arms

deals between the Russian mafia and Latin American drug barons. All that

might

have been swept aside as another figment of fertile imagination, but for

the

quite real interests of American arms exporters. This is just another

manifestation of unfair competition aimed at pushing Russia out of the

Latin

American market."

ITALY: "Clinton's Mission"

Mario Platero filed from Caracas in leading business Il Sole-24 Ore

(10/14):

"Clinton's mission to South America will not be an easy one. It is not

by

coincidence that Clinton has chosen Caracas to set the tone for his first

South American trip. Venezuela, the U.S.' number one oil supplier, is a

traditionally friendly country, willing to establish special relations

with the

United

States. And even the Menem government in Argentina is very favorable to

maintaining a preferential relationship with Washington and proceeding

along

the road taken at the Miami summit in 1994. The toughest obstacle remains
Brazil. Its government and its public generally show signals of stronger
hostility towards the United States than other neighboring countries....

On a
bilateral level, in addition to the signing of an agreement on energy,
Clinton's visit to Venezuela had another specific goal: to identify
common
objectives in the fight on drugs."

EAST ASIA AND PACIFIC

CHINA: "Clinton Kicks Off Trip To Latin America"

This Xinhua piece ran in the official, Beijing municipal Beijing Daily
(Beijing

Ribao, 10/14), "The United States has long put its focus on Europe and Asia
and

overlooked the Latin American region. Latin American countries have been
developing economic and trade relations with Europe and last year the
trade

volume with European countries surpassed that with the United States."

SOUTH KOREA: "U.S. Focuses Its Eye On Backyard"

Under the headline above, pro-business Joong-Ang Ilbo (10/13) commented,

"The
United States has begun to turn its eyes to its backyard, President
Clinton's
one-week visit to South America being proof of that. His visit is aimed
at
increasing U.S. interests and influence in the region which is
increasingly
taken seriously in world trade. The reason the United States is now
turning
to (Latin America) is because it does not want to lose the region to
Europe
and Japan, whose influence is rapidly increasing. In the wake of
Clinton's
visit, South America will pay more attention to what the United States
wants
to do with the proposal for fast-track authority."

===== ATTACHMENT 1 =====
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14 Oct 1997 12:17:28 -0400 (EDT)

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by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IOSOVR5IR400OY1V@PMDF.EOP.GOV> for
panerali_k@a1.eop.gov; Tue, 14 Oct 1997 12:17:20 -0400 (EDT)

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Tue, 14 Oct 1997 12:16:52 -0400 (EDT)

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#XP\ P6QyP#Bill Richey, Branch Chief Media Reaction (R/MR), #:x2PkCXP# #XP\

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02) 6196511

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CLINTON TO LATIN AMERICA: TRADE ISSUES AND 'A NEW DIALOGUE'

X' hp x (##The press in Latin America and other regions emphasized that Preside

nt

Clinton's visit over the weekend to Venezuela, his current tour of Brazil an

d

his upcoming stay in Argentina are designed to showcase the importance of

Lat

in America to the U.S. particularly as a burgeoning trade market under

the aegis

of the U.S.' Free Trade Area of the Americas (FTAA) initiative.

Observers hel

d that the issue of trade will not provide smooth sailing for

the U.S. presiden

tparticularly in Brazil, where a considerable segment of

opinion remains convin

ced that Washington wants to reassert its dominance and

"neutralize Brazil's gr

owing hegemony" in the South American trade bloc

Mercosur (Mercosul in Portuguese

se). Nevertheless, editorialists in the three

countries hosting Mr. Clinton al

so underlined that the visit celebrates "a

new dialogue" between the U.S. and L

atin America. This new relationship, indicated the Brazilian ambassador to Washington in liberal Folha de SMO Paulo, is based on "a communion of values" between the U.S. and these countries, which are solidifying their democracies and opening their economies to world markets. This sentiment was echoed by Caracas' leftist center El Nacional, which remarked on the "peaceful climate" that prevailed during the Clinton visit a sharp contrast to previous U.S. presidential sorties which were awaited "like a countdown at Cape Canaveral," with protests and "burning debates on ideological issues." Pundits were quick to praise their respective leaders for improving ties with the U.S. One Buenos Aires daily pronounced the Clinton tour "a landmark in the consolidation of mutual relations" and agreed with progovernment La Prensa also of Buenos Aires that Argentinean President Menem "received the credit for leaving behind 100 years of confrontation policies which...caused the country serious damage." Following are other highlights in coverage:

VENEZUELA Coverage of Mr. Clinton was very positive, with Caracas's leading conservative El Universal noting that "he came to reiterate the friendship between the U.S. and Venezuela, to tell the country that we are energy partners, to tell U.S. investors that Venezuela is a good place to invest."

BRAZIL Many journalists voiced resentment and suspicion of the U.S. regarding its alleged desire to impose the FTAA at the expense of Mercosur, with Argentina portrayed as the Trojan horse of this alleged U.S. strategy. However, independent Jornal da Tarde detected "a softening of the diplomatic dispute" between the two countries, with the decision to deal with their disputes through the World Trade Organization. Center-right, progovernment Correio Braziliense stressed the importance for Brazilian President Cardoso of an education memorandum of understanding with the U.S., which he hopes will "narrow the gap between northern and southern countries." Some ink was also devoted to bruised feelings over

her remarks on corruption in Brazil made in
a report by the American Embassy there.
e.

ARGENTINA Analysts in Buenos Aires, in turn, were delighted with the
prospect of

Mr. Clinton's visit, stressing that his arrival coincides with
"excellent bilateral relations" they hope will be capped by Argentina's
nomination as a U.S.
major non-NATO ally.

This survey is based on 55 reports from 10 countries, Oct. 10/14.
EDITOR: Mildred Sola Neely

LATIN AMERICA AND CARIBBEAN

VENEZUELA: "A Peaceful Visit"

An editorial in left-of-center El Nacional (10/14) said, "What most calls the
attention at
about the visit of approximately 23 hours that brought President
Bill Clinton and his wife Hillary to Caracas was the peaceful climate that
prevailed
in the streets of the capital and the low public profile of the
visit that could
be felt among different social strata. These two aspects
should be analyzed,
taking into consideration the background when, in
different periods, three U.S.
presidents touched on Venezuelan soil.

"During the previous visits there was always, to greater or lesser degree,
political conflict in the society which debated the historical role and the
role of
the moment played by the U.S. government with regard to our destiny,
and, of course,
our posture in the midst of a number of possibilities from
the closest cooperation to total rejection of any contamination by the
'Northern Giant.' Certainly the discussion was not centered exclusively as
now on the list of issues
to be discussed and agreements to be signed, but it
went beyond these formalities: There were burning debates on ideological
issues and the recent past of Latin American people and the intervention of
the Marines. The intensity of the
debate ignited opposing groups, from
trade unions to universities to the congress.... Half the society, distant
viewers of these events, viewed the date of

the arrival of the head of the
White House like a countdown at Cape Canaveral:
It instilled a great
uncertainty about the success or failure of the mission.
In any case, there
was not political indifference.

"Now there is political indifference, despite the proven charisma of Clinton,
h
is wife's forceful personality, and her great sense of social concern,
especial
ly with regard to poor women. Beyond the postures of some columnists
who remai
n faithful to their beliefs, the silence of the political parties
has been eloq
uent, not because they have avoided the issue but because they
did not strive t
o criticize the event if they ever wanted to. Only the
Communist Party distrib
uted tiny leaflets among the audience at the Pantheon
and a flag was burned yes
terday by students at the teacher training
college.... It was remarkable to ve
rify that most of Venezuela watched at
home, on TV, the arrival at La Carlota m
ore from curiosity than anything
else. And they could watch the parade of high
ranking officials, from the
most reknowned rightists up to a trio of leftist mi
nisters who until 20 years
ago were forbidden from entering the United States b
ecause they were
communists, shake the visitor's hand while sporting broad smil
es. This
consensus was undoubtedly achieved by Caldera, and thus Clinton's eul
ogies of
our national leader shouldn't be surprising. It should be stressed th
at the
joint declaration reinforcing the creation of a hemispheric free trade a
rea
by the year 2005, and the agreements signed on oil supply and the fight
aga
inst drug trafficking are in line with the White Agenda. Another rooster
will
crow in Brazil where the atmosphere looks less peaceful because of
Mercosur and
where President Fernando Henrique Cardozo will be an
uncomfortable listener.
For now, goodbye, Bill."

X X' hp x (#

XX X' hp x (# "U.S. Proud Of Its Association With Venezuela"

Coverage of the first day of President Clinton's twoday visit to Venezuela
dom

inated the front pages in all Venezuelan newspapers (10/13). Lead stories
focu
sed on the president's remarks at the arrival ceremony in Caracas,
particularly
his expression of pride in the U.S.' relations with Venezuela.
Page one lead
headlines included: "Venezuela Is Inspiration For Our
Continent" (leading, con
servative El Universal). "U.S. Proud Of Its
Association With Venezuela" (influ
ential, leftofcenter El Nacional),
"Clinton Guarantees Prosperity With Market O
pening" (leftofcenter, national
El Globo)."

"(Colombian) Guerrilla Uprising Discussed In La Casona"

Leading, conservative El Universal (10/13) noted in a report on the
bilateral
meeting between

the two presidents, "The impact of the Colombian situation on Venezuela was
one

of the points discussed by...Clinton in his Sunday evening meeting with
his Ve

nezuelan counterpart Rafael Caldera, according to the Deputy Assistant
of the N

ational Security Council, Jim Steinberg. Both leaders characterized
as 'worris

ome' the growing collaboration between the guerrilla uprising and
drug traffick

ing.... The visitor, who began his South American tour in
Caracas, hopes to enc

ourage continental cooperation against drug trafficking,
among other things....

The meeting between Clinton and Caldera began with a
declaration of thanks fro

m the U.S. president for the veteran Venezuelan
leader's dedication to democrac

y, for his struggle against corruption, and
for having been an 'energetic and r

eliable partner.'"

"Clinton Came To Reiterate U.S.Venezuela Friendship"

In a piece in El Universal (10/13), Venezuelan Ambassador to the United
States

Pedro Luis Echeverria said: "I don't know why we persist in thinking
that the

president came to sign treaties. He came to reiterate the
friendship between t

he United States and Venezuela, to tell the country that
we are energy partners

, to tell U.S. investors that Venezuela is a good place

to invest. We will continue to negotiate the investment protection treaty, but we want to reconcile the interests of both countries."

BRAZIL: "Argentina May Renege On Mercosul"

X hp x (#

Under the headline above, liberal Folha de Sao Paulo (10/14) fretted, "Since Bill Clinton up to now did not have political strength to bring not even the

promised Chile into NAFTA, Argentina has just integrated itself into Mercosul,

what has brought to it (Argentina) undeniable economic advantages.

Owing to i

ts historical rivalry with Brazil, Argentina's dependent situation of economi

c growth on the Brazilian imports causes nervousness in the neighboring countr

y. That's why one can understand that Argentina wants to see the FTAA moving fast ahead.

X hp x (# "For the United States, to bring Argentina to NAFTA or to a bilatera l free

trade agreement is the best way to neutralize Brazil's growing hegemony in

South America. Since Clinton has no legislation that permits him to invite

Argentina, he continues to prick Brazil with small gestures, only symbolic

, it is true, but that has a tendency of always pleasing Argentina. It is tru

e that Brazil never asked for the status of 'close military ally' to the Unite

d States.... It is clear that the Clinton administration will not waste an op

portunity to caress Argentina and ignore Brazil."

"U.S.Brazil: A Decision To Ease Clinton's Visit"

An oped piece in independent Jornal da Tarde (10/14) remarked, "A softening o

f the diplomatic dispute that preceeds the arrival of President Bill Clinton i

n Brazil yesterday denotes a maturing of the bilateral relations between both

countries. Neither American gaffes, making exaggerated demands for the securit

y of the visitor and recording unflattering written comments about corruption

, deficiencies in the educational system and problems in the area of public se

curity, otherwise responded to in a disproportionately emotional way by some B

Brazilian authorities, will compromise the cordiality of the political climate which has been deteriorated by the trade impasse.

"The degree of acrimony between the two countries was at the point of jeopardizing the spirit (sic) of the guest and of the hosts.... That is why the decision to treat the differences...through the World Trade Organization is the best solution, one that will free up Clinton on his visit. The measure was provided initially. Thanks to it, neither the political gaffe nor the polemic report of the embassy and the unbecoming requests to stop the trains and change the daylight savings time, will upset the cordiality which appears to gain force as the predominant tone of the visit."

X' hp x (#

"The Great Partnership On Education"

X' hp x (#

An editorial in centerright, progovernment Correio Braziliense (10/14) held regarding the education memorandum of understanding: "The importance given by the government of Brazil to the MOU is linked to President Cardoso's belief that hemispheric integration must be preceded by actions which narrow the gap between northern and southern countries. The starting point for this process is education. Specialists have long known that underdevelopment is linked to low education levels.... The domestic computer industry is concerned that the agreement is merely an excuse to make Brazil buy from American manufacturers.... To ensure that the agreement does not fail, as happened with the USAID Ministry of Education accord in the 1960s, the MOU must be greeted without illusions or preconceived notions. Its success depends on a lot of work and good will."

"Brazil-U.S. Relations On A New Level"

President of the Senate Foreign Relations Committee and former Brazilian President Jose Sarney wrote in centerright, progovernment Correio Braziliense (10/14), "Brazil-U.S. relations are on a new level."

AntiAmerican rhetoric cannot be used anymore as a domestic political weapon. The current outcry reeks of the CIA of the '50s and '60s."

"Brazil's Prospects: Avoiding Total Defeat"

Centerright, progovernment Correio Braziliense (10/14) claimed in a piece by columnist Ruy Fabiano, "American efforts are concentrated on breaking up Mercosul. President Clinton's visit [to the region], where will spend the most glamorous part of his visit in Buenos Aires, has this essential objective. Argentina is the key to this breakup. Up until the Santiago meeting (next year's Summit of the Americas) many things can happen. The encouragement of an arms race in the Southern Cone, the granting of MNNA (major nonNATO ally) status to Argentina and the efforts to bring Chile into NAFTA are some of the rounds in this fight between Goliath and David. Prospects for Brazil are not exactly of winning, but rather avoiding total defeat. The immediate struggle is to gain more time."

"Is FTAA Good Business For All?"

A byliner in liberal Folha de Sao Paulo (10/14) argued that "President Clinton is visiting Venezuela, Brazil and Argentina to try to convince us of what he could not do with his own people: that the FTAA is good business for all. The ...extension of NAFTA to the continent...represents a new and bigger threat for the American workers. It is said that the 'fast track' refusal would mean the support for American protectionism and would put at risk the accords in negotiation, or the ones already concluded.

"The differences between the economies of the countries involved impede a fair agreement (NAFTA is responsible for 88 percent of the Americas' GNP, against 8 percent of Mercosul). Mercosul cannot be dissolved into other commercial agreements. Its process of economic, political and cultural integration, with productive complementary policies with respect to the

social dimension, will be more interesting for the people of our countries."

"The Inability To Say No"

Liberal Folha de Sao Paulo (10/14) maintained, "The United States has the political, military, financial and even the power of language. It has been playing these cards for years in the multilateral organizations and in international commerce, and after the fall of the Berlin Wall, it practically has no opponents. That's why American diplomacy is not worried by subtlety, elegance and other details that are almost synonymous with diplomacy itself. It is considered rude, illbred, arrogant."

"Brazilian diplomacy was shaped by courtesy, elegance and by the inability to say no. Celso de Mello (a Brazilian judge) yelled from the Brazilian Supreme Court, Senator Antonio Carlos Magalhaes shouted abuse from the congress, and even Brasilia's governor Cristovam Buarque wanted to get his piece in on the eve of Clinton's arrival. But the diplomats continued to act as Brazilian diplomats. Not a single word about American rudeness. One did not expect acts of bravura, but at least a more acidic word, a dig or even a twist of irony making clear that the inferiority complex is not over, but is diminishing."

"Message For President Clinton"

Centerright, progovernment, business Gazeta Mercantil of Brasilia (10/13) commented in an editorial under the headline above, "[IntraMercosul trade grew four fold since 1993] and this expansion was simultaneous with the bloc's increase in trade with the EU, APEC and NAFTA, demonstrating that [Mercosul's] integration did not represent [trade diversion], but rather the relentless opening of economies that had been underdeveloped for centuries. To ignore or dismiss this powerful reality is no longer possible; to meet it with arrogant rhetoric is

s, at the very least, foolish, since the FTAA's feasibility depends on Mercosul's consolidation. Mercosul is the true priority of the southern half of the continent.... The 1994 meeting in Miami which launched the FTAA defined 2005 as the year for its implementation. [Brazil] cannot accept any alteration in the timetable [because integration would suffer.] We trust, as citizens of the New World, that the trade diplomacy practiced by the United States will respect our decisions."

"Corruption"

Herbert Levy concluded in *centerright, progovernment, business Gazeta Mercanti* of Brasilia (10/13), "Judging from Ambassador Levitsky's press statements, President Clinton is coming to scold us because of excessive corruption in Brazil.... [The United States also has corruption.] Thus, the subject should be avoided because criticisms will come from both sides. Insistence that the government of Brazil should drop Mercosul and go for the FTAA was never properly justified.... The American government, instead of acknowledging our proper commitment to Mercosul, chose rather to attempt to estrange Argentina from us. The choosing of that country as its 'preferential partner' and the encouragement of criticism against our UNSC bid revealed a rudimentary and crass policy of stimulating antagonisms between Brazil and Argentina."

X' hp x (#

"The Truth Hurts"

X' hp x (#

Conservative *O Globo* (10/12) ran extensive coverage of President Clinton's visit to Brazil. On page 4, Marcio Moriera Alves wrote: "Only the truth hurts, as the French say. This is the reason for the protests of sensitive offense in reaction to the 131page report about Brazil the American Embassy put in the Internet to inform U.S. businessmen. It said our education is pitiful, that corruption is endemic, that justice is slow and inefficient, but that, in spite of these blemishes, Brazil offers excellent

opportunities for investment. Is there a lie among these affirmations? If not, there is no reason why meritorious judges, excellent parliamentarians and some journalists had nervous fits when they found out about the document.... Primary education in Brazil is the worst of any other Latin American country, except Haiti.... What the Americans should have said is that corruption in Brazil goes totally unpunished. There is no one in jail for the theft of millions."

" New Dialogue In A Changed World"

Clovis Brigagao wrote in conservative O Globo (10/12): "Brazil has also made changes in its house. A political strategy has also now at its foundations democratic values as the central premise of international relations.... It is in this context that the new dialogue between Clinton and Fernando Henrique Cardoso opens. Accustomed to be dominant and to treat the region as a whole, the United States must make significant adjustments with Brazil.

"The critical point is Mercosul."

X' hp x (# "Collision Course"

According to centerright, progovernment Correio Braziliense's Ruy Fabiano (10/12): "The visit's agenda is really limited to a single, obsessive topic: the suppression of Mercosul and immediate implementation of the FTAA. All other points are irrelevant. The United States does not want Brazil to strengthen its leadership in the continent. It does not want another United States to the south, in what they usually term their backyard.... What is really at stake is an attempt at market annexation. If Mercosul sinks, then South American development will be compromised. The United States has many ways of imposing itself, including militarily and economically, hence the studied nonchalance it uses in diplomatic matters. It is obvious that the area professionals know that [the Country Commercial Guide], a document prepared by the government which mentions corruption in Brazil, is a

diplomatic faux pas. But it also serves the purpose of breaking the country's pride and exposes it to embarrassments both domestically and outside Brazil. There is nothing casual about the matter. Each gesture is carefully studied and serves a specific purpose. [The weapons controversy] is intended to be a flaunting of strength, to intimidate, to demoralize. It is not a mere detail. [MNNA status to Argentina] is also a part of the [U.S.] divisionist strategy."

X hp x (#
X hp x (# "Gentle Atmosphere Of The Visit"
X hp x (#

Center for the Americas observed (10/12): "President Bill Clinton's visit was preceded by a healthy change of atmosphere in relations between Brazil and Washington. Brazil and the United States have conflicting views in their trade relations. In the last weeks, the two countries decided to take the trade problems that they could not resolve through quick negotiations to the World Trade Organization. And this decision, that each country took individually and for different reasons, is contributing decisively to an easing of the political atmosphere that was about to turn sour due to the virtual impasse in the trade area. Brazil and the United States did well to separate the political agenda from the trade one. The two countries have different institutional and administrative structures, which make mutual understanding difficult and the administrative solutions impracticable. Finally it seems that the State Department and Brazilian Foreign Ministry have reached a better understanding: They will serve their countries better if they separate political issues from commercial issues. The easing was helped by the slight change in the tone of the American government towards the FTAA. Before, the Clinton administration pressured the countries of the hemisphere for political concessions in the short term, making the FTAA its main foreign policy objective. Now, with fast track legislation pending in

Congress, the president has to overcome the unpopularity of any initiative which resembles NAFTA. Confronting this reality helped to tone down the argument of the American negotiators. Clinton will travel to South America without any new initiatives, but certainly will encounter a more gentle and receptive atmosphere."

"Same Agenda For U.S., Brazil"

Liberal Folha de SMO Paulo (10/12) ran this by Paulo de Tarso Flecha de Lima, Brazilian ambassador in Washington: "This trip represents a communion of values that have no precedent in the bilateral relationship. Nowadays, when we talk, in Brazil and in the United States, about human rights, democracy, education, preservation of the environment, intensification of commerce, nonproliferation of arms, combatting narcotics, we are talking about the same agenda and the same objectives. The visit by the Brazilian president to Washington, April 1995, and the excellent personal relationship established with President Clinton, begun an important chapter in our countries' bilateral relationship. In the meantime, Brazil recovered its economic stability, full democracy, and welfare of its society. The opening of the Brazilian market to commerce and investments give the country credentials for a competitive participation in the world economy."

X' hp x (#

"Are We More Worried About Criticism Than About Actual Corruption?"

X' hp x (#

Liberal Folha de Sao Paulo stated (10/11): "It's only logical for President Clinton to have maximum security, especially if he is traveling to a Third World country where people often die from random gunshots. To Americans all of this is logical and legitimate. They prepared a report declaring that corruption in Brazil is endemic. Is that wrong? No, it is absolutely correct. Even the Pope brought his 'Popemobile' and no one said anything. Besides, the use of machine guns and bazookas in the slums (of Rio) is very common. The fact that

Brazilian government officials, in reacting to U.S. criticism, showed an attitude of 'missing the slave quarters' is shocking. These leaders are nostalgic for the days when they did everything without any protest. Are you, the reader, more worried about the actual U.S. criticism, or about the misery that most Brazilians experience daily?.... According to the ferocious reaction of Brazilian leaders, they are more worried about the criticism."

ARGENTINA: "A Celebration"

An opinion piece by Diego Guelar, Argentine ambassador to the United States, in the op-ed page of leading Clarin (10/14), read, "What was marginal and almost despicable [Latin America and the idea of a 'backyard'] is today an important projection to the year 2010, to the point that U.S. exports to Latin America will surpass, that year, that country's combined sales to Japan and Europe. This element should be seen within the context of the debate over fast track.... Its approval will contribute to the consolidation of the process of hemispheric integration, including Mercosur, that is undergoing a parallel debate.

"For us, is this trip a celebration? Categorically, yes. Mercosur exports to the United States have had a very small increase compared to U.S. exports.... Nevertheless, an important percentage of our purchases are capital goods and these are allowing us to reequip our industry and make it competitive.... Other issues, such as nuclear, satellite, environmental and educational cooperation, (as well as) the fight against drug trafficking and security, are not less important than the economic issues and have their role in the hemispheric agenda We will sit at the table to negotiate, and I am sure the result will be a united America, respectful of its diversity, proud of its culture, humble when it comes to its needs and committed to ending the poverty and injustice that still exists in a great part of our continent."

"An Alliance Against Drugs Will Be Signed"

Daniel Santoro, diplomatic issues analyst of leading Clarin (10/14), stressed,

"In the framework of the visit of President Bill Clinton, Argentina will sign

the day after tomorrow an agreement to join the Strategic Alliance against Drug

s, promoted by the United States.... McCaffrey will deliver a letter from Clin

ton, contents still unknown, related exclusively to the fight against drugs, o

ne of the key issues of the U.S. agenda for Latin America. The letter will su

rely praise the basic outline of the Argentine

plan to fight drugs even if Lat

in America and the United States have not yet

agreed upon who will evaluate th

ose programs in the future."

"U.S.Argentina Relations"

An editorial in leading Clarin held (10/12), "The visit of President Bill Clin

ton to our country is a landmark in the consolidation of mutual relations. On

this occasion no important agreements will be signed, but they will advance th

e dialogue in terms of economic issues and particularly regarding the formatio

n of a continental free trade area. The arrival of the U.S. leader takes place

at a moment of excellent bilateral relations,

resulting from, basically, a pol

icy of unrestricted alignment carried out by President Menem's government....

A key issue in the 'rapprochement' strategy with the United States has been th

e nomination of Argentina as the U.S.' s

MNNA (major nonNATO ally), by Presiden t Clinton.

"With respect to the U.S. agenda for Argentina and Latin America, the economic

issue is a

priority for Bill Clinton.... President Clinton's visit will contribute, final

ly, to consolidate an improvement in bilateral relations which was necessary t

o carry out. Nevertheless, we must take into consideration that the reliabilit

y of a country in terms of its relations with the United

States or any other country does not only depend on gestures or declarations but on factors such as stability and growth, security of the judicial system and government transparency. One must bear in mind that alignment and good relations do not exclude the defense of economic or strategic interests."

"The Clinton Doctrine"

An opinion piece by international political analyst Avedis Hadjian in *El Progreso* (10/12), "With all its limitations, Bill Clinton's trip to Latin America seems to point to the birth of a new doctrine which could carry the name of the U.S. president, and which could entail an update of the 19th century 'Monroe Doctrine.' The 'Clinton Doctrine' is the result of a more self-centered United States.... In this context of domestic preferences and the lack of rival powers...a variable rules the almost sovereign U.S. foreign policy: trade; i.e., exports. The Clinton visit, then, marks in truth a confrontation of interests.

"While he visits Venezuela, Brazil and Argentina with the purpose of increasing even more the economic introduction of U.S. companies and exports in the region...the accumulated deficits generate irritation among local authorities, which give nationalistic interpretations (particularly in Brazil) to these matters. ... There is another decisive factor which moves the U.S. interest in strengthening, once again...its relations with the rest of America. The paradox of globalization; this is also an era of regional blocs. And Latin America means, to the United States, a market which has grown 200 percent.... In view of this fact, the MNA with Argentina has a value which goes beyond the merely commercial one...because such status allows the purchase of U.S. surplus military material. Argentina's trade importance as a military market does not exceed its political importance as Washington's firmest regional ally."

"A Hundred Years Of Conflicts And Six Of Carnal Relations"

Juan Carlos Casas, political analyst for progovernment La Prensa, told readers

(10/12) "Bill Clinton has just declared Argentina as the U.S.' MNNA, which put

s an end to more than a hundred years of absurd confrontations by our country

with the world's first power.... Carlos Menem received the credit for leaving

behind 100 years of confrontation policies which could have no possible succes

s and which caused the country serious damage. The

serious, coherent and conti

nuing labor of reinserting the country in the

Western world, carried out with

the help of Ministers Cavallo (Economy) and

Di Tella (Foreign Affairs), and in

coordination with a policy of open

economy and privatization which attracted

strong foreign capital, bear fruit

today with the U.S. declaration appointing

Argentina a MNNA, like Australia,

New Zealand, Japan, South Korea and other c

ountries which are not limited to

the North Atlantic. This recognition, even t

hough it does not mean immediate

nor tangible economic advantages implies the

recognition of the fact that

Argentina has recovered its mental health, and th

e subsequent reduction of

risk in the continent."

"Trade Offensive"

Leading Clarin's correspondent Ana Baron opined (10/12), "Clinton's trip to Ve

nezuela, Brazil and Argentina has a very specific goal: The United States

want

s to recover its trade leadership in our hemisphere.... It views with

concern

the fact that Europe and Asia are taking advantage of the space the

United St

ates has left vacant.... The problem is that Clinton's attempt to

recover trade

leadership is confronted with two difficulties. First, he

travels to the regi

on without obtaining 'fasttrack' authority from

Congress.... Second, some of

his advisers were unable to measure the

importance of Mercosur, an integration

process which they viewed as being

incompatible with the FTAA promoted by Was

hington. Undoubtedly, each speech

Clinton will deliver will have implicit paragraphs dedicated to the U.S. Congress and to the

urgency in granting him 'fasttrack.' And, in a real 180degree spin, he will not only praise Mercosur: He will also say it is one of FTAA's milestones."

X hp x (# "American Breakfast"

X hp x (#An opinion piece by Marcelo Bonelli, economic analyst of leading Clarin, held (10/11), "Turbulence may start when Clinton defends his project of establishing one common market in America. In its essence, the FTAA has germs that will destroy Mercosur, the economic project that is strategically shared by Radicals and Peronists. The position of Argentine industrialists will not be one of direct confrontation with the Clinton administration. But they only want to negotiate the access to an American common market once Mercosur is consolidated as an economic area common to Argentines and Brazilians.... The attitude will cause economic rumbles during Clinton's visit, (since) the Democratic administration does not accept the position taken by the region's businessmen."

X hp x (# CHILE: "Fast Track: Careful With The Excess Of Optimism"

Santiago's financial El Diario Financiero opined (10/10), "Despite progress, in this opportunity there is no possibility for being led by optimism seeing that in 1995 similar circumstances occurred and fast track (authority) was finally rejected.... Now the initiative must be heard by the plenum of the House of Representatives and, most probably, difficulties will appear, especially from members of the Democratic Party, who look unfavorably upon this project....

"Undoubtedly, this will demand new efforts from the president (in order) to find his fellow supporters' backing, especially because if fast track isn't authorized, the United States will continue losing ground to Europe in Latin America, reflecting the important investments carried out by different businesses from the Old World

in
the region, in
comparison with the ones finalized by the Americans.... Therefore, even if
Clinton does his best to be optimistic over this subject, which almost surely
he
will in his upcoming visit to Argentina, Brazil and Venezuela for the
moment one
ought not to lose the perspective of reality and the existing
difficulties for
fasttrack to reach the hands of the president."

"Divided Opinions Over Fast Track"

Conservative, influential El Mercurio (10/10) ran an article by Washington
correspondent Maria Isabel Seguel, reporting on the House of Representatives
Ways
and Means Committee's approval: "(President Clinton) counts on the U.S.
Congress'
timid support, the result of which is still in doubt. And the
doubt is centered in what the Legislative (branch) really wants to grant the
Executive in terms of trade.... The scarce four Democratic votes obtained on
Wednesday leave
Clinton in an uncomfortable situation, and with only few
weeks before the end
of the month to convince more Democrats to support the
legislation, once it passes to the floor of the House....

"The Committee's vote constitutes a barometer of how difficult it will be to
obtain more votes from the Democrats for the final voting. And not only from
that side of the political spectrum. During Wednesday's voting and in the
initial
counting, a majority of Republican congressmen voted 'pass' to see
how other
Democratic colleagues voted."

X hp x (# DOMINICAN REPUBLIC: "For Chile, Nothing Is Guaranteed"

Filing from Washington, commentator Lucy Dvila wrote in leftofcenter Hoy
(10/10), "It is true that Chile was held as an example of economic
management in the
region and that the United States held it in a privileged
position, with respect
to its neighbors. Still, this was not enough
guaranty then, nor it is now,
that, if fast track is approved, Chile will
really obtain a good trade agreement"

ement.... Clinton's current strategy is directed at obtaining a favorable but narrow result in congressional voting. Without the pressure of an election campaign and with an incredible

position thanks to the prosperity and the strong economic growth that the country is experiencing, the North American president has laid out all the benefits that trade liberalization with other countries, not only with Chile, has brought....

"From Chile's process of 'loss of innocence' one can objectively judge whether fair negotiation between rich and poor countries is possible.... For Chile, nothing is guaranteed, not even if fast track is approved at the end of this year or the beginning of the next one. It seems that this time Chile will assume its position as first in line with greater temperance. Because bets cannot be crossed and a good relationship with the United States is no protection against the power struggle unleashed in this country."

EUROPE

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X hp x (# BRITAIN: "Clinton Should Add Latin America To His Legacy"

The conservative Times' editorial pointed out (10/13), "The region is one of ever-increasing significance to America's interests. In its own way, Mr. Clinton's mere presence in Brazil, Argentina and Venezuela makes this one of the most important overseas ventures of his tenure. It is unlikely that it will be another 20 years before a successor makes a similar trip.... Mr. Clinton would like to make the expansion of free trade the centerpiece of his agenda. His early decision to embrace NAFTA was among the most positive acts of his presidency. The timing of this tour though is slightly inconvenient. The president is struggling to secure congressional support for his full power over trade negotiations. His opponents have painted free trade as the means by which American firms will export employment from the

Midwest to South American sweatshops.

"For that reason, the president will choose to tread carefully. He should not allow these shortterm factors to obscure America's future. Mr. Clinton should publicly welcome the reforms that have been made as well as the remaining difficulties that must be tackled. He should make it clear that he would like to see NAFTA extended to include Chile and full interAmerican free trade by the early years of the next century.... The president still has time to make this central to his legacy."

FRANCE: "Clinton's Renewed Interest In Foreign Policy"

According to JeanJacques Mevel in rightofcenter Le Figaro (10/13), "Clinton wants to give a new boost to his foreign policy.... First with his Latin America tour, and later his meeting with Jiang Zemin in Washington.... This renewed interest in foreign policy is explained by economic priorities...and a desire to divert attention from the campaign funding scandal which is raging in Washington."

RUSSIA: "Unfair Competition"

Official government Rossiyskaya Gazeta (10/14) reported with reference to the Russian Foreign Ministry: "The American media have of late been trumpeting arms deals between the Russian mafia and Latin American drug barons. All that might have been swept aside as another figment of fertile imagination, but for the quite real interests of American arms exporters. This is just another manifestation of unfair competition aimed at pushing Russia out of the Latin American market."

ITALY: "Clinton's Mission"

Mario Platero filed from Caracas in leading business Il Sole24 Ore (10/14): "Clinton's mission to South America will not be an easy one. It is not by coincidence that Clinton has chosen Caracas to set the tone for his first South American trip. Venezuela, the U.S.' number one oil supplier, is a

traditionally friendly country, willing to establish special relations with the United

States. And even the Menem government in Argentina is very favorable to maintaining a preferential relationship with Washington and proceeding along the road taken at the Miami summit in 1994. The toughest obstacle remains Brazil.

Its government and its public generally show signals of stronger hostility towards the United States than other neighboring countries.... On a bilateral level, in addition to the signing of an agreement on energy, Clinton's visit to Venezuela had another specific goal: to identify common objectives in the fight on drugs."

EAST ASIA AND PACIFIC

CHINA: "Clinton Kicks Off Trip To Latin America"

This Xinhua piece ran in the official, Beijing municipal Beijing Daily (Beijing Ribao, 10/14), "The United States has long put its focus on Europe and Asia and overlooked the Latin American region. Latin American countries have been developing economic and trade relations with Europe and last year the trade volume with European countries surpassed that with the United States."

Xinhua (#

SOUTH KOREA: "U.S. Focuses Its Eye On Backyard"

Xinhua (#

Under the headline above, probusiness JoongAng Ilbo (10/13) commented, "The United States has begun to turn its eyes to its backyard, President Clinton's one-week visit to South America being proof of that. His visit is aimed at increasing U.S. interests and influence in the region which is increasingly taken seriously in world trade. The reason the United States is now turning to (Latin America) is because it does not want to lose the region to Europe and Japan, whose influence is rapidly increasing. In the wake of Clinton's visit, South America will pay more attention to what the United States wants to do with the new proposal for fast-track authority."

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=====END ATTACHMENT 2=====