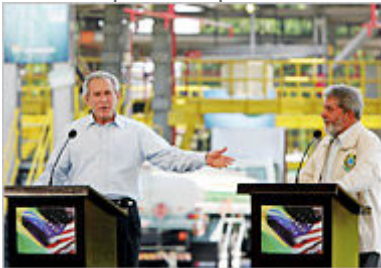


# Bush Hails Biofuels Pact in Brazil

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Brazilian police kept watch over the protest that passed the Hilton Hotel in Sao Paulo.



President Bush and President Luiz Inacio Lula da Silva of Brazil heralded a new ethanol agreement as way to boost alternative fuels production across the Americas.

SAO PAULO, [Brazil](#) (AP) -- At a mega fuel depot for tanker trucks, President Bush heralded a new ethanol agreement with Brazil Friday as way to boost alternative fuels production across the Americas. Demonstrators upset with Bush's visit here worry that the president and his biofuels buddy, Brazilian President [Luiz Inacio Lula da Silva](#), really have visions of an [OPEC](#)-like cartel on ethanol.

But Bush and Silva said increasing alternative fuel use will lead to more jobs, a cleaner environment and greater independence from the whims of the oil market. In Brazil, nearly eight in 10 new cars already run on fuel made from sugar cane.

"`It makes sense for us to collaborate for the sake of mankind," Bush said at Silva's side, after touring the depot. "We see the bright and real potential for our citizens being able to use alternative sources of energy that will promote the common good."

The agreement itself was signed Friday morning by Secretary of State [Condoleezza Rice](#) and her Brazilian counterpart, White House spokesman Gordon Johndroe announced.

Bush's focus on energy during the first stop on his eighth trip to Latin America comes as the president's nemesis in the region, Venezuelan President [Hugo Chavez](#), is using his vast oil wealth to court allies. Bush's trip also includes visits to Uruguay, Colombia, Guatemala and Mexico.

At the fuel depot, Bush, sporting a white hard hat, fingered sunflower seeds and stalks of sugar cane and sniffed beakers of yellowish biodiesel and clear ethanol.

The depot is operated by a subsidiary of the state-owned Petrobras, where about 100 trucks come and go daily. About a half mile from the site, a large white balloon hung in the sky emblazoned with blue letters that said "Bush Out" in both English and Portuguese. The "s" in Bush was replaced by a swastika.

On his 45-minute ride from the airport to his hotel on Thursday night, Bush's motorcade sped by a dozen or so gas stations where drivers in this traffic-clogged city can pump either gasoline or ethanol.

Bystanders gawked at Bush's limousine, but only a few people waved. Anti-American sentiment runs high in Brazil, especially over the war in Iraq. Bush missed the demonstrations earlier in the day protesting his visit.

Riot police fired tear gas and beat some protesters with batons after more than 6,000 people held a largely peaceful march through the financial district of Sao Paulo. About 4,000 agents, including Brazilian troops and FBI and [U.S. Secret Service](#) officers, are working to secure Bush's stay in the city that lasts about 24 hours.

Authorities did not disclose the number of injuries in Thursday's demonstrations, but Brazilian news media said at least 18 people were hurt and news photographs showed injured people being carried away.

Undeterred by protests, Bush says he's on a goodwill tour to talk about making sure the benefits of democracy -- in the form of better

housing, health care and education -- are available to all Latin Americans, not just the wealthy.

In Latin America, however, Bush's trip is widely viewed as a way for the president to counter the influence of Chavez, the populist ally of Cuba's [Fidel Castro](#), who has led a leftward political shift in Venezuela, Ecuador, Bolivia and Nicaragua.

To taunt Bush, the Venezuelan leader will speak at an "anti-imperialist" rally in a soccer stadium on Saturday in Buenos Aires, Argentina, about 40 miles across the Plate River from Montevideo, where Bush will meet Uruguay's president, Tabare Vazquez.

Some protesters, carrying stalks of sugar cane, protested the ethanol agreement. The demonstrators warned that increased ethanol production could lead to social unrest because most operations are run by wealthy families or corporations that reap the profits, while the poor are left to cut the cane with machetes.

"Bush and his pals are trying to control the production of ethanol in Brazil, and that has to be stopped," said Suzanne Pereira dos Santos of Brazil's Landless Workers Movement.

The White House dismisses talk that the ethanol agreement between Bush and Silva is aimed at setting up an "OPEC of Ethanol" cartel led by Washington and Brasilia.

Bush said he wants to work with Brazil, a pioneer in ethanol production for decades, to push the development of alternative fuels in Central America and the Caribbean. He and Silva also want to see standards set in the growing industry to help turn ethanol into an internationally traded commodity.

"It's not about production-sharing, it's about encouraging development and encourage the Caribbean and Central American countries to get into the game," Bush's national security adviser, Stephen Hadley, said.

In January, Bush called on Congress to require the annual use of 35 billion gallons of ethanol and other alternative fuels such as

biodiesel by 2017, a fivefold increase over current requirements. To help meet the goal, the president also is pushing research into making ethanol from material such as wood chips and switchgrass.

One roadblock in the Bush-Silva ethanol talks is a 54-cent tariff the United States has imposed on every gallon of ethanol imported from Brazil. Bush says it's not up for discussion.