

Bush Hails International Ethanol Production

The Washington Post
March 9, 2007

SAO PAULO, [Brazil](#), March 9 -- President Bush sealed a deal with Brazil on Friday morning intended to promote international production of ethanol, opening a six-day tour of Latin America dedicated to renewing U.S. commitment to a region that has become estranged from Washington in recent years.

Shucking jacket and tie for a hardhat, Bush toured a massive fuel depot to highlight Brazil's success in developing ethanol into a vital source of energy. The partnership Bush wants to build with Brazil is intended to further research on and development of biofuel technology and to boost private investment for such efforts in other countries.

The pact not only addresses Bush's recent promise to reduce the use of gasoline at home, but could also lessen the regional influence of Hugo Chavez, the leftist president of oil-rich [Venezuela](#).

Brazilian President Luiz Inacio Lula da Silva, who hosted Bush at the Petrobras Transporte facility here in this teeming city of 18 million, called their collaboration on ethanol the beginning of "a strategic alliance that will allow us to convince the world that everyone can change the energy blend."

Lula recalled that he has been pushing ethanol on Bush for some time. "I was almost obsessed by biofuel," he said.

Bush said wider use of ethanol would not only diversify energy supplies but also create jobs and help clean up the environment. "I, like the president, am very upbeat about the potential of biofuel and ethanol," Bush said with Lula at his side. "That's why we're here."

But Bush did not go along with Lula's desire to reduce a 54 percent tariff charged by the United States on Brazilian ethanol.

The emphasis on ethanol has drawn criticism from environmentalists and others who complain that it will create more problems. For example, the United States uses corn to make ethanol, and rising demand for the crop has caused price increases for products like tortillas, a staple in [Mexico](#).

Brazil makes ethanol from sugar cane, and critics worry that increased production there would result in further deforestation of the Amazon.

The environmental organization Greenpeace issued a statement complaining that whatever environmental benefits ethanol would produce in reducing greenhouse gases pale in comparison to those that would be attained by a cap on carbon emissions, which Bush opposes.

"The U.S. government must take a giant leap forward quickly in order to make the necessary steps to combat global warming," said John Coequyt, an energy specialist with the group. "An aggressive focus on ethanol, without a federally mandated cap on emissions, is simply a leap sideways."

Environmentalists were among an amalgam of mostly left-leaning demonstrators who [protested Bush's arrival](#) here Thursday. Thousands of students, workers and others shut down a major thoroughfare in a central business district and some clashed with helmet-wearing riot police who fired tear gas and beat demonstrators.

The violent welcome presaged a potentially volatile visit for Bush, who faces deep opposition here to his policies in the region and the war in [Iraq](#). Protesters also gathered Thursday in Colombia and Mexico, two later stops on his itinerary, and organizers expect tens of thousands at a demonstration organized by Chavez in Buenos Aires Friday night.

The ethanol alliance follows Bush's State of the Union pledge to reduce the projected use of gasoline in the United States by 20 percent over the next 10 years. Crucial to achieving that goal would be dramatically increasing the use of ethanol and other alternative fuels. Bush has proposed mandating the use of 35 billion gallons of such fuels by 2017, up from about 5 billion today.

Brazil, a pioneer in biofuel technology, has become the world's largest exporter of ethanol and transformed its own economy as a result. About 40 percent of Brazil's non-diesel gasoline consumption has been replaced by ethanol, and more than 70 percent of the cars and trucks now sold in Brazil are flex-fuel vehicles that consume either gasoline or ethanol. Together, the United States and Brazil produce 70 percent of the world's ethanol supply.

The memorandum of understanding signed Friday morning by Secretary of State Condoleezza Rice and Brazilian Foreign Minister Celso Amorim promises to advance research and development of new technology and stimulate private sector investment in other countries, starting in Central America and the Caribbean.

Under the agreement, the two countries will conduct feasibility studies and provide technical assistance in partnership with the Inter-American Development Bank, the United Nations Foundation and the Organization of American States. They will also examine development of common biofuel standards and codes that will govern international production for years to come.