

American

NEWS & VIEWS

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President Obama Submits Nuclear Treaty to Senate

By Merle David Kellerhals Jr.
Staff Writer

Washington — The U.S. Senate is set to begin hearings May 18 on a proposed arms reduction treaty that would reduce U.S. and Russian nuclear arsenals to their lowest levels since the 1950s, and advance President Obama's goal of a world free of nuclear weapons.

Secretary of State Hillary Rodham Clinton, Defense Secretary Robert Gates and Admiral Mike Mullen, chairman of the Joint Chiefs of Staff, will be the first witnesses at a Senate Foreign Relations Committee hearing on the New START Treaty. The treaty, which would replace the 1991 Strategic Arms Reduction Treaty and the 2002 Moscow Treaty, was signed by Obama and Russian President Dmitry Medvedev in Prague, Czech Republic, April 8.

"We believe that the newly agreed reductions in strategic offensive armaments will strengthen the security of both Russia and the U.S. and will make relations between our countries more stable, transparent and predictable," the U.S. and Russian delegations said in a joint statement released in Washington and Moscow May 13. "They will thus have a beneficial effect on international stability and security."

"The treaty, therefore, is not only in the interests of our two countries, but of the entire world community. Everyone will win as a result of its implementation," the joint statement said.

Senate Foreign Relations Committee Chairman John Kerry said formal submission of the treaty to the Senate begins the constitutional process known as advice and consent to ratification. Approval in the Senate requires the support of 67 of the 100 possible votes, which means the president will have to have considerable support from the Democratic majority in his own political party and some support from Republican senators. A similar process has to be conducted by the Russian parliament before the treaty can enter into force.

"Ratifying New START is an essential step toward making America safer," Kerry said in a statement May 13. "This treaty will maintain our flexibility to protect our national security interests and restore hard-won visibility into the strategic nuclear forces of Russia's still formidable arsenal."

Kerry and Senator Richard Lugar, the senior Republican on the Foreign Relations Committee and a staunch arms control advocate, issued a joint statement, saying that in the coming weeks a series of hearings are planned to

examine the arms reduction treaty with administration witnesses and outside experts "from across the political spectrum to ensure the treaty is rigorously vetted."

Lugar said this process will give Democrats and Republicans ample opportunity to review New START and its annexes to make sure the treaty is judged on its merits.

At a White House briefing on the new treaty, Clinton said she believes the Senate will support the treaty, noting that the last three arms-reduction treaties approved by the Senate received 90 or more favorable votes. "I believe that a vast majority of the Senate at the end of the day will see that this is in America's interest and it goes way beyond politics," she said.

In April, Kerry and Lugar held a hearing with former defense secretaries James Schlesinger and William Perry on the history of arms control and its implications for the New START Treaty. The hearing was designed to provide a sense of where this treaty fits into efforts since the Cold War years to reduce and eventually eliminate nuclear weapons. They are planning similar hearings over the next several weeks.

According to a recent U.S. Congressional Research Service report, the treaty gives the United States and Russia seven years to reduce forces and remains in force for 10 years from ratification, and it contains detailed definitions and counting rules that will help the parties calculate the number of warheads that count under the treaty limits.

"New START does not limit current or planned U.S. missile defense programs," the report said.

Along with the New START Treaty, Obama also submitted a plan to spend \$80 billion over the next decade to maintain and improve the nation's nuclear weapons complex, a requirement Republican senators have said is essential for their support for the New START Treaty.

Kerry said Gates, Mullen and other senior military leaders have expressed support for the treaty, which reduces the legal ceiling on the number of warheads that the United States and Russia can deploy to 1,550 warheads. The treaty also limits launchers and the means for deploying nuclear weapons, which include ballistic missiles, nuclear submarines and strategic bombers.

Obama told Medvedev in a telephone conference call he was sending the treaty to the Senate to launch the ratification process, White House press secretary Robert Gibbs said. "The presidents stressed the importance of completing the ratification process in both countries as soon as possible."

Secretary Clinton: Returning Taliban Must Respect Afghan Women's Rights

By Stephen Kaufman
Staff Writer

Washington — As Afghanistan prepares for a May 29 peace jirga to discuss how to reintegrate Taliban fighters, Secretary of State Hillary Rodham Clinton says former Taliban must respect women's rights along with renouncing violence and agreeing to abide by Afghanistan's government and constitution.

Speaking with Afghan President Hamid Karzai in Washington May 13, Clinton said the Obama administration and the Karzai administration have the same position regarding the approach to the reintegration of fighters and reconciliation with senior Taliban leaders.

"There are certain conditions that have to be met," Clinton said. "People cannot just show up and say that they're prepared to reenter Afghan society after having directed suicide attacks and other kinds of violence against Afghanistan."

During the upcoming peace jirga, or council, Clinton said, Karzai may hear "very strong opinions" from the Afghan people. "There may be people that they're willing to see the president discuss potential reconciliation [with], and then there may be people that they're not," she said.

But along with other requirements, returning Taliban must respect women's rights. "The women of Afghanistan ... still suffer too much, with one of the very highest maternal mortality rates in the world," Clinton said.

"They deserve our support, and they are receiving support from their president and their government, and nothing can be permitted to interfere with that," she said.

RECOVERING KANDAHAR: "PROCESS," NOT "OPERATION"

Karzai said consultations between his government and international coalition forces and the community and leadership of Kandahar are yielding "the right approach" to the process of removing Taliban elements and establishing better governance and economic opportunity in the area.

"We are not calling it an operation. Operation would indicate a military operation of tanks and troops moving," Karzai said. "We are talking of a process."

Clinton said the goal is to root out those who are intimidating residents through violence and other actions.

"They do not pose a threat to Kandahar. They are not going to take over Kandahar. But their presence has a chilling effect," she said, such as preventing girls from attending school and residents from using public areas or working.

"The goal is to help the people of Kandahar recover the entire city to be able to put it to the use and the benefit of the people of Kandahar," Clinton said.

General Stanley McChrystal, commander of the International Security Assistance Force (ISAF) for Afghanistan, said the situation in Kandahar is "uniquely complex and will require a unique solution," with a focus on the area's politics and governance and having Afghans take the lead in the process.

Progress in counterinsurgency efforts "is often slow and deliberate," he told reporters. The Afghan and coalition effort to improve the security situation and build good governance is a challenging process, but convincing local Afghans that the changes will endure is even harder, he said.

"They have to see it to believe it, but they can't just see it once. They have to see it until they believe it's durable, until they believe it's real," he said.

Coalition forces are trying to create "a rising tide of security" in the country and are working to root out insurgents living among civilians while also trying to protect the civilians and avoid causing harm to them and their property, McChrystal said, describing it as a "unique challenge."

The ISAF commander said he is satisfied with the progress Afghan and coalition troops have made, but said he would not publicly assess whether or not it is successful until the end of 2010.

Forces are creating small security zones and working to expand them until they are contiguous, he said.

"A farmer, for example, in the south of Khanishin could raise crops and drive his produce all the way up to Lashkar Gah, across to Kandahar, and then potentially down to Spin Boldak, where he could sell those in Pakistan," McChrystal said.

The expansion of the secured areas is "continuing apace," he said. "If you go every day, each day, it's not a dramatic change. If you go months' difference, then it is."

Iran Unlikely to Respond to Nuclear Concerns Without U.N. Action

By Stephen Kaufman
Staff Writer

Washington — Secretary of State Hillary Rodham Clinton says she does not expect a serious Iranian response to the international community's concerns over its nuclear activities until the United Nations Security Council takes action in the form of increased economic sanctions against the country.

Speaking alongside British Foreign Secretary William Hague at the State Department May 14, Clinton said progress toward a sanctions resolution is being made "every day," and the members of the Security Council are moving "in the direction of reaffirming the authority of the Security Council, of putting some real teeth into the sanctions, of uniting the world in a way that will send an unequivocal message to the Iranian leadership."

The case for U.N. action "is being made perhaps most effectively by the Iranians themselves," Clinton said, citing Iran's continued failure to respond to U.S. offers of engagement and a proposed deal that would provide its medical research reactor with uranium that was enriched in a third country.

In addition, the world learned of Iran's undisclosed nuclear facility near Qom, and Iran announced it will unilaterally increase its level of uranium enrichment, she said.

The United States and other countries have voiced a long-standing concern that Iran is seeking to acquire nuclear weapons under the guise of a civilian program.

So far, "every step along the way has demonstrated clearly to the world that Iran is not participating in the international arena in the way that we had asked them to do, and that they continue to pursue their nuclear program," Clinton said.

"I have told my counterparts in many capitals around the world that I believe that we will not get any serious response out of the Iranians until after the Security Council acts," she said.

Hague said his government "will work solidly alongside the United States to secure the Security Council resolution," including persuading its partners in the European Union to adopt their own set of financial sanctions against Iran.

"It is precisely because we want to see this matter settled peacefully and rapidly that we call for the sanctions, that we support the idea of a Security Council resolution,"

Hague said.

"There is no magic to this approach. It requires persistence and determination and united strength in the international community to tackle this problem," he said.

Hague's visit to Washington was his first overseas as foreign secretary. The new British government, led by Prime Minister David Cameron, took power May 11 after the Conservative and Liberal Democrats parties agreed to form a governing coalition. President Obama telephoned Cameron May 11 to offer his congratulations, and Vice President Biden spoke with Deputy Prime Minister Nick Clegg May 13.

During their meeting, Clinton and Hague also discussed developments in Afghanistan, Pakistan, Europe and the Middle East peace process.

Hague said the United States "is without doubt the most important ally of the United Kingdom," and the two nations enjoy an unparalleled scope of cooperation. "It's not a backward-looking or nostalgic relationship. It is one looking to the future, from combating violent extremism to addressing poverty and conflict around the world," he said.

Euro-Zone Crisis No Threat to U.S. Recovery

But the U.S. may not take comfort much longer

By Andrzej Zwaniecki
Staff Writer

Washington — The debt crisis in Greece and uncertainty about other distressed European economies are unlikely to undermine a U.S. economic recovery, according to analysts.

Greece's economy is just too tiny to affect U.S. economic activities significantly, said Ian Shepherdson of High Frequency Economics, a research company in Valhalla, New York.

So far, the strengthening of the U.S. dollar against the euro has been the only significant effect of the crisis. A stronger dollar makes U.S. exports to Europe and markets where they compete with European goods more expensive and thus less competitive. In addition, because of slower-than-expected economic growth in Europe, European consumers will buy fewer imported goods.

Nevertheless, "you put it all together, and it still makes a small impact on the U.S. economy," said Nariman Behravesh, chief economist at IHS Global Insight, a worldwide company that provides financial analysis and forecasting.

A bailout of more than \$140 billion, supported by the European Union and International Monetary Fund, has helped Greece avert an immediate risk of default on its sovereign debt. An even larger stabilization plan announced May 10 by the two groups to back other indebted European economies has calmed jittery bond and stock markets around the world, at least in the short term.

Analysts view the agreement about the rescue among the governments of the 16-member European Monetary Union, or euro-zone, as well as the amount of the funds made available, as a watershed development in dealing with euro-zone indebtedness.

"If you do enough and impress on the market that you mean business, that resolves the crisis for the moment," said Patrick Crowley, a professor of economics at Texas A&M University in Corpus Christi.

The recent actions make the spread of the crisis to other European countries less likely.

But this may not be "the end of the story," Shepherdson said, as Greece and some other European economies continue to pile up new debt to serve old debts. This buys their governments more time without addressing the underlying problem – an unsustainable fiscal path, he said.

Deep cuts in government spending and new taxes, which are supposed to put economies on such a path, will lead to recession or weaker growth and higher unemployment, Shepherdson said. Unless the governments can carefully navigate a course between the risk of social unrest related to economic gloom and the risk of default, a similar crisis will materialize in the future, according to analysts.

Crowley believes the euro-zone countries cannot effectively address fiscal issues without reform of their Stability and Growth Pact, a set of rules on fiscal discipline. He said the union lacks monitoring and enforcement mechanisms, which has contributed to the current fiscal woes. Faced with a difficult path ahead, the euro-zone countries need either a supranational fiscal authority or major fixes in the pact, Crowley said.

The European Commission has called for more centralized budget controls for European Union members. In a broad outline of a new budget peer-review process published May 12, it also recommended punitive measures for countries that break existing EU budget rules.

WHAT'S ON THE HORIZON?

However distant at the moment, the return of the banking crisis could be a serious threat to the global recovery, Shepherdson said. Huge losses on European sovereign debt held by German and French banks could cause a panic that spreads across the Atlantic and discourages lending, he said, in the same way that problems in the U.S. financial sector in 2007-2008 quickly spread to banks in Europe. To avert a repeat, the European Central Bank on its own, and with help from its U.S. counterpart, is pumping short-term credit into the European banking system.

A worry for U.S. exporters is the potential for a continued slide of the euro. Were it to drop to parity, or close to it, with the U.S. dollar, U.S. exports would be hurt "quite dramatically," Behravesch said. However, he views such a scenario as fairly unlikely and adds that its overall effect on U.S. output would be offset by two factors: falls in oil prices and in the interest rates on U.S. Treasury bonds, both related to investors' search for a safe haven.

Shepherdson believes that because exports make up only 12 percent of U.S. gross domestic product, their decline in European and other markets wouldn't be "catastrophic," even if the U.S. dollar nears parity with the euro.

But taking a longer view, Niall Ferguson, a professor of history at Harvard University, said the United States should not find comfort in this as its debt-to-gross-domestic-product ratio is projected to rise at a faster rate over the next three decades than those of Portugal, Ireland, Greece or Spain, according to a 2010 report by the Bank of International Settlements.

The crisis in the euro-zone should be a wake-up call for the U.S. government to act on its own fiscal problems, Ferguson said May 13 at the Peterson Institute for International Economics in Washington.

U.S. Agency Imposes Greenhouse Gas Rules

Regulations on large factories set to go into effect in 2011

By Karin Rives

Staff Writer

Washington – While Congress ponders potential climate change legislation, the federal agency charged with protecting America's environment is moving ahead to implement new regulations for factories that emit greenhouse gases.

The U.S. Environmental Protection Agency (EPA) rolled out final regulations May 13 that will impose pollution limits on large industrial facilities. The targeted plants

account for 70 percent of greenhouse gas emissions from so-called "stationary sources."

The new rules will go into effect in 2011 under the U.S. Clean Air Act, a federal law first passed in 1970 to clean up air pollution. The same law was recently used to set standards for greenhouse gas emissions from cars and light trucks after a 2007 Supreme Court ruling held that the agency has the authority to regulate these emissions.

The EPA presented the rules on stationary sources the day after two senators unveiled a proposal to overhaul the nation's energy market and to cap greenhouse gas emissions. It's uncertain whether lawmakers will be able to pass the legislation in an increasingly politically divided Congress, but one of the authors of the Senate bill said May 13 that the United States no longer has a choice.

"The Obama administration has again reminded Washington that if Congress won't legislate, the EPA will regulate," Senator John Kerry, a Democrat from Massachusetts, said in a statement. Kerry pointed out that the EPA regulations won't include the financial assistance that the Senate bill would offer consumers and businesses, urging his fellow lawmakers "to get it done this year."

If Congress passes a law before the EPA rules go into effect, it could supersede the EPA regulations. If the law comes later, lawmakers might have to work with the EPA to incorporate or modify existing regulations.

Opponents of new climate change laws say that households and businesses can ill afford rising energy prices and new expenses as the nation struggles to recover from a recession. Kerry and other proponents of federal climate action, on the other hand, say that a nationwide law will create a new market for clean technology and lead to job creation, along with environmental benefits.

"There is no denying our responsibility to protect the planet for our children and grandchildren," EPA Administrator Lisa Jackson said when announcing the new federal regulations May 13. "It's long past time we unleashed our American ingenuity and started building the efficient, prosperous clean energy economy of the future."

Under the new regulations, the EPA will require new power plants, oil refineries, cement factories and other industrial facilities that emit at least 100,000 tons of greenhouse gases a year to get a permit before they can operate. Existing plants that expand or make changes that would increase their emissions by 75,000 tons or more annually would also have to get a permit.

Industries regulated under the Clean Air Act must install state-of-the-art technology to limit emissions if they start new operations or modify existing plants. The rigorous permitting process ensures that air quality standards are maintained.

The EPA estimates that the rules initially will affect about 1,450 new or existing factories nationwide, and said it will start working on new rules for smaller emitters next year.

The agency has no estimate at this time for how much the new greenhouse gas rules for stationary facilities will reduce emissions of carbon dioxide and the other five greenhouse gases covered under the new rule.

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