

American

NEWS & VIEWS

A Daily Newsletter from Public Affairs, American Embassy

October 5, 2010

President Obama on 20th Anniversary of Germany's Reunification	1
Japan, U.S. Host APEC Women's Entrepreneurship Summit.....	1
U.S. Urges Americans to Be Cautious in Europe	2
Developing World's Entrepreneurs Must Overcome Obstacles.....	2
Global Health Investments: Progress Seen, More Success Sought.....	3

President Obama on 20th Anniversary of Germany's Reunification

The White House
October 2, 2010

Statement by the President on the Occasion of the 20th Anniversary of the Reunification of East and West Germany

On Sunday, October 3, the people of the United States join with the people of the Federal Republic of Germany in celebrating the Day of German Unity and the 20th anniversary of the unification of East and West Germany. This was an historic achievement, as Germans peacefully reunited and advanced our shared vision of a Europe whole and free, anchored in the Euro-Atlantic institutions of NATO and the European Union. The United States commemorates today that spirit and the many accomplishments of Germany, one of our closest allies and greatest friends. We pay tribute to the countless contributions Germans have made to our own history and society. We honor the courage and conviction of the German people that brought down the Berlin Wall, ending decades of painful and artificial separation. It unleashed a spirit of hope and joy, and opened the door to unprecedented freedom throughout the European continent and around the world. The American people are proud of our role in defending a free Berlin and in supporting the German people in their quest for human dignity. We remain proud of our partnership with our German allies to advance freedom, prosperity, and stability around the world. We congratulate the people of Germany on this National Day, and we express our gratitude for our vital friendship.

Japan, U.S. Host APEC Women's Entrepreneurship Summit

By Bridget Hunter
Staff Writer

Washington — Women from the 21 economies of the Asia-Pacific Economic Cooperation (APEC) forum met October 1 on the margins of the APEC Small and Medium Enterprises Ministerial Meeting at an event co-hosted by Japan (current APEC chair) and the United States (2011 chair) in Gifu City, Japan.

The APEC Women's Entrepreneurial Summit aimed "to galvanize the Asia-Pacific community to unleash the potential of women entrepreneurs and business leaders to boost economic growth and development in this region," according to the event's website. The summit hosted 150 female entrepreneurs along with the official delegations to the ministerial meeting.

U.S. Ambassador for Global Women's Issues Melanne Verveer led the U.S. delegation to the meeting. She was joined by representatives from the Department of Commerce, the Small Business Administration, the Office of the U.S. Trade Representative and the White House Council on Women and Girls.

Secretary of State Hillary Rodham Clinton sent participants a video greeting, while U.S. Ambassador to Japan John Roos offered attendees his special insight into the importance of innovation and entrepreneurial development based on his experience in California's Silicon Valley.

The meeting comprised several panel discussions and interviews featuring high-level political and business leaders and breakout sessions tailored to help women entrepreneurs enhance their understanding of business principles and hone practical skills to gain better access to markets, networks, financial services, technologies and training.

In addition, the event sought to use policy discussions, networking, advocacy and capacity-building activities to help senior government officials and private-sector participants develop innovative strategies to strengthen women entrepreneurs' participation and contributions to the region's economic growth.

Participants discussed the critical importance of women entrepreneurs to the prosperity of their economies and shared policies and strategies to promote women entrepreneurship, according to Tina Tchen, executive director of the White House's Council on Women and Girls.

"The attendees were thrilled to hear about the work the United States is doing to promote small business, including the most recent expansion of support contained in the Small Business Jobs Act signed into law by the president last week," Tchen wrote in a blog posted on the White House website. "But the most inspiring voices of the day were those of the women entrepreneurs who spoke of the challenges, courage and ultimate success they have experienced in dreaming of and then building their new business — from ancient Chinese herbal remedies to mobile phone apps to the largest business journal in Singapore. These women are the face of our global future and we look forward to working together to help women entrepreneurs grow and succeed!"

In a separate blog post, Wenchi Yu of the State Department's Office of Global Women's Issues noted that a recently published U.N. report estimates Asia-Pacific economies lose \$42 billion to \$46 billion annually due to the lack of women in the work force.

"This APEC Women's Entrepreneurship Summit is an opportunity to develop the untapped potential of women to contribute to civic and economic life," Yu wrote. "In a time of ongoing economic uncertainty, one thing is sure: Entrepreneurs and small businesses represent critical sources of economic growth and innovation, and women have the opportunity to lead the way."

U.S. Urges Americans to Be Cautious in Europe

By Stephen Kaufman
Staff Writer

Washington — American travelers are being asked to take precautions and be aware of their surroundings during their travel in Europe due to continued threats by al-Qaida and its affiliated organizations, according to a travel alert issued by the State Department on October 3.

The alert said terrorist groups continue to plan attacks in Europe and have previously targeted and attacked subways, rail systems, aviation and maritime locations on the continent.

"European governments have taken action to guard against a terrorist attack and some have spoken publicly about the heightened threat conditions," the alert said, adding that the United States continues to work with its European allies against terrorism and routinely shares information with them to "disrupt terrorist plotting, identify and take action against potential operatives, and strengthen our defenses against potential threats."

Along with the United States, the United Kingdom, Japan and Sweden have issued warnings to their citizens over continued terror concerns in Europe. The Obama administration has routinely urged all Americans who are traveling overseas to continue to exercise caution and be aware of their security conditions.

State Department spokesman P.J. Crowley told reporters October 4 that Americans are being told to continue with their travel plans to Europe.

"We weren't telling people to stay home; we were telling people, as you travel, just be cautious because we are aware that there are people who are actively plotting against the United States and our allies and our interests," he said.

The State Department issued the alert after a cumulative analysis of threat information, he said.

"We felt, having tracked intelligence over a lengthy period of time, it was appropriate to issue this alert at this moment," he said. The alert is also "being echoed by other countries."

Under Secretary of State for Management Patrick F. Kennedy told reporters via teleconference October 3 that travel alerts can be issued due to "short-term conditions" that pose a risk, including severe weather as well as political and security situations.

"The purpose of our activities is to make sure that American citizens, when they work or travel abroad, have the information necessary to make informed decisions about circumstances that can affect their lives," he said.

"We are not, repeat not, advising Americans not to go to Europe," Kennedy said.

American travelers are being asked to register with American embassies or consulates so they can be reached, and "basically, to use common sense if they see unattended packages or they hear loud noises or they see something beginning to happen that they should quickly move away from them," he said.

"These are common-sense precautions that people ought to take — don't have lots of baggage tags on your luggage that directly identify you as an American, know how to use the pay telephone, know how to contact the American Embassy if you need help," Kennedy said.

Developing World's Entrepreneurs Must Overcome Obstacles

By Katherine Lewis
Special Correspondent

Washington — For some entrepreneurs, all times are hard times.

In developing countries with not-so-friendly business climates, small business owners often face more daunting and persistent hurdles than their counterparts in the developed world. Those hurdles range from onerous government regulations to corruption to poor infrastructure.

Small firms deal with these challenges in one way or another. They find public-sector "patrons" or build their businesses under the radar, which avoids government registration; and they resort to street smarts to overcome other obstacles. But they sometimes pay a high price for such convoluted tactics. Yet, with determination and persistence, they often succeed against many odds, particularly if they can turn to local, regional or international networks for advice, mentorship or investment.

SO SIMILAR, SO DIFFERENT

General rules for small businesses to succeed in the developing world are not that different from those in the

developed world.

“Entrepreneurs need to exhibit passion and commitment to delivering value to customers,” said Ken Morse, a serial entrepreneur and visiting professor at ESADE Business School in Barcelona, Spain. “You need customers to focus your development, to help recruit ‘A players’ to your team, and of course, there’s no way you can raise outside funding unless and until you have customers which prove your value proposition.”

What is different between the developed and developing business worlds is the level of energy and perseverance required just to start and sustain a business in the latter.

“It takes a great willpower to do business in my country,” said Kneeyee Alex, founder of ESTREET, a foundation promoting entrepreneurship in Nigeria. He said Nigerian small business owners must make sacrifices that often are not required of their developed-world counterparts.

It’s important to distinguish between small businesses, which the founders create to provide income for their families, and true entrepreneurial ventures, which aim to fill a hole in the marketplace and have the potential to grow, employ large numbers of people and contribute in a significant way to the local economy.

Those in the first category are simply interested in survival, with little ambition for large-scale wealth generation, and many avoid government registration because it would take too much time and expense. But that limits their ability to grow and hurts their home country, which cannot track or effectively tax these unregistered businesses.

“Putting impediments to new businesses drives business to informality,” said Julio De Castro, a professor of international entrepreneurship at Babson College in Wellesley, Massachusetts. And informal businesses have higher capital and transportation costs, more storage problems, greater difficulty hiring quality staff and less ability to enforce contracts.

In India’s capital, New Delhi, there are 1 million rickshaw carts that provide a livelihood for their operators, but only 99,000 are registered with the government, according to Irfan Alam, who founded the Sammaan Foundation to modernize the rickshaw-pulling sector in Bihar state. The huge number of unregistered operators poses a danger to the public and also cheats the government of revenue — not only registration fees but also the bribes that rickshaw operators pay the police and administrators. “The size and layers of the [bureaucratic] systems make it difficult for entrepreneurs,” Alam said.

NETWORKING AND INTEGRITY

To deal with this and other challenges, Alex recommends that entrepreneurs share their stories with each other. “Usually there will be someone with a solution,” he said.

Another advantage of networking is that other entrepreneurs or business experts may eventually become investors or customers. When two female entrepreneurs started the Egyptian equivalent of the Barnes & Noble bookstore chain, the support they received from the international community gave confidence to their vendors and customers, said Ayman El Tarabishy, professor of entrepreneurship at George Washington University in Washington.

“These networks can make a difference. It’s mentorship: introducing them to the right individuals who will say, ‘I’m going to get you in as a vendor in my company,’” El Tarabishy said. “That little extra push makes a difference.”

But entrepreneurs must resist corruption and establish a reputation for high ethics, said Shaffi Mather, a social entrepreneur in Kerala, India. “Stand firm on ethics and radiate it around you and simply be persistent,” Mather advised other entrepreneurs.

As governments recognize the importance of entrepreneurship to economic growth and their national competitiveness, they are slowly loosening regulations, implementing programs to support entrepreneurs and even granting government contracts to startups.

“Governments understand that young companies and the entrepreneurial ecosystem are an important part of creating an innovative competitive culture,” Morse said. He noticed positive changes in attitudes toward entrepreneurship in Jordan, Lebanon, the United Arab Emirates and Pakistan. In China, where until the 1990s the economy relied almost exclusively on state-owned large companies for growth, now small and medium-size enterprises represent 60 percent of industrial output and 75 percent of employment, according to International Entrepreneurship, a group that promotes small business.

Global Health Investments: Progress Seen, More Success Sought

By Merle David Kellerhals Jr.
Staff Writer

Washington — A key principle that guides President Obama’s Global Health Initiative is strengthening health care to save lives and creating sustainable health care programs in areas with the greatest need around the world, says Ambassador Eric Goosby.

"We've seen unprecedented progress through past health investments, and we can build on this success through an integrated and holistic approach that binds individual health programs together in a coordinated, sustainable way, with the countries themselves in the lead," Goosby said. Goosby, a medical doctor and a recognized expert on HIV/AIDS, is the State Department's global AIDS coordinator. He testified recently on global HIV/AIDS efforts before the House of Representatives' Foreign Affairs Committee.

Goosby testified that Obama's Global Health Initiative (GHI) builds on the experience of the President's Emergency Plan for AIDS Relief (PEPFAR) begun by former President George Bush in 2003 as the largest effort ever undertaken by any nation to tackle a single disease. PEPFAR has saved millions of lives in some of the poorest regions of the world.

For the health initiative to achieve the best results means encouraging country ownership and an investment in country-led planning, said Dr. Thomas Frieden, director of the U.S. Centers for Disease Control and Prevention.

Frieden testified that over the past eight years worldwide, new HIV infections have been reduced by 17 percent, which demonstrates sustainable progress in programs like PEPFAR. "Despite these tremendous achievements, AIDS remains a leading cause of death in many countries and the leading cause of mortality worldwide among women of [childbearing] age," he added.

Through 2009, the United States directly supported 2.5 million people on HIV/AIDS treatment, with the vast majority of cases in Africa, Goosby testified. Millions more, he said, are benefiting from prevention and care programs. PEPFAR has supported HIV counseling and testing for nearly 29 million people, which provided a critical entry point to prevention, treatment and care, he added.

PEPFAR also has indirectly supported health care programs for nearly 11 million people affected by HIV/AIDS, including 3.6 million orphans and vulnerable children. PEPFAR has supported services to prevent mother-to-child transmission, allowing nearly 100,000 babies of HIV-positive mothers to be born HIV-free last year alone, Goosby testified.

"There is much more work yet to be done, and a large, continuing, unmet need," Goosby said in prepared testimony for the committee. "But when I visit African countries now, I see the dramatic transformation PEPFAR has brought about – not only for individuals, but for their families, communities and nations."

But now the United States is beginning a new phase of

global health assistance that will expand service delivery, and also create the long-term partnerships needed for sustainable programs to thrive, he said.

"The metric that PEPFAR and all GHI programs use to measure success is not dollars spent, but lives saved," Goosby said.

House Foreign Affairs Chairman Howard Berman said in his opening remarks that the fight against HIV/AIDS in PEPFAR's first five years faced many challenges, including weak health care delivery systems, poor infrastructure, expensive and unavailable drugs and limited workers. "These factors kept millions infected with the disease isolated from the care and treatment they needed," Berman said.

Representative Ileana Ros-Lehtinen, the senior Republican on the committee, said that moving the PEPFAR program from emergency status to a sustainable program will require the U.S. government to keep the program focused on its core objectives: providing care and treatment to those affected by HIV/AIDS while expanding efforts to prevent new infections from occurring. "Funds must not be diverted for other purposes," she told the committee.

Goosby said the global need for continued HIV/AIDS prevention, treatment and care is a global responsibility, and every nation has a role to play in meeting that objective. One significant principle of the president's expanded GHI is working through partnerships.

"The U.S. will remain strong in its commitment and seek to leverage heightened commitments from all sources – including partner governments, donor nations, the private sector, civil society, philanthropic organizations and others," he said.

(Preceding items distributed by the Bureau of International Information Programs, U.S. Department of State. Web site: <http://america.gov>)