

American

NEWS & VIEWS

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Statement by President Obama on Diwali

The White House
Office of the Press Secretary
November 4, 2010

Statement by the President on Diwali

Tomorrow, Hindus, Jains, Sikhs and some Buddhists, here in America and around the world, will celebrate the holiday of Diwali – the festival of lights. This is a day when members of some of the world's oldest religions celebrate the triumph of good over evil. Last year, I marked this holiday as many will this weekend – by lighting the Diya, or lamp. This lamp symbolizes the victory of light over darkness and knowledge over ignorance.

Diwali is a time for celebration, but it is also a time for reflection – a time when we must remember that there are always others less fortunate than ourselves. This holiday reminds us all that we should commit ourselves to helping those in need. For many, this is also a time to gather with family and to pray. To those celebrating Diwali in India, I look forward to visiting you over the next few days. And to all those who will celebrate this joyous occasion on Friday, I wish you, your families and loved ones Happy Diwali and Saal Mubarak.

Midterm Elections Reduce but Retain Democratic Majority in Senate

By Bridget Hunter
Staff Writer

Washington – Democrats and Democratic-caucusing independents will hold at least 52 seats and Republicans at least 47 in the 112th Congress that convenes in January 2011. The outcomes of two races in the far northwestern part of the nation were still inconclusive on November 4.

The midterm elections will shift the composition of the Senate a bit to the right as Republicans gain seats, but Democrats will retain control of the chamber when the next Congress convenes.

A still-contested Alaskan Senate seat will remain Republican, but it will be several days – perhaps even weeks – before voters know whether Republican incumbent Lisa Murkowski succeeded in her attempt to retain her seat as a write-in candidate after losing the Republican nomination to tea party-backed Joe Miller in August.

Votes cast for a write-in candidate in Alaska total 41 percent of the vote compared to Miller's 34 percent, but

several Alaskans campaigned as write-in candidates, so each ballot must be examined to determine whether that vote is for Murkowski. If she is successful, Murkowski will be the first candidate for federal office to win a write-in campaign since Strom Thurmond's Senate race in 1954.

In the state of Washington, absentee ballots continue to be counted as Democratic incumbent Patty Murray hopes to stave off a challenge by Republican Dino Rossi. With 74 percent of the votes counted, Murray held a 2 percentage point edge over Rossi.

Among the other 21 senators defending their seats in the 2010 midterm elections, 19 did so successfully. Only Arkansas' Blanche Lincoln and Wisconsin's Russ Feingold – both Democrats – lost.

In addition to the Republican pickups in those two states, Republicans also won open seats (races in which no incumbent was seeking re-election) in Illinois, Indiana, North Dakota and Pennsylvania – all seats held by Democrats in the 111th Congress.

INDEPENDENT-MINDED DEMOCRAT LEAVING AFTER 18 YEARS

The independents who supported Feingold in prior races seem to have abandoned him to the 2010 wave of anti-incumbent, anti-Democrat sentiment that swept away many of his colleagues in the House of Representatives. Some political analysts are finding it ironic that Feingold, an outspoken and fiercely independent voice in the Senate whose votes frequently crossed party lines, is one of the Democratic casualties of the 2010 midterm elections.

More than a decade ago, Feingold, arguing the House of Representative must be given every chance to prove its case, was the only Democratic senator to vote against the motion to dismiss the impeachment case against then-President Bill Clinton. Feingold later voted against conviction on all charges.

During the George W. Bush administration, Feingold broke with his Democratic colleagues to vote for the controversial nomination of John Ashcroft as attorney general, saying at the time that he based his decision on his respect for the right of the president to choose his Cabinet. But Feingold was the only senator to oppose the Bush-sponsored USA Patriot Act that passed in the wake of the September 11, 2001, terrorist attacks and later opposed the Bush administration again on the public "bailout" of large financial institutions in 2008.

More recently, Feingold broke with the Obama administration by opposing expansion of the war in Afghanistan and the new federal constraints on financial

institutions, the latter because he believed the new restrictions were inadequate.

One of the Wisconsin senator's highest-profile political fights was his battle to overhaul the U.S. campaign finance system, culminating in the 2002 McCain-Feingold act. After being eroded for years, the law was crippled further in early 2010 by a Supreme Court decision that eliminated restrictions on political spending by corporations, unions and special-interest groups. Reports suggest at least \$4 million in such funding was spent in Wisconsin, virtually all of it opposing Feingold or supporting his opponent.

In a brief concession speech November 2, Feingold struck an optimistic tone: "It's on to the next fight, it's on to the next battle, it's on to 2012 and it is on to our next adventure, forward." Later, in a blog entry, he thanked his constituents, adding, "Representing Wisconsin in the Senate has been the greatest honor of my life and together we accomplished many great things."

Feingold serves on four committees: Budget; Judiciary, where he chairs the Subcommittee on the Constitution; Foreign Relations, where he chairs the Subcommittee on African Affairs; and Intelligence. Those posts will be filled by another Democrat in the 112th Congress.

With Democrats retaining the majority in the Senate, high-ranking posts like majority leader and committee and subcommittee chairmen will continue to be held by Democrats or Democratic-caucusing independents.

However, there are no guarantees that any individual will retain the post he or she held in the 111th Congress. Both parties in each chamber hold organizational meetings at the beginning of a Congress where their members elect their own leadership, adopt internal rules for how their party will operate, and draft their version of the institutional rules for either the House or the Senate. Committee assignments traditionally are based on seniority. It will be weeks or months before the American public knows which senators will hold specific posts in the next U.S. Senate.

Treasury Imposes Sanctions on Two Pakistan-Based Terror Groups

By Merle David Kellerhals Jr.
Staff Writer

Washington — The U.S. Treasury Department announced actions November 4 against the financial and support networks of the Pakistan-based terrorist groups Lashkar-e Tayyiba and Jaish-e Mohammed.

Treasury has imposed sanctions to seize or freeze the assets of key leaders from the two terrorist groups who

have been involved in terrorist attacks in India in recent years.

Lashkar-e Tayyiba (LET) carried out the four-day shooting and bombing attacks in Mumbai in November 2008 that killed more than 165 people. The group also carried out a deadly train bombing in Mumbai in 2006. Jaish-e Mohammed (JEM) targets Indian troops and government offices to force India out of Jammu and Kashmir state.

"LET and JEM have proven both their willingness and ability to execute attacks against innocent civilians," said Stuart Levey, the Treasury Department's under secretary for terrorism and financial intelligence. "Today's action — including the designation of Azam Cheema, one of LET's leading commanders who was involved in the 2008 and 2006 Mumbai attacks — is an important step in incapacitating the operational and financial networks of these deadly organizations."

The United States imposed sanctions against Cheema, who was instrumental in training LET operatives for the November 2008 Mumbai attacks and planned the July 2006 Mumbai train bombings, the Treasury Department said in a statement. The United States also imposed sanctions on Hafiz Abdul Rahman Makki, head of LET's political affairs department.

The United States designated Lashkar-e Tayyiba as a foreign terrorist organization in December 2001, and it was also designated a terrorist organization by the United Nations 1267 Committee in May 2005. The U.N. 1267 Committee was created by the Security Council in October 1999 and maintains a consolidated list of terrorist organizations worldwide.

Al Rehmat Trust, an operational front for the Jaish-e Mohammed terrorist organization, was designated for providing financial support to JEM. Mohammed Masood Azhar Alvi, JEM's founder and leader, was also targeted for sanctions by the United States, Treasury said. Jaish-e Mohammed was designated a foreign terrorist organization by the United States in October 2001 and by the U.N. 1267 Committee also in 2001.

The new sanctions prohibit Americans and American businesses from doing business with the individuals and freezes their assets under U.S. jurisdiction, Treasury said. The foreign terrorist organization designation from the State Department also carries stiff sanctions and prohibitions.

Indonesian Entrepreneurs Build on Washington Summit

By Christopher Connell
Special Correspondent

Washington — As Indonesia gets ready to welcome President Obama November 9, the country already has become a test bed for his administration's efforts to promote entrepreneurship.

Indonesia sent the second-largest delegation to the Presidential Summit on Entrepreneurship in Washington in April, a diverse group that included a young venture capitalist, a social activist who builds power plants in villages, and a tobacco baron. Several of those entrepreneurs now have formed the nucleus of the governing board for Global Enterprise Program (GEP) Indonesia, which will launch in Jakarta in mid-November as part of Global Entrepreneurship Week.

That will be the first in a series of events during the next 12 months to encourage Indonesian university students and others to catch the fever that inspired such business and social entrepreneurs as Sandiaga S. Uno and Tri Mumpuni to strike out on their own. In spring 2011, prominent American entrepreneurs and investors will visit Indonesia to hear pitches from and offer advice to some of the country's most promising start-ups.

Indonesia also will host a regional entrepreneurs' conference in July 2011. The GEP Indonesia board will orchestrate the events for that meeting.

Shinta Widjaja Kamdani, managing director of Sintesa Group, a family business with interests in energy, property development, food distribution and other products, has played a pivotal role in forming the GEP Indonesia board. She is recruiting a full-time "Entrepreneur in Residence" and a staff that will work on encouraging innovative businesses and start-ups.

"We are putting in all our resources together with various existing entrepreneur organization in Indonesia as partners," said Kamdani, a graduate of Columbia University in New York. "Hopefully, with our government and other stakeholders' support, we will put entrepreneurship on the map of Indonesia."

The summit in Washington was an outgrowth of Obama's efforts to redefine U.S. relationships with countries that have large Muslim populations. The Global Enterprise Program encourages entrepreneurship in emerging-market countries to spur job creation and economic development. Secretary of State Hillary Rodham Clinton said in April that GEP would be rolled out first in Egypt and Indonesia, with a dozen countries to follow. Its principal activities include entrepreneurship training,

business-plan competitions, and matching budding entrepreneurs with mentors and investors.

As part of GEP, the State Department sent U.S. investors and entrepreneurs to Jordan and Lebanon in June; another such delegation heads to Egypt in January 2011.

Indonesia, a republic with 242 million people, was a country friendly to the United States even before Americans elected a president who speaks Bahasa Indonesian. Obama surprised Indonesian delegates in a receiving line at the entrepreneurship summit by addressing them in their language.

Uno, a summa cum laude graduate of Wichita State University in Kansas with a master's degree in business administration from George Washington University in Washington, chatted with Obama about their mutual love of basketball — Uno managed the Indonesian women's team that competed at the Southeast Asian Games in Manila in 2005 — but, more important, about what business innovators can do for their countries. Uno is a founding partner of Saratoga Capital, a private equity company with investments in coal, oil, gas and telecommunications in Indonesia and Southeast Asia.

"He [Obama] said that entrepreneurship is the main actor that drives the Indonesian economy, instead of the government," said Uno. Obama said Indonesia has the potential to become one of the world's biggest economic entities, in part because of its success in adopting democracy and decentralization, according to Uno.

Ananda Siregar, another U.S.-educated (Northwestern University) entrepreneur, raised \$17 million in venture capital to start his movie theater chain and distribution company, Graha Layar Prima (Blitzmegaplex). He said that, since the Washington summit, he has been asked "numerous times to share thoughts on how to translate the intention into actionable plan. In short, many government branches are more open-minded to ideas on how to create more entrepreneurs."

Antonius Tanan, another summit delegate, is president of the Universitas Ciputra Entrepreneurship Centre. Tanan said that with more than 15 Indonesian ministries already having programs that help small businesses, this is "a perfect time to bloom entrepreneurship in Indonesia."

Goris Mustaqim, 27, was the youngest of the 10-person Indonesian delegation. After earning an engineering degree, he founded a company called PT Resultant Nusantara that markets radio frequency identification technology and smart cards to schools and other customers. He also opened a foundation called Asgar Muda that works with youth in his hometown of Garut.

Mustaqim regards the GEP “as a new beginning of cooperation between the U.S. and Indonesia, not only government to government, but person to person.” The information being shared about entrepreneurship “can help more people get prosperity. I think that is not an American dream or an Indonesian dream, but a world dream.”

Federal Reserve Acts to Boost U.S. Economy

By Merle David Kellerhals Jr.
Staff Writer

Washington — The Federal Reserve has stepped in to boost the sputtering U.S. economy with an aggressive plan to buy \$600 billion in U.S. Treasury securities, aimed at reducing interest rates and spurring employment.

The Federal Reserve’s policymaking committee — the Federal Open Market Committee — agreed November 3 to spread the purchase of long-term Treasury bonds through June 2011, at a pace of about \$75 billion a month. The committee said it will regularly review the pace of its purchases and the overall size of the program based on changes in the economy and make further adjustments, the Federal Reserve said in an announcement.

At the same time, the Fed said it will hold the benchmark federal funds rate at zero to one-quarter percent (0.25 percent).

The policymaking committee cited several factors in reaching the decision to act aggressively to boost the U.S. economy.

“Household spending is increasing gradually, but remains constrained by high unemployment, modest income growth, lower housing wealth and tight credit,” the Fed said. “Business spending on equipment and software is rising, though less rapidly than earlier in the year, while investment in nonresidential structures continues to be weak.”

Unemployment in the United States remained stalled at 9.6 percent and near-term indications are that it will not change for the remainder of the current quarter, further depressing an already weak economic recovery.

Federal Reserve Chairman Ben Bernanke said in a Washington Post editorial November 4 that the dual congressional mandate given the central bank is to promote a high level of employment and maintain low, stable inflation, both factors that are essential to a thriving economy.

“Unfortunately, the job market remains quite weak; the national unemployment rate is nearly 10 percent, a large number of people can find only part-time work, and a

substantial fraction of the unemployed have been out of work six months or longer,” Bernanke said.

Bernanke said the heavy costs of unemployment include significant strains on family finances, more housing foreclosures and the loss of critical job skills. He also said that falling inflation indicates there is considerable spare capacity left in the economy and that there is room for monetary policies to support further gains in employment without triggering a spike in inflation.

He said buying Treasury securities helped to ease strained financial conditions in the past and looks to be effective again.

“The Federal Reserve cannot solve all the economy’s problems on its own,” Bernanke said in the newspaper editorial. “That will take time and the combined efforts of many parties, including the central bank, Congress, the administration, regulators and the private sector.”

Stabilizing the global economy is expected to dominate talks during the summit of the Group of 20 advanced economies being held in Seoul, South Korea, November 11–12.

By November 4 the Wall Street stock indexes had joined securities exchanges in Europe and Asia in early trading and pushed higher based on the Fed’s unexpectedly aggressive action.

The Bank of England held interest rates steady following the Federal Reserve action, and the European Central Bank left its benchmark refinancing rate at 1 percent as of November 4.

U.S. Helps Haitians Brace for Storm

By Stephen Kaufman
Staff Writer

Washington — U.S. civilian and military personnel are helping the Haitian government prepare its people for Tropical Storm Tomas, with special concern for the more than 1 million Haitians living in temporary shelters since being displaced from their homes by the January 13 earthquake.

The Obama administration has deployed a 20-member Disaster Assistance Response Team (DART) from the U.S. Agency for International Development (USAID), and the amphibious ship USS Iwo Jima is off the Haitian coast carrying 10 helicopters and two amphibious landing craft units to help transport relief supplies to remote locations. The ship also has 1,600 medical, engineering, aviation and logistics experts onboard.

USAID’s DART team leader, Phil Gelman, told reporters

via telephone November 4 that his crew is working in coordination with the Haitian government, United Nations agencies and other international partners to prepare for the storm by prepositioning supplies and conveying information on safer shelters.

"The government of Haiti has taken a leading role in a lot of the information messaging with respect to the threat to the population, and we have supported and prepositioned both personnel and resources around the country in order to be prepared," Gelman said. That includes blankets, hygiene supplies and water containers that can be especially useful once the storm passes. In addition, he said, USAID can quickly bring additional supplies to Haiti from its warehouse in Miami.

"We want to ... diminish the discomfort in the initial displacement" of Haitians to safer locations, Gelman said.

According to the National Oceanic and Atmospheric Administration (NOAA), Tropical Storm Tomas could strengthen into a hurricane late November 4 or early November 5 as it hits Haiti before moving on toward Cuba.

Gelman acknowledged that Haitian and international authorities can't transport all of the displaced persons living in tent camps to safer locations, but said surveys inside the camps have indicated that many "do have an alternative place to go, and we hope that they exercise that option." Aid workers are trying to transport the most vulnerable, such as women with small children, the elderly and the infirm.

Asked about the impact Tomas could have on Haiti's cholera outbreak, Gelman said it is "rather difficult to make an informed decision" since the disease is still new to Haiti. There are countries around the world "where an increase in cholera is associated with an increase in rainfall," while "the converse is true in other areas," he said.

USAID's work on hurricane preparedness in Haiti began before the hurricane season, "in full recognition of the vulnerability of the country," Gelman said, including flood-mitigation efforts such as cleaning up drainage canals, digging drainage trenches, and terracing and shoring up hillsides in and around displaced persons camps and in key areas of Port-au-Prince.

"There has been a lot of effort ... in an attempt to reduce the vulnerability of these informal settlements," he said.

Bill Read, who directs NOAA's National Hurricane Center, told reporters in Miami November 4 that five to 10 inches (13 to 25 centimeters) of rain is expected to fall as a result of the storm, with 15 inches (38 centimeters) in

some places. He said there is concern that the high rainfall could lead to many deaths.

"The heavy rain leads to flash flooding because of the terrain, and there's no vegetation. Once the terrain gets wet, they have mudslides ... and that can bury people," he said.

"Hopefully, as many people as possible have taken heed of the warnings and gotten out of the lowest spots," Read said.

U.S. State Department spokesman P.J. Crowley told reporters in Washington November 4 that Haitians have been encouraged to move to 400 shelters in and around Port-au-Prince that can accommodate close to 1 million people.

The United States has positioned approximately 40,000 blankets, 16,000 hygiene kits, 32,000 water containers and 20,000 kitchen sets to be sent to the Haitian people, in addition to the supplies that are already in the country, Crowley reported.

"We have significant capacity on the ground helping Haiti now, and additional resources are standing by," he said.

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