

American

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President Obama Says New Israeli Construction Is Not Helpful

By Stephen Kaufman
Staff Writer

Washington — Commenting on Israel's plans to build 1,300 new apartments in East Jerusalem, President Obama said "this kind of activity is never helpful" during peaceful negotiations, such as the Israelis and Palestinians are engaging in to try to resolve their conflict.

Speaking in Jakarta, Indonesia, at a November 9 press conference with Indonesian President Susilo Bambang Yudhoyono, Obama said he had not yet had a full briefing concerning Israel's intentions in the announcement of the new construction, but expressed concern that "we're not seeing each side make the extra effort involved to get a breakthrough that could finally create a framework for a secure Israel living ... side by side in peace with a sovereign Palestine."

Israel captured East Jerusalem during its June 1967 war with neighboring Arab countries, and since then has claimed all parts of the city to be its united capital. Palestinians, in turn, have continued to demand the implementation of U.N. resolutions 242 and 338, calling for the return of territories captured through war, including East Jerusalem.

The Obama administration worked to bring about the resumption of direct talks between Israeli and Palestinian leaders in early September, but the discussions have not continued after Israel allowed a six-month moratorium on its settlement-building in the occupied West Bank to expire at the end of September.

In reaction to the latest Israeli announcement, the president said "each of these incremental steps can end up breaking down trust between the parties," but added that the United States will continue its efforts to get the two sides to resume peace negotiations.

"We're going to keep on working on it," he said. "It is in the world's interest, it is in the interest of the people of Israel, and it is in the interest of the Palestinian people to achieve that settlement, to achieve that agreement."

OBAMA URGES G20 TO COORDINATE ON TRADE

Ahead of the November 11-12 Group of 20 (G20) leading economies summit in South Korea, Obama called for "additional tools to encourage balanced and sustainable growth" in the global economy.

The severity of the recent global economic crisis was

partly due to "huge imbalances when it comes to surpluses and deficits," he said, and G20 members "have not yet achieved that balanced growth."

Obama said "effective coordination" among G20 members during the global economic crisis discouraged protectionist trade policies, created recovery programs that increased consumer demand and stabilized world banking systems so that now "countries for the most part around the world are back on a growth pattern."

But he said some countries are continuing to have large surpluses and are "intervening significantly in the currency markets to maintain their advantage when it comes to their currency," while other countries are in deficit.

"Both surplus and deficit countries would benefit if there was a more balanced program in which the surplus countries were focused on internal demand, there was a more market-based approach to the currencies and the deficit countries thereby were able to export more — and that would also make it easier for them to deal with their unemployment issues," Obama said.

The president expressed confidence that the G20 can make progress on the issue during its summit in Seoul. "It's not going to happen all at once. But I'm very much focused on creating a win-win situation in which everybody is invested in expanding world trade, everybody is invested in increased prosperity, but we're doing so in a way in which everybody is benefiting and not just some," he said.

Indonesia Visit Recalls Obama's Formative Years

By Stephen Kaufman
Staff Writer

Washington — Barack Obama said it felt "wonderful" to return to Indonesia as president of the United States many years after he had lived in the country for four years as a boy, and he thanked the Indonesian government for posthumously awarding his late mother a gold medal for her research into the role of women and microcredits in Indonesian villages.

"The sights and the sounds and the memories all feel very familiar, and it's wonderful to be able to come back as president and hopefully contribute to further understanding between the United States and Indonesia," Obama said November 9 in a press conference with Indonesian President Susilo Bambang Yudhoyono.

"I feel great affection for the people here," he said, adding that the trip, curtailed slightly by the eruption of Mount Merapi, was "a shorter visit than I would like."

At a state dinner following the press conference, Yudhoyono presented an award honoring Obama's mother, Ann Dunham, who had brought her family to Indonesia and conducted research that led to "a scientific paper of high quality regarding the role of women and microcredits in the villages," Yudhoyono said.

Obama said the honor "speaks to the bonds she forged over many years with the people of this magnificent country" and said his mother believed that by educating women "we are, in fact, developing the entire country."

OBAMA RECALLED "JOYOUS TIME" IN MEMOIRS

In 1967, 6-year-old Barack and his mother left their home in Hawaii for Jakarta. They came to join his new stepfather, Lolo Soetoro, who had been forced to abandon his studies at the University of Hawaii when he was conscripted into the Indonesian army. The future president was soon enrolled in a local public school and became known to friends as "Barry Soetoro." Taller, foreign and of a different ethnicity than his friends and classmates, Barry stood out, but he soon made friends, and his mother encouraged him to learn Indonesian and rapidly acculturate to his new surroundings.

When then-Senator Barack Obama wrote his book *The Audacity of Hope*, which was published in 2006, he reflected on the four years he lived in Indonesia as "a joyous time, full of adventure and mystery."

"We lived in a modest house on the outskirts of town, without air-conditioning, refrigeration or flush toilets," Obama wrote in *Audacity*. His best friends were "the children of farmers, servants, tailors and clerks," and his years in Jakarta were "days of chasing down chickens and running from water buffalo, nights of shadow puppets and ghost stories and street vendors bringing delectable sweets to our door."

He joined an Indonesian Boy Scout troop and played soccer, or football, which would not become popular in the United States until years later. The future president also displayed a naughty schoolboy side, getting in trouble for crashing through a bamboo fence at school.

But young Obama's life in Jakarta also exposed him to a sense of poverty, suffering and natural disaster that many Americans were unacquainted with. "The world was violent, I was learning, unpredictable and often cruel," Obama later wrote in his 1995 book *Dreams from My Father*.

Compared to many of his Indonesian neighbors, Barry was relatively well-off. His stepfather surveyed roads and tunnels for the army, and later got a job with Mobil Oil. His sister, Maya Soetoro-Ng, was born in Jakarta, and his

mother earned additional income for the family by teaching English to Indonesian businessmen at the U.S. Embassy.

Obama said his mother's ties to Indonesia never diminished, despite her decision to separate from Soetoro and move back to the United States in 1972. "For the next twenty years she would travel back and forth, working for international agencies for six or twelve months at a time as a specialist in women's development issues, designing programs to help village women start their own businesses or bring their produce to market," he wrote in *Audacity*.

With the help of his sister, Maya, their mother's doctoral dissertation, *Surviving Against the Odds: Village Industry in Indonesia*, was revised and published as a book by Duke University Press in 2009.

In *Dreams*, Obama wrote that his upbringing and exposure to a new culture "made me relatively self-sufficient, undemanding on a tight budget, and extremely well-mannered when compared to other American children."

But his mother ultimately decided to send him back to Hawaii to continue his schooling. "She now had learned ... the chasm that separated the life chances of an American from those of an Indonesian. She knew which side of the divide she wanted her child to be on. I was an American, she decided, and my true life lay elsewhere," he wrote in *Dreams*.

U.S. Makes Offer to Remove Sudan from Terror List

By Stephen Kaufman
Staff Writer

Washington — The United States has conditioned its willingness to accelerate the process of removing Sudan from the list of countries that sponsor terrorism provided that Sudan fully implements its obligations under the 2005 Comprehensive Peace Agreement (CPA), including preparing and conducting a January 9, 2011, referendum in southern Sudan and respecting the referendum results.

According to senior Obama administration officials, Sudan's compliance with its 2005 obligations will "move up our readiness to rescind the designation of Sudan as a state sponsor of terrorism as early as July 2011."

The officials spoke to reporters via teleconference November 7 and asked not to be identified. They said U.S. Senator John Kerry, who chairs the Senate Foreign Relations Committee, reinforced the proposal on behalf of President Obama to Sudanese leaders in recent meetings he held in the region.

"This is a part of our ongoing commitment to do everything that we can to ensure that the Comprehensive Peace Agreement is fully implemented, the referendum is carried out on time and is credible on January 9," an official said.

Sudan has been listed as a state sponsor of terrorism since 1993 due to its links with international terrorist organizations. Terrorist leaders including Carlos the Jackal, Osama bin Laden and Abu Nidal resided in Khartoum during the 1980s and 1990s. The designation prohibits Sudan from buying or receiving U.S. armaments and from receiving any U.S. economic assistance, in addition to other restrictions.

Along with fully implementing the CPA, the senior officials said Sudan will also need to "live up to all of the legal conditions required under law" for it to be taken off the state sponsors list, such as "not support[ing] international terrorism for the preceding six months" and giving "assurances that they will not resume providing that kind of support to international terrorism."

An official noted that the George W. Bush administration took similar actions to remove North Korea and Libya from the state sponsors list during its tenure.

Although the U.S. offer decouples Sudan's terrorism designation from the humanitarian and political crisis in Darfur, a senior official noted that comprehensive sanctions enacted by the U.S. Congress in 2003 and 2004 will remain until the Darfur crisis is resolved.

"The U.S. government and the international community expect to see ... no attacks on civilians, humanitarian access, no impeding of [the United Nations Mission in Darfur], and, obviously, we will continue to watch those steps very clearly," the official said.

"There is no way of getting long-term debt relief without the resolution of Darfur, or final improvement of relations to exchange of ambassadors and that sort of thing without improvement in Darfur," a second official said.

The Obama administration's offer to Sudan reflects its commitment that "we have to do everything that we possibly can to see that the referenda [in southern Sudan and Abyei] ... are held on time and that we do as much as we possibly can to ensure that the outcome is a peaceful one rather than a resumption of conflict," an official said.

U.S. officials have heard through African leaders with high-level contacts in Khartoum that the U.S. offer "might be a step that would be useful in convincing the Sudanese to have an on-time referendum and one that is credible," according to an official.

"It's very clear the steps that the government of Sudan has to take to meet the criteria to be taken off the state sponsors of terrorism list, and it's our hope that they take those steps," the official said.

Countries Cooperate to Confront Crime Rings

By Andrzej Zwaniecki
Staff Writer

Washington — In the mid-2000s, when the United States, Panama and Colombia together brought down a major Colombia-based criminal group, multilateral cooperation in combating international crime rings was not common. Neither was the reach of the criminal group's operations — it smuggled drugs and people and provided weapons to a terrorist organization.

Since that group's demise, the United States and other governments have mounted a number of successful joint operations against increasingly sophisticated transnational organized crime. To fight it more forcefully, the Obama administration is developing innovative global partnerships across the Pacific and Atlantic and using existing international agreements and institutions to strengthen cooperation among countries.

Such efforts are necessary because syndicates themselves are always on the lookout for effective partners in crime. "We constantly are trying to stay ahead of and confront criminal syndicates," said David M. Luna, director of anti-crime programs for the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL).

But the U.N. Office on Drugs and Crime (UNODC) in its June report said countries need to do even more against transnational crime syndicates, which have grown more powerful than ever. Antonio Costa, head of the UNODC, described the attitude of still too many nations as "benign neglect."

Luna said, "We are working with partners globally to strengthen the political will to confront transnational criminal threats and illicit networks."

THE GLOBALIZATION OF CRIME

In recent years, nimble criminal enterprises have transformed themselves into market- and technology-savvy organizations that span the globe and operate within legitimate economies. General James Jones, former U.S. national security adviser, called this development "astonishing" after reviewing a related 2010 national intelligence estimate.

Organized crime, which generates trillions of dollars annually from illicit activities such as trafficking drugs

and counterfeiting products, increasingly cuts into revenues of legal companies and governments' tax receipts, undermines the global financial system, weakens the rule of law and threatens the security, stability and economic development of many countries.

Other consequences, still only potential, are more frightening. Some criminal groups may have the ability to acquire and sell radioactive materials or weapons of mass destruction, according to David Johnson, an assistant secretary of state for the INL. As terrorists and insurgents squeezed by international sanctions turn to crime for funds and to criminal groups for logistical support, such a scenario becomes more likely, analysts say.

Rita Grossman-Vermaas of the Fund for Peace said crime syndicates are better at managing across different sectors and borders than governments are at managing across different departments and jurisdictions. The Fund for Peace is a nongovernmental group that works to prevent war and alleviate the conditions that cause conflict.

"Governments are playing a 'catch-up' with organized crime," she said.

Differing national laws make international cooperation difficult. And some developing nations may not view organized crime as a top priority or lack governance capacity to deal with it, Grossman-Vermaas said. Helping governments of those nations understand the vital interests they have in confronting organized crime and boosting their capacity to do so will go a long way, she said.

"[Governance] capacity-building helps mitigate the influence of organized crime and attractiveness of regions and countries to crime/terrorist networks," she said.

SEEKING NEW FOCUS, COALITIONS

The UNODC report concludes that purely national responses to the rise of organized crime are inadequate because too often they only shift the problem from one country to another. What is needed is a multilateral and multidimensional strategy that includes even greater international information- and intelligence-sharing and law enforcement cooperation.

A "multidimensional approach" would require the interaction of different sectors of civil society and the formation of public-private partnerships, according to Louise Shelley, director of the Terrorism, Transnational Crime and Corruption Center at George Mason University. The business community should lead these efforts.

"Businesses are our first responders as they have more

timely information," Luna said, describing U.S. officials' efforts to work with others to break criminal syndicates.

Countries must also shift their focus from criminals and mafias to the markets from which they derive their illicit proceeds, the report says. Breaking crime rings and incarcerating their members does not have lasting effects as long as market incentives exist; new criminals and groups fill the void quickly.

This has registered with the business community. Shelley said that in the last year or two she has seen the community take the initiative. For example, private-sector entities in New York have cooperated with the city to expel criminally infiltrated enterprises from doing business in it. Shelley herself is part of a new program on organized crime launched by the World Economic Forum that brings together the business community and nongovernmental groups.

Striking at corruption is particularly important. Corruption not only facilitates organized crime, but also allows crime syndicates to expand across borders and penetrate legal economies. "Criminals use weapons and violence, but also money and bribes to buy elections, politicians and power — even the military," UNODC head Costa said.

U.S. officials support this view. That is why the international fight against corruption has intensified in recent years. "We are making progress," Luna said. In October, the Organisation for Economic Co-operation and Development commended the United States for its efforts to enforce laws against bribery of foreign officials and related high-level support.

U.S. Takes New, Faster Approach for Development Aid

By Mark Trainer
Staff Writer

Washington — India's Accredited Social Health Activist program trains women in rural areas to act as health educators in their communities. Keeping this remote and diverse network up to date and organized has proven a challenge.

Dimagi Inc. is a Massachusetts-based company that has spent the last two and a half years developing a software platform for mobile phones to allow health care workers to collect data, monitor the health of new mothers and log household visits.

With funding from the U.S. Agency for International Development (USAID), Dimagi is embarking on a pilot program to support health educators in India's Uttar Pradesh province with its CommCare mobile software.

Dimagi's application to the Accredited Social Health Activist program has been handled much more quickly than it would have been through traditional channels of development funding; the company has been able to leapfrog an often cumbersome process, thanks to USAID's Development Innovation Ventures (DIV) program. Announced October 8 by USAID Administrator Rajiv Shah (see the USAID website), the DIV program adopts the venture-capital model of private-sector innovation by using a competitive process to invest resources in high-risk, high-return projects that are often difficult to undertake through traditional agency structures.

Maura O'Neill, USAID's chief innovation officer, and Michael Kremer, an economist from Harvard University, conceived of the Development Innovation Ventures fund as a way to bring solutions to USAID that the standard grant model would miss. They designed the program around two controlling ideas.

"First, great ideas come from all different people and places," O'Neill said. "We wanted to have an easy mechanism for the world's great ideas to come to USAID and for us to incubate them. Second, scale is what's important. USAID and others working hard in development innovate all the time. But we don't always think systematically, 'How do we scale that across the globe?' How do you build to scale in thinking about an idea from the very beginning?"

O'Neill points to the company SiGNa Chemistry's E-bike as an example of innovation that might have slipped through the cracks if not for DIV.

The E-bike uses an affordable fuel-cell cartridge containing sodium silicide, which produces hydrogen when it comes in contact with water. Its only emissions are water vapor and air, and its byproduct is sodium silicate, a harmless substance found also in toothpaste. The E-bike can travel 100 miles on a charge and could be an affordable alternative to the motor scooters and their internal-combustion engines that are so popular in underdeveloped nations. Additionally, the fuel cell can be detached and used as a stand-alone power source for anything from cell phones to small pumps.

For other innovations, O'Neill said, the difference in DIV's approach isn't in the project so much as the speed with which it can be implemented. The University of California, San Diego, received funding to measure the effectiveness of a mobile SMS election-monitoring platform in reducing fraud in Afghanistan's parliamentary elections in September.

"Could we have done this through a democracy-in-governance program?" O'Neill said. "Yes. Could we have had that idea come to us in August, contract it in

September for an election that's in September, and have results in the beginning of November? That is virtually unheard of."

Proposals are being accepted for projects in Stage 1 (proof of concept), Stage 2 (building to scale and testing rigorously) and Stage 3 (scaling throughout a country or province and starting implementation in two other countries). Six of the first eight grants from the DIV program are going to Stage 1 projects. Depending on their success, they may or may not receive Stage 2 and Stage 3 funding.

"Just like in venture capital," O'Neill said, "you seed a lot of things, but only some of them grow up to be the eBays and the Amazons."

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