

American

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Farmers Need More Market Information, Secretary Clinton Says	1
U.S. Officials Praise Strength of Security Ties with Europe.....	1
U.S. Says Commitment to Rights Unwavering in Middle East.....	2
U.S., Chinese Senior Officials Set to Meet May 8–10	3

Farmers Need More Market Information, Secretary Clinton Says

By Kathryn McConnell
Staff Writer

Washington — Market-based approaches to food production and access can blunt the negative impact of rising global food prices, Secretary of State Hillary Rodham Clinton says.

“Rising food prices can have a positive effect if they send a signal to farmers to grow and sell more,” Clinton said May 6 to leaders of United Nations agencies and international groups at the Food and Agriculture Organization (FAO) in Rome. “But that can only happen if there is transparency in markets and stocks so signals about prices and supply are accurately received.”

In February, world food prices peaked. They fell slightly in March, and in April remained steady, FAO reports in its latest Food Price Index, released May 5. Because production is not keeping pace with population growth, “if we do not act now to increase the opportunity for food security, we may never catch up,” Clinton said.

Clinton encouraged countries to improve and share information about food production; abstain from export bans, quotas and taxes; discourage panic buying and hoarding; and establish programs to get food to the people at greatest risk. In 2007 and 2008, some countries enacted “unwise” policies like export bans on rice, which spurred panic buying and hoarding and discouraged farmers from increasing production, she said.

She praised the FAO for launching a series of regional meetings to promote sound policies. The United States is a co-sponsor of those meetings.

Clinton said the U.S. Feed the Future initiative adopted in 2010 and commitments by other countries reflect a reversal of a two-decade decline in agricultural development investment. The \$3.5 billion U.S. effort aims to generate an additional \$70 million from private investors.

Current investments target “the entire agricultural chain” from developing better seeds, to connecting farmers to local markets, and connecting those to regional and global markets, she said. Programs funded by the investments teach communities about the benefits of better nutrition and encourage farmers to diversify their crops to reduce risk.

Clinton said investments connect researchers with nonprofit groups that can help turn breakthroughs like nutrition-enhanced and disease-resistant seeds into “real

gains for farmers.” Feed the Future investments support women farmers, who do much of the agriculture work in developing countries and who need access to land, credit and better seeds and fertilizer. “When we invest in women producers, we get a double benefit now and in the next generation,” Clinton said.

Feed the Future also spotlights nutrition, particularly in the 1,000-day period from the start of a woman’s pregnancy until her child’s second birthday. That period has the greatest impact on lifelong cognitive and physical capacity, she said. In 2010 at the United Nations, the United States and the Irish government launched the three-year 1,000 Days initiative.

“We’ve developed new solutions,” Clinton said. “But this is only the beginning.”

FOOD PRICE INDEX

Although global food prices remained steady in April from March, they were 36 percent higher than in April 2010 and only 2 percent below their peak in February, according to the FAO’s Food Price Index. The index is a measure of the monthly change in international prices of a basket of food commodities.

While international grain prices increased sharply in April, the rise was offset by declines in prices for dairy products, sugar and rice. Oils and meat prices were mostly unchanged.

Indications point to a recovery in world cereal production in 2011 if more normal weather conditions prevail, the report says. Wheat production is expected to increase by 3.5 percent and rice by 3 percent, FAO said.

U.S. Officials Praise Strength of Security Ties with Europe

By MacKenzie C. Babb
Staff Writer

Washington — The United States and its European allies have created a global alliance against terror that leaders should continue to enhance to prevent future attacks, according to senior U.S. security officials.

Ambassador Daniel Benjamin, the State Department’s coordinator for counterterrorism, and Deputy Assistant Homeland Security Secretary Mark Koumans testified before a House Foreign Affairs subcommittee May 5.

“The magnitude and breadth of the terrorist challenge makes clear that no country or organization can defeat it alone. And the United States will ... continue to work closely with our partners around the world, especially our

capable and willing European allies, to identify areas where further work remains to be done and how we can further collaborate ever more effectively," Benjamin said, adding that "only through such cooperation can we succeed."

He emphasized the importance of information sharing and collaboration in working to combat terrorism, and said the United States and the European Union are committed to fostering such cooperation.

Benjamin said U.S. counterterrorism work with Europe "spans the globe," highlighting U.S.-NATO cooperation on stability in Afghanistan and "vital" joint work to strengthen governance and the capabilities of regional partners to deny terrorists a safe haven.

Both Benjamin and Koumans discussed the May 1 death of al-Qaida leader Osama bin Laden, calling it an important strategic success not just for the United States, but for the world. Bin Laden was killed when U.S. military forces launched an operation against the compound in which he was hiding in Abbottabad, Pakistan. President Obama, in a televised address to the American people May 1, said that after a brief firefight, the special operations forces killed bin Laden and took custody of his body.

Koumans recognized statements of support for the operation from European leaders, including European Union Commission President José Manuel Barroso and EU Counterterrorism Coordinator Gilles de Kerchove.

The United States went after al-Qaida after the group launched attacks that killed nearly 3,000 people in New York, Virginia and Pennsylvania on September 11, 2001. Al-Qaida was also responsible for the 1998 bombings of the U.S. embassies in Kenya and Tanzania and the attack on the USS Cole in Yemen in 2000. The terrorist organization has also claimed responsibility for attacks around the globe that killed innocent civilians in markets, mosques, subway stations and aircraft.

Benjamin called bin Laden's death a "victory for the United States and for all human beings who seek to live in peace, security and dignity," but added the fight against terrorist groups like al-Qaida is not over.

Representative Dan Burton, chairman of the House Foreign Affairs Subcommittee on Europe and Eurasia, emphasized the importance of sharing information resources and successful practices. He said the United States "can learn from the approaches taken" by its European allies.

Koumans also underscored the significance of cooperation, calling security "more of a shared

responsibility than ever before."

U.S. Says Commitment to Rights Unwavering in Middle East

By Jeff Baron
Staff Writer

Washington — U.S. diplomats overseeing human rights and Middle East policy say their work in supporting the pro-democracy movement in the Arab world is pragmatic as well as principled.

"When people talk about a conflict between our democratic values and our desire for stability, that's a false dichotomy," Assistant Secretary of State Michael Posner told a House Foreign Affairs subcommittee May 5. "The United States has a profound interest in regional stability. ... And we believe the respect for human rights and principles of accountability are actually key components in long-term stability."

Posner, who oversees the State Department's Bureau of Democracy, Human Rights and Labor, and Tamara Wittes, the deputy assistant secretary of state for Near Eastern affairs, offered testimony on U.S. responses to what they called the Arab Spring. Although the situation in each country is different, in all cases "our strategy is one of empowerment," Posner said.

"We support and empower those in the region who are committed, as we are, to peaceful and democratic transition," he added.

Wittes said U.S. interests in the region benefit from stability, but she said that means governments that are more democratic and responsive, not less so. "The changes under way in the region were driven by a rising generation unwilling to accept a status quo that denied them the opportunities they deserved, and a status quo that they knew was unsustainable. That's a situation characterized by corruption, inequality, unemployment, resource depletion and political marginalization," she said.

Posner said the United States is helping the transition to new forms of government in Tunisia and Egypt with aid for building democratic institutions, including political parties, where political participation had been limited. In Egypt, he said, "building the foundation for sustainable democracy" will take years, not months. U.S. aid also is going to economic development to help drive down high unemployment rates.

"Other states, including Jordan, Morocco, and Oman, have taken some initial positive steps toward political and economic reform, but all have more to do," he said in

written testimony. "In others, including Yemen and Bahrain, for example, much more work remains to reverse disturbing trends, hold security forces accountable for abuses, and initiate democratic reforms that improve equality and participation."

The officials offered some specifics, country by country:

- In Egypt, they said, the United States will watch whether the transitional military government lifts emergency law before elections, as promised, and frees people arrested and, in some cases, sentenced for political protest. The United States also is concerned about sectarian violence, legal discrimination against religious minorities and the limited role of women in the transition.
- They offered strong praise for Tunisia's interim government, which is supporting human rights and moving toward the election this summer of a constituent assembly to draft a new constitution. U.S. aid is supporting the transition.
- In Yemen, they said, the United States supports "a peaceful and orderly transfer of power in accordance with the Yemeni people's demand for better governance that is more responsive to their needs and aspirations."
- In Bahrain, the diplomats said, they are "deeply concerned" about what they called the government's "campaign of retribution against elements of the political opposition, civil society, professional groups including medical practitioners, and Shia community leaders."
- In Syria, too, they reiterated U.S. condemnation of the government's crackdown against peaceful demonstrators and others who have supported human rights and democratic reforms.
- And in Libya, they cited the U.S. role in hindering Muammar Qadhafi's attacks on opponents. In each case, they said, the U.S. effort has come in cooperation with other nations in multinational groups: the U.N. Human Rights Council, the European Union and the Arab League, among others.

U.S., Chinese Senior Officials Set to Meet May 8-10

By Merle David Kellerhals Jr.
Staff Writer

Washington — The third round of the U.S.-China Strategic and Economic Dialogue will be held in Washington May 8-10, with the focus on a broad range of issues, including trade, currency rates, North Korea and Iran, cooperation on counterterrorism, climate change, intellectual property rights and innovation, senior U.S. officials say.

Secretary of State Hillary Rodham Clinton and Treasury Secretary Timothy Geithner will be joined for the dialogue by the Chinese co-chairs, Vice Premier Wang Qishan and State Councilor Dai Bingguo. In addition, Federal Reserve Chairman Ben Bernanke and China's central bank governor Zhou Xiaochuan will hold talks, and senior military representatives from the Pentagon and Beijing are also expected to meet.

The dialogue was initiated by President Obama and Chinese President Hu Jintao in 2009.

"The objective of the Strategic and Economic Dialogue is to bring together across both governments the right people at the right level to talk about, engage and make progress on issues of concern to both countries," says Treasury's David Loevinger, who is senior coordinator and executive secretary for the dialogue. "We will discuss these challenges candidly but constructively with our Chinese counterparts."

Assistant Secretary of State Kurt Campbell said at a May 5 briefing with Loevinger that efforts will be made for Clinton and Dai to address a range of issues that begin with regional security, such as where efforts stand with the Six-Party Talks and North Korea over its nuclear weapons development program, joint efforts on trying to convince the Iranian regime to also forgo its efforts to develop nuclear weapons, and issues in Sudan and elsewhere.

The dialogue will bring a number of federal agencies into the discussions with their Chinese counterparts to more effectively tackle issues such as energy security, development and food assistance, Campbell told reporters. Coupled with these talks are meetings between military leaders from both countries.

"I think our goal here is to create greater understanding around issues that have the potential for miscalculation and inadvertence in our relationship, and I think we all recognize that these security issues are increasingly important in the smooth management of our relationship going forward," Campbell said.

Loevinger said the United States would press China to let its currency exchange rate adjust at a faster pace to correct its still substantial undervaluation. He noted that 18 months ago China's exchange rate was frozen, and since June 2010 it has appreciated by about 5 percent against the U.S. dollar, and at an annual rate of about 10 percent after accounting for China's higher inflation rate.

Geithner told the U.S.-China Business Council May 3 that "over the past two years, we have seen the beginning of promising shifts in the economic policy in China that have the potential to benefit China, the United States and the

world as a whole.”

Geithner also said that for many years China built an economic strategy that depended on exports. But today, he told business leaders, China is committed to transforming its economy into one where growth is generated primarily through domestic demand. China has committed in the Group of 20 advanced economies to reducing future external trade imbalances.

The Chinese, for their part, are expected to want continued access to U.S. markets, greater access to U.S. high-technology exports, recognition as a market economy and new investment opportunities for Chinese businesses in the United States, Loevinger said.

“The United States welcomes investment from China,” Geithner said. “And Chinese investment in the United States is growing rapidly. A recent survey suggests Chinese investors see America as one of the most attractive markets in the world and one of the easiest in which to do business.”

“We are willing to continue to make progress on these and other issues that matter to China, but our ability to do so depends on how much progress we see from China on the issues that matter most to us,” Geithner added.

The United States will have 16 agency executives participating in the two days of talks. They include Commerce Secretary Gary Locke, Labor Secretary Hilda Solis and Securities and Exchange Chairman Mary Schapiro. China will be represented by about 20 agencies in economic affairs, eight at the agency chief level, including Finance Minister Xie Xuren, Minister of Science and Technology Wan Gang and Commerce Minister Chen Deming.

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