

American

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President Obama Seeks to Attract More Foreign Investors to United States

By Jane Morse | Staff Writer | 31 October 2013

Washington – The United States has the most appealing investment environment in the world, and it's going to get even better, says President Obama.

Addressing some 1,200 business people from nearly 60 countries and 47 U.S. states who attended the SelectUSA 2013 Investment Summit, Obama said: "When we do business together, and when we trade and forge new partnerships, it's good for all of us."

"America is open for business," Obama said October 31 at the event, held in Washington. "After a decade in which many jobs left the United States to go overseas, now we're seeing companies starting to bring jobs back because they're seeing the advantages of being located here," he said.

Obama launched SelectUSA in 2011 as the first U.S. government wide initiative to promote investment in the United States. But the 2013 event is the first to vigorously pursue foreign companies and investors and make it easy for them to connect with local, state and regional economic development organizations.

The SelectUSA 2013 initiative launches a number of "firsts," according to the White House. Specifically, the Obama administration is creating the first coordinated advocacy process to link international teams with senior government officials all the way up to the president to recruit businesses that bring jobs to the United States.

For example, SelectUSA will create single points of contact for businesses looking to bring jobs and production to the United States. This will include greater coordination between SelectUSA headquarters in Washington, in-country resources at U.S. embassies and state-based economic development organizations.

At the 2013 event, a new report was released from the U.S. Commerce Department and the White House Council of Economic Advisers that spotlights the factors that have made the United States the destination of choice for foreign direct investment. These, according to the report, include a skilled workforce, world-class research universities, adequate infrastructure, new energy sources, a stable market, the world's largest economy, an open investment environment and a long-standing commitment to rule of law.

"You can depend on our rules of the road to stay constant and transparent – including our gold standard in intellectual property protection, as supported by the

Commerce Department," said U.S. Secretary of Commerce Penny Pritzker, who spoke at the event. In addition to Pritzker, Secretary of State John Kerry, Treasury Secretary Jack Lew and U.S. Trade Representative Michael Froman were scheduled to deliver remarks during the October 31–November 1 event.

The United States is the largest recipient of foreign direct investment in the world, with stock of more than \$2.6 trillion dollars – including \$166 billion that flowed into the country in 2012 – according to data provided by the White House. Obama said the goal of his administration is to build on that success.

The United States, Obama said, has "a tradition here of tackling new challenges, adapting to new circumstances, seizing new opportunities."

"And that's one of the reasons," the president said, "that history shows over the last two centuries that when you bet on America, that bet pays off."

President Obama, Maliki to Discuss Extremist Threats to Iraq

By Stephen Kaufman | Staff Writer | 30 October 2013

Washington – President Obama and Iraqi Prime Minister Nouri al-Maliki will discuss ways to counter the re-emergence of al-Qaida in Iraq, which now calls itself the Islamic State of Iraq in the Levant, when the Iraqi leader visits the White House November 1.

Speaking to reporters in an October 30 conference call, a senior Obama administration official who asked not to be identified said Iraq's security situation is one of several core areas on which the two leaders will focus.

The United States and Iraq will also be cooperating to promote Iraq's unity, including improving relations among its Arab and Kurdish communities, increasing Iraq's oil exports, facilitating Iraq's regional integration and supporting Iraq's democratic development with an eye to national elections scheduled for no later than the end of April 2014, the senior official said.

Maliki and a senior Iraqi delegation met with Vice President Biden in Washington October 30 for two hours of talks including discussions on "the threats Iraq faces, about our mutual interests as we pursue both stability in Iraq but also the broader regional threats that we face," the official said.

The leader of the Islamic State of Iraq in the Levant, Abu Bakr al-Baghdadi, is believed to be based in Syria and the organization "is now a transnational threat network," the official said. It includes camps and staging areas in western Iraq that have been difficult for Iraqi forces to

target.

Over the past six to eight months, the threat has accelerated, with 38 suicide bombings in the past month alone. The official said that while Iraqi security forces have been targeted, most victims have been Shiite civilians. The organization has included playgrounds, marketplaces, mosques, weddings and funerals in its targeting, the official said.

The Obama administration is working with the U.S. Congress to provide Iraqi security forces with more military equipment and is sharing intelligence information with the government to help it better understand the threats it is facing. However, combating the extremists requires a focus on improving political and economic conditions, as well as security measures, the official said.

Recruiting local tribes helped to "turn the tide" against al-Qaida in Anbar province in response to the terrorist attacks that took place before 2009.

Regarding Iraqi democracy-building efforts, the official said the country has new provincial councils following local elections held in April, and Iraqi officials are now negotiating the final clauses on the country's election law ahead of national elections in spring 2014.

"We are working ... with the [Iraqi Elections] Commission and also the United Nations to make sure these elections are technically prepared and that they happen on time and lead to a genuine and credible result," the official said.

Canadian-U.S. Study Sees Coral Reef Adaptation to Climate Change

30 October 2013

Washington — Coral reefs may be able to adapt to moderate climate warming, improving their chance of surviving through the end of this century, if there are large reductions in carbon dioxide emissions, according to a study funded by the National Oceanic and Atmospheric Administration (NOAA) and conducted by agency scientists and international academic partners.

Results further suggest corals have already adapted to part of the warming that has occurred, the agency said.

"Earlier modeling work suggested that coral reefs would be gone by the middle of this century. Our study shows that if corals can adapt to warming that has occurred over the past 40 to 60 years, some coral reefs may persist through the end of this century," said study lead author Cheryl Logan, an assistant professor in California State University Monterey Bay's Division of Science and

Environmental Policy, according to an October 29 NOAA press release. The scientists from the university and from the University of British Columbia were NOAA's partners in the study.

Warm water can contribute to a potentially fatal process known as coral "bleaching," in which reef-building corals eject algae living inside their tissues. Corals bleach when oceans warm only 1-2 degrees Celsius (2-4 degrees Fahrenheit) above normal summertime temperatures. Because those algae supply the coral with most of its food, prolonged bleaching and associated disease often kill corals.

Tropical coral reef ecosystems are among the most diverse ecosystems in the world and provide economic and social stability to many nations in the form of food security, where reef fish provide both food and fishing jobs, as well as economic revenue from tourism, NOAA said.

The study, published online in the journal *Global Change Biology*, explores a range of possible coral adaptive responses to thermal stress previously identified by scientists, NOAA said. The research suggests that coral reefs may be more resilient than previously thought from the results of past studies that did not consider effects of possible adaptation, NOAA said.

The study projected that, through genetic adaptation, the reefs could reduce the currently projected rate of temperature-induced bleaching by 20 percent to 80 percent of levels expected by the year 2100, if there are large reductions in carbon dioxide emissions.

"The hope this work brings is only achieved if there is significant reduction of human-related emissions of heat-trapping gases," said Mark Eakin, director of the NOAA Coral Reef Watch monitoring program, which tracks bleaching events worldwide. "Adaptation provides no significant slowing in the loss of coral reefs if we continue to increase our rate of fossil fuel use."

"Not all species will be able to adapt fast enough or to the same extent, so coral communities will look and function differently than they do today," Logan said.

The paper focuses on ocean warming, but many other general threats to coral species have been documented that affect their long-term survival, such as coral disease, acidification and sedimentation. Other threats to corals are sea-level rise, pollution, storm damage, destructive fishing practices and direct harvest for ornamental trade, NOAA said.

According to the *Status of Coral Reefs of the World: 2000 Report*, coral reefs have been lost around the world in recent decades, with almost 20 percent of reefs lost

globally to high temperatures during the 1998–1999 El Niño and La Niña, and an 80 percent loss of coral cover in the Caribbean was documented in a 2003 paper. Both rates of decline have subsequently been documented in numerous other studies as an ongoing trend.

The article calls for further research to test the rate and limit of different adaptive responses for coral species across latitudes and ocean basins to determine if, and how much, corals can actually respond to increasing thermal stress.

In addition to Logan, the other authors of the paper were John Dunne, NOAA Geophysical Fluid Dynamics Laboratory; Eakin, NOAA's Coral Reef Watch; and Simon Donner, Department of Geography at the University of British Columbia. NOAA's Coral Reef Conservation Program funded the study.

NOAA plays an important role in the comprehensive U.S. effort and international programs to address climate change.

The agency's resources are supported by global climate observation and monitoring networks, world-renowned scientists and state-of-the-art climate models.

NOAA collaborates with scientists, nationally and internationally, to collect and share critical atmosphere and ocean data to use in state-of-the-art models to improve weather and climate predictions worldwide.

U.S. Sees Seeds of Egyptian Democracy, but Withholds Aid

By Charlene Porter | Staff Writer | 29 October 2013

Washington — The Obama administration is maintaining a delicate balance in its response to the upheaval that has accompanied Egypt's third different government since 2011. Administration officials testified in front of the House of Representatives Foreign Affairs Committee October 29 to explain the policy and its objectives.

Violence used by the ruling military government against protesting crowds in July and August demanded a "recalibration of our assistance to Egypt," said Beth Jones, acting assistant secretary of state for Near Eastern Affairs. The administration decided to withhold delivery of several major weapons systems, while still maintaining military-to-military relationships and programs supporting activities such as entrepreneurship, democracy-building, and women and minority rights.

"The decision represents an effort to ensure that assistance continues and is directed toward core U.S. interests, including helping Egypt secure its borders and the Sinai, prevent the flow of weapons into Gaza that

threaten Israel, and counter terrorists seeking to attack U.S. and Egyptian interests," Jones testified to the committee.

The action is intended to help Egypt sustain its important position in regional security while still sending a message that progress must be made toward the peaceful transition to a democratic state that Egyptians want.

Some lawmakers questioned whether the suspension of military aid could endanger an important U.S. relationship, but an international development official said economic and civil society aid programs are the "cornerstone of the bilateral relationship." Deputy Assistant Administrator Alina Romanowski of the U.S. Agency for International Development (USAID) said most programs engaging youth, civil society and private enterprise proceed without interruption.

USAID has just authorized another \$60 million investment in the Enterprise Fund, Romanowski said, a vehicle to promote development of the private sector and small business. The agency is also following through on improving community health programs, private schools, voter education and women's empowerment, she said.

"While we will continue to provide support for the Egyptian people, we are not moving forward with the \$260 million cash transfer that was to be provided directly to the government of Egypt and the \$300 million in loan guarantees that were under consideration for fiscal year 2014," Romanowski told the committee.

Egypt's military seized power from President Mohamed Morsy after massive protests erupted against the policies Morsy pursued in the year after his election in June 2012. The government is following a road map toward a new democratic government, viewed as a positive sign in the Obama administration's analysis. Economic policy reforms to allow greater opportunity and reduce corruption must be part of that transition, Jones said.

"It will be critical for the interim government and its successor to take measures to ease the concerns of the business community and domestic and international investors, and to attract new economic opportunities for Egyptians," Jones said.

While the administration's "recalibration" of the aid relationship has suspended delivery of new weapons systems, it has not diminished the strength of the military-to-military relationship. Interaction between the U.S. and Egyptian military officials is "continuous" and "daily," said Derek Chollet, the assistant secretary of defense for international security affairs, who was also on the administration panel before the committee.

“The closeness that we have developed over the three decades of working together has paid great dividends in the last several months in which we’ve needed those close contacts and close relationships,” Chollet said.

While some committee members questioned whether decades of U.S. foreign assistance to Egypt has yielded much progress, Jones reminded the members that 30 years ago, when she joined the State Department, Egypt was in the sphere of the Soviet Union. The close military-to-military relationship of mutual training and communication wasn’t even imagined, she said.

Secretary Kerry Says Arms Reduction Treaty Creates Openness, Lessens Risk

By Merle David Kellerhals Jr. | Staff Writer |
29 October 2013

Washington — A nuclear disarmament treaty signed by the United States and Russia three years ago is a practical, common-sense approach that is needed to address the nuclear weapons threat, says Secretary of State John Kerry, and it creates an openness not seen before in arms reduction efforts.

It’s not radical, and it’s not ideological, but it works, Kerry said of the arms reduction treaty known as New START. The treaty reduces the number of nuclear warheads to its lowest level since the early 1950s.

“It increases transparency, and it gives us much greater visibility into Russia’s nuclear activities, and they to us, which helps build confidence and actually reduces risk,” Kerry said October 28 during an evening address at the U.S. Institute of Peace. “It ensures that a strong nuclear deterrent remains the cornerstone of U.S. national security and that of our allies and our partners.”

The New START is a critical centerpiece for the president’s foreign policy program and reflects his broader view of a world without nuclear weapons and the destructive threat they pose, Kerry said. The treaty was signed by President Obama and then-Russian President Dmitry Medvedev on April 8, 2010, in Prague and ratified by the U.S. Senate in December of that year. Obama was awarded the 2009 Nobel Peace Prize for his efforts to foster global arms control and nonproliferation efforts.

Devising solutions and answering the question that asks “What will make the world safer?” is no longer just the responsibility of the nuclear superpowers as it was during the Cold War era, or the United States alone, Kerry said. It is the responsibility of all states, Kerry said, because they can and must contribute to the conditions for disarmament and nonproliferation.

“Peace will be, as President Kennedy said, the product of

many nations, the sum of many acts,” Kerry said.

Kerry said the president also sees the need for a related accomplishment: ratification of the 1996 Comprehensive Nuclear Test Ban Treaty (CTBT), which would ban all nuclear explosions in all environments whether military or civilian. The United States has signed the treaty, but has not ratified it. Kerry said there is a need for more nonpartisanship, more education and more advocacy to finally bring approval of the CTBT to ratification.

“Today we can maintain a safe and secure and effective arsenal without resorting to explosive testing. In a way we couldn’t 14 years ago — we didn’t know how — today we have a much more advanced monitoring capacity that will ensure that the treaty is, in fact, verifiable and reliable,” Kerry said, responding to critics who had argued against ratification, saying that the CTBT could not be verified or enforced.

There are those who have questioned the twin U.S. strategies of disarmament and nonproliferation, Kerry said, arguing that it is an inconsistent security strategy that weakens the United States and weakens the deterrent value of maintaining a nuclear arsenal. “But the simple truth remains that while our ability to deter our adversaries and protect our allies will never be compromised, as President Obama has made clear, we have more nuclear weapons today than we need to meet that standard,” he added.

The New START, which replaces the 1991 Strategic Arms Reduction Treaty (START), requires the United States and Russia to limit strategic nuclear warheads to 1,550 for each country, which is down from the current limit of 2,200 warheads, and 700 launchers. The treaty also requires on-site verification inspections, which had lapsed in December 2009 when START expired.

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. Additionally, the treaty provides for detailed and regular, mutual on-site inspections of each’s nuclear arsenals to assure compliance and implementation of the immense technical aspects of nuclear arms reduction programs.

The first START in 1991 took the number of deployed nuclear weapons down from about 12,000 warheads on each side to about 6,000, then the Moscow Treaty in 2002 reduced that number to a range of 1,700 to 2,200.

Secretary Kerry: Assad's War of Starvation

28 October 2013

The following commentary by Secretary of State John Kerry appeared on the Foreign Policy website October 28, 2013. There are no republication restrictions for use by U.S. embassies.

Assad's War of Starvation

By John Kerry

The Syrian regime is blocking delivery of vital food, medical, and humanitarian aid. And with winter coming, thousands of lives hang in the balance.

The world already knows that Bashar al-Assad has used chemical weapons, indiscriminate bombing, arbitrary detentions, rape, and torture against his own citizens. What is far less well known, and equally intolerable, is the systematic denial of medical assistance, food supplies, and other humanitarian aid to huge portions of the population. This denial of the most basic human rights must end before the war's death toll -- now surpassing 100,000 -- reaches even more catastrophic levels.

Reports of severe malnutrition across vast swaths of Syria suffering under regime blockades prompted the United Nations Security Council to issue a presidential statement calling for immediate access to humanitarian assistance. To bolster the U.N.'s position, every nation needs to demand action on the ground -- right now. That includes governments that have allowed their Syrian allies to block or undermine vital relief efforts mandated by international humanitarian law.

Simply put, the world must act quickly and decisively to get life-saving assistance to the innocent civilians who are bearing the brunt of the civil war. To do anything less risks a "lost generation" of Syrian children traumatized, orphaned, and starved by this barbaric war.

The desperation can be eased significantly, even amid the fighting. Working through the regime, with assistance from Russia and others, inspectors from the Organization for the Prohibition of Chemical Weapons are proving every day that professionals can still carry out essential work where there is political will. If weapons inspectors can carry out their crucial mission to ensure Syria's chemical weapons can never be used again, then we can also find a way for aid workers on a no less vital mission to deliver food and medical treatment to men, women, and children suffering through no fault of their own.

The U.S. government has undertaken significant efforts to alleviate the suffering. Since the beginning of the Syrian crisis, the United States has led international donors in contributing nearly \$1.4 billion for humanitarian

assistance. Aid has been distributed to every section of Syria by leading international agencies, including the U.N. Refugee Agency, the World Food Program, the International Committee of the Red Cross, the Syrian Arab Red Crescent, and top-notch non-governmental groups.

Most of these aid workers are courageous Syrians who risk their safety to cross shifting battle lines for the good of others. They have performed miracles and saved thousands of lives. In return, they have been subjected to a catalog of horrors. They have been harassed, kidnapped, killed, and stopped at every turn from reaching the innocent civilians desperately clinging to life.

The obstacles exist on both sides of the war. Outside observers from the U.N. and non-governmental organizations have chronicled the ways in which extremist opposition fighters have prevented aid from reaching those in need, diverting supplies and violating the human rights of the people trying to deliver them.

But it is the regime's policies that threaten to take a humanitarian disaster into the abyss. The Assad government is refusing to register legitimate aid agencies. It is blocking assistance at its borders. It is requiring U.N. convoys to travel circuitous routes through scores of checkpoints to reach people in need. The regime has systematically blocked food shipments to strategically located districts, leading to a rising toll of death and misery.

The U.N. statement earlier this month calls on all parties to respect obligations under international humanitarian law. It sets out a series of steps that, if followed, would go a long way in protecting and helping the Syrian people. Convoys carrying aid need to be expedited. Efforts to provide medical care to the wounded and the sick must be granted safe passage. And attacks against medical facilities and personnel must stop.

Merely expecting a regime like Assad's to live up to the spirit, let alone letter, of the Security Council statement without concerted international pressure is sadly unrealistic. A regime that gassed its own people and systematically denies them food and medicine will bow only to our pressure, not to our hopes. Assad's allies who have influence over his calculations must demand that he and his backers adhere to international standards. With winter approaching quickly, and the rolls of the starving and sick growing daily, we can waste no time. Aid workers must have full access to do their jobs now. The world cannot sit by watching innocents die.

(John Kerry is the U.S. Secretary of State.)

Efficiency Up, Emissions Down as U.S. Moves to Low-Carbon Economy

By Charlene Porter | Staff Writer | 28 October 2013

Washington — The United States is making steady progress in reducing energy consumption, increasing efficiency and deploying alternative energy technologies, actions that contribute to lower levels of greenhouse gas (GHG) emissions and could transform the country to a low-carbon economy.

Energy Secretary Ernest Moniz offered that overview of the nation's progress in a speech at a Washington research and analysis organization October 24. The Center for Strategic and International Studies invited Moniz to speak in recognition of the 40th anniversary of the Arab oil embargo, an action that jolted the United States into a new reality regarding energy consumption and sources.

By many analyses, the embargo sparked new U.S. awareness about the political and economic price of oil, motivated investments in energy efficiency and alternative fuels, and led to the creation of the Department of Energy (DOE). The department is a wellspring for energy innovation and research, but also conducts extensive analysis and produces voluminous data on energy sources, markets, consumption and other key trends in the sector.

A lesser reliance on oil, achieved through greater diversification in energy sources, Moniz said, is one of the most significant changes in the nation's energy profile since the 1970s. "Besides oil, gas, nuclear, wind, solar and other renewables, biofuels are now 10 percent of the supply."

Moniz said the nation has made a "huge advance" in how it uses oil, especially in the auto fleet. Vehicles of 1973 averaged about 11 miles per gallon (4.7 km/liter) of fuel. Federal standards adopted in the embargo's aftermath required manufacturers to increase vehicle fuel efficiency.

As a result, the average 21st-century vehicle will travel more than twice the distance of 1970s-era vehicles using an equal amount of fuel. Vehicles today average almost 25 mpg (10.6 km/liter), Moniz said, and the industry is working to meet an average of 50 mpg (21.3 km/liter) by 2025.

Developing alternative-fuel vehicles is a key strategy toward reducing the nation's oil dependence, reducing GHGs and moving toward a low-carbon economy, he said. Hybrid gasoline-electric vehicles have made strong progress in the U.S. market with consumer adaptation exceeding the pace projected several years ago. Technologies for biofuel vehicles and all-electric vehicles are still evolving to become price-competitive with

gasoline-powered vehicles, but industry and market interest is accelerating the process.

"These technologies are not as far out as people think," Moniz said.

Lighting is another energy-consumption sector where use of more efficient technology is moving in a positive direction, Moniz said. Commercial and residential lighting consumes 12 percent of U.S. electricity production, according to the Energy Information Administration, the DOE research office.

Better, more efficient light bulbs have been on the market for some while, but they have been high-priced. Many consumers have been slow to pay more for the initial light bulb purchase, despite the knowledge that the new light-emitting diode (LED) technology will last far longer than the standard light bulb. This technology, barely changed in a century, is notoriously poor in efficiency, losing significant amounts of energy in waste heat.

Moniz said he expects a sharp change in consumer behavior, since WalMart, the nation's largest retailer, dropped the price of the bulbs by about one-third in recent weeks. Price reduction also appears to be leading to increased adaptation of a new solar technology, Moniz said, signifying further incremental progress toward a low-carbon, clean-energy economy.

DOE, energy researchers and energy companies are all working to research, develop and deploy a broader, more diverse portfolio of sources and technologies. All these paths lead in the same direction, Moniz said, to lower costs so cleaner technologies are competitive and can create a low-carbon future.

In a related development, the U.S. Environmental Protection Agency announced October 23 that GHG emissions from electric power plants have declined about 10 percent over the last two years. The decline is attributed to a wide-scale shift in the industry from coal to natural gas as a fuel choice.

(This is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://iipdigital.usembassy.gov>)