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POWELL CALLS ON OTHER COUNTRIES TO INFLUENCE SUDAN'S GOVERNMENT

Secretary says money is needed for humanitarian assistance, troops in Darfur

U.S. Secretary of State Colin Powell says he is disappointed that more nations have not made the clear statement that genocide is occurring in the Darfur region of Sudan, as he has done.

In a September 28 interview with radio host Michael Reagan (son of former President Ronald Reagan), Powell said that Russia, China, Algeria and Pakistan have taken no position on the matter because of their concern about the use of sanctions and their commercial interests in the region.

"We've got to work on them," he said. "I'm appealing to them in a different way, other than voting for a resolution, since they do have commercial interest in there and they do have influence in there, to use that interest and influence to get the Sudanese government to do the right thing."

The Darfuris, he added, "were poor people who were hungry before the war broke out and now they are in much more desperate straits, 1.2 million of them. But we are getting aid to them and we are trying to stabilize their situation and ultimately get them back to their homes.

"It is not a situation that's going to be resolved overnight. ... The food is now flowing. There is humanitarian aid getting in and there is medical care getting in.

And we're still negotiating with the other group down south, the SPLM [Sudan People's Liberation Movement] under Dr. John Garang, to complete the comprehensive peace agreement between the north and south, and then we can hopefully use that success to solve the problem in Darfur," Powell said.

The secretary also said the hope is to get the additional African Union (AU) monitors into Darfur over the next couple of months, adding: "It is not that easy. You just don't pick up troops and drop them into that part of the world. It's very, very austere living. They don't have a logistics infrastructure. We'll have to help create that with contractors. We'll have to help provide airlift to get them in there and to sustain them there and to get them the helicopters, the trucks, the vehicles and everything else they need to get around and do their job that they now don't have."

COMMERCE SECRETARY CONFIDENT CHINESE ECONOMY CAN AVOID CRASH

Under Secretary Aldonas sees progress in China
against copyright piracy

By Bruce Odessey
Washington File Staff Writer

Washington -- Policy makers in China should be able to avert a crash while guiding the Chinese economy to a more manageable pace of expansion, U.S. Commerce Secretary Donald Evans says.

In September 29 remarks to the President's Export Council (PEC) meeting in Washington, Evans said he views China's leadership as fully competent to restrain unsustainably fast growth in that country.

The International Monetary Fund projects that the Chinese economy, which grew 9.1 percent in 2003, will expand 9.0 percent in 2004 and 7.5 percent in 2005.

"I think they will be able to manage a slowdown of the economy without a hard landing," Evans said.

U.S. exporters are eager to sell more to the Chinese market. At its meeting, PEC appointed a task force to

examine why the European Union exporters ship about 50 percent more, and Japanese about 100 percent more, to China than U.S. exporters do.

From January through July, the United States ran a bilateral trade deficit with China of \$83.4 billion, nearly twice as much as the next largest bilateral deficit, that with Japan.

Evans reiterated the Bush administration view that China is moving, slowly perhaps, away from fixing the value of the yuan at 8.3 to the U.S. dollar, a policy viewed as giving Chinese exporters an unfair price advantage.

The Chinese have committed to shift to a flexible exchange system by developing a currency futures market, relaxing restrictions on cross-border capital flows and restructuring their banks.

At the PEC meeting, Treasury Deputy Secretary Sam Bodman said the Chinese are looking to the United States and elsewhere for guidance on bank restructuring, realizing that their bank lenders lack the experience to make profitable loans.

"They have a big banking problem," Bodman said.

Grant Aldonas, under secretary of commerce, told the PEC meeting that, based on his visit to China earlier in September, he believes that Chinese leaders are taking seriously a commitment to crack down on piracy of copyrights, patents and other forms of intellectual property.

Aldonas said he attended a meeting where Chinese central government leaders told local law enforcement officials that they are being held accountable for stopping the proliferation of pirated compact discs (CDs), digital versatile discs (DVDs) and other illegally reproduced or counterfeit goods.

U.S. officials will not be satisfied, Aldonas said, until they see sales of legitimate U.S. products in China going up and sales of pirated products going down.

In other business, the PEC approved sending a letter to the Bush administration suggesting more government action to bolster U.S. exports to and investment in Russia.

Although the world's 10th largest economy, Russia is only the United States' 30th largest trading partner, and U.S. investment in that country stands at only about \$5

billion, about the same level as for Costa Rica, according to the council.

The Bush administration was urged to work more with Russian leaders on a number of commercial interests, including rule of law, intellectual property rights protection, energy services, financial services and accession to the World Trade Organization (WTO).

FUNDING TERROR BECOMING COSTLIER, RISKIER, U.S. OFFICIAL SAYS

International financial system now more transparent, Levey adds

As a result of international cooperation and a heightened global focus on combating terrorist financing, raising and moving money around the world to support terrorism has become costlier, riskier and more difficult in recent years, a senior U.S. Treasury official says.

Testifying September 29 before the Senate Banking Committee, Stuart Levey, under secretary for terrorism and financial intelligence, said conduits of the international financial system have become more transparent and "inhospitable" to people who attempt to stay hidden from investigators.

But, he cautioned, as terrorists adapt to the world's deterrent efforts, governments must develop new tactics. An example would be to provide more detailed information to the private sector so financial entities can know specifically "what and whom to look out for," while being sensitive to privacy and law enforcement concerns, the official said.

"Terrorist-related accounts are not pools of water awaiting discovery as much as they are rivers with funds constantly flowing in and out," he said.

The United States has developed a broad array of weapons to thwart terrorist financing. These include intelligence, diplomatic pressure, criminal investigations, regulations and the public designation of individuals and groups as funding terrorism, Levey said.

He added that dozens of countries have shared with the

United States information about "targets for designation" and 87 countries throughout the world have adopted or are in the process of adopting regulations to fight terrorist financing. Additionally, he said, the United States is providing technical assistance and training to "high-priority" countries to help them develop counter-terrorist financing and anti-money-laundering regimes.

Levey said, however, one strong concern has been the "lack of movement" in Europe against fundraisers for the Hamas organization, whose offices are still operating despite their designation by the United States as funders of terrorism.

"I intend to continue to press this issue in the strongest terms with our allies in Europe," he said.

Levey drew a distinction between investigating terrorist financing and investigating money laundering. Financial experts have a set of methods to identify money laundering, while terrorist-financing transactions might have no inherent identifying trademarks, he said.

U.S. STATE DEPARTMENT HELPS STUDENTS IN STORM-DAMAGED GRENADA

About 225 college students to continue educations in U.S. universities

By Eric Green
Washington File Staff Writer

Washington -- The State Department and several other U.S. government agencies are helping about 225 college students from Grenada to continue their studies in the United States following the September 7 devastation caused by Hurricane Ivan.

The United Nations has reported at least 37 people on the island died as a result of the storm.

In a September 27 statement, the U.S. Immigration and Customs Enforcement (ICE) agency said it was working with the State Department to assist students from St. George's University in Grenada study at such U.S. schools as Barry University in Florida, the New York Institute of Technology, Purdue University in Indiana, Kan-

sas State University and North Carolina State University. St. George's was among the educational institutions in Grenada severely damaged by Ivan.

ICE said the Student Exchange and Visitor Information System (SEVIS), which maintains information on international students and exchange visitors in the United States, is being used to facilitate the students' entry to the United States, thus enabling them to study at U.S. universities this fall. The Internet-based system, implemented in February 2003, allows the United States to collect and manage information on foreign students and exchange visitors by maintaining up-to-date data that can be accessed electronically.

"The academic community requested assistance with this unique circumstance, and through SEVIS, we're able to immediately respond," said Susan Geary, acting director of ICE's Student Exchange and Visitor Program.

The State Department, ICE and the U.S. Customs and Border Protection (another agency in the Department of Homeland Security) have created a procedure whereby the Grenadian students will be allowed to enter the United States, receive temporary documents, report to the designated universities, and then submit supporting documentation from the U.S. universities within 30 days of arrival.

The students from Grenada will be allowed to study in the United States through December 31, a deadline that might be extended if the situation at St. George's University does not allow for classes to be held in the spring semester.

"Last year, SEVIS simplified and secured what was a manual process, this fall it facilitated the entry of an increased number of foreign students and exchange visitors, and today it is enabling students impacted by disaster to continue with their education," said Geary.

St. George's Chancellor Charles Modica said in a September 28 message to his students and faculty that the school's colleagues at U.S. universities "have been just wonderful in this very tough transition period, helping us to relocate with as little trouble as possible."

Modica reported that the situation at his school is not "perfect as we repair our campus," but that Grenada "has rapidly begun rebuilding and the signs of progress become more apparent every day."

The United States is also helping Grenada by providing more than \$900,000 in humanitarian relief to the island. The U.S. Agency for International Development (USAID) said that as of September 24, it had funded four flights of emergency relief supplies to Grenada, carrying plastic sheeting for shelter, hygiene kits and emergency water supplies.

Meanwhile, the United Nations is appealing for \$32.6 million in aid from the international community to help Grenada recover from Ivan.

The United Nations said in a September 24 statement that the money is needed over the next six months to meet Grenada's immediate needs -- including repairs to shelter, the sanitation system, and the interrupted supply of clean water. The aid would also be used for the re-opening of many schools closed because of the extensive damage they suffered from the high winds of Ivan.

Please Note: Most texts and transcripts mentioned in the U.S. Mission Daily Bulletin are available via our homepage www.usmission.ch. Select "Washington File" from the drop-down menu under "News."