



# Weekly Special Report



Produced by the Public Affairs Section

## INSIDE

## Clinton Plans Seven-Nation Africa Trip

By Merle David Kellerhals Jr.  
Staff Writer

Washington — Secretary of State Hillary Rodham Clinton will begin a seven-nation trip to Africa on August 5 to highlight the U.S. commitment to sub-Saharan Africa's economic development while also emphasizing Africa as a place of opportunity, State Department spokesman Ian Kelly said.



Secretary Clinton with President Obama

Clinton begins the visit at

the 8th U.S.-Sub-Saharan Africa Trade and Economic Cooperation Fo-

rum, better known as the AGOA Forum (named for the African Growth and Opportunity Act), in Nairobi, Kenya, Kelly said in a July 27 press statement. Clinton will continue her travel with visits to South Africa, Angola, the Democratic Republic of the Congo, Nigeria, Liberia and Cape Verde.

"This trip will highlight the Obama administration's commitment to making Africa a priority in

*(Continued on page 2)*

### African Issues

Enhanced U.S. Market Access Critical for Africa (P 4 )

Eighth AGOA Forum More Important than Ever (P 5)

### PEACE AND SECURITY

Obama Pledges Full Withdrawal of U.S. Forces from Iraq by 2011 (P 7 )

## Trade Is Key to Africa's Economic Growth

By Charles W. Corey  
Staff Writer

Washington — Trade is the key to long-term, sustainable economic growth and development in sub-Saharan Africa, says Florizelle Liser, assistant U.S. trade representative for Africa.

Because trade is vital to sub-Saharan Africa's economic future and to improving lives and livelihoods, the 8th Annual



Thanks to AGOA, Wimbledon champion Venus Williams' line of tennis shirts are manufactured in Tanzania using Tanzanian cotton.

African Growth and Opportunity Act

(AGOA) Forum, to be held in Nairobi, Kenya, August 4-6, is an important venue for cultivation of trade opportunities, Liser said in a July 21 interview with America.gov.

"Trade is critically important to economic development. Right now, Africa has about 2 percent of all world trade, which is hard to believe when you think about all of the tremendous resources that they

*(Continued on page 3)*

### International Issues

United States, China Laying the Foundation for the Future (P 8)

Common Goals for U.S., China at Strategic and Economic Dialogue (P 9 )

---

## Clinton Plans Seven-Nation Africa Trip . . .

*(Continued from page 1)*

U.S. foreign policy," Kelly said. It is the earliest time in any U.S. administration that both the president and secretary of state have visited Africa, he added.

President Obama visited Ghana July 10–11 and gave a major speech before the Ghanaian Parliament on the importance of U.S.-African relations and his commitment to the continent. Good governance is the key to development, Obama told the parliament. "That's the change that can unlock Africa's potential. And that is a responsibility that can only be met by Africans," he said.

For the United States and the West, Obama said, the commitment to Africa must be greater than annual allocations of foreign aid; it involves partnerships to build the capacity for transformational change. The president outlined four areas critical to the future of Africa: democratic governance, economic opportunity, strengthening public health and the peaceful resolution of conflict.

Kelly said that while in Kenya, Clinton will discuss with leaders new approaches to development, including an emphasis on investment and economic growth. Joining Clinton on the trip in Kenya will be U.S. Agriculture Secretary Tom Vilsack, U.S. Trade Representative Ron Kirk and Assistant Secretary of State Johnnie Carson, who is responsible for African affairs.

Clinton will deliver a speech at the opening ceremony of the AGOA Forum, participate in bilateral meetings with Kenya's senior leaders, discuss global hunger and agricultural issues at a major research in-

stitute, and meet with Kenyan citizens, Kelly said.

The primary goal of AGOA — which was signed into law as part of the larger Trade and Development Act in May 2000 — is to help increase both the volume and diversity of U.S. trade with sub-Saharan Africa.

"AGOA also promotes economic cooperation and trade among the countries of sub-Saharan Africa by encouraging intraregional trade among AGOA beneficiary countries," Assistant U.S. Trade Representative Florizelle Liser testified at a recent congressional hearing.

Two-way trade between the United States and sub-Saharan Africa was \$104.6 billion in 2008, which was more than triple the amount in 2001, the first full year of AGOA implementation, she said.

"We are continuing our efforts to increase the number of AGOA-eligible countries taking advantage of the program, and we are also trying to address the many supply-side constraints the Africans face and to help them increase the range and quality of products being traded and improve Africa's overall competitiveness," Liser said.

As part of AGOA, there is an annual meeting between the United States and African nations. This year's forum will focus on encouraging private investment that will expand trade and economic growth in the AGOA countries.

During Clinton's visit in Kenya, she will also hold a meeting with Sheikh Sharif Ahmed, the president of Somalia's Transitional Federal Government, Kelly said.

"In each nation, she will emphasize Africa as a place of opportunity, built on the ethic of responsibility," Kelly said. "She will underline America's commitment to partner with governments, the private sector, nongovernmental organizations and private citizens to build societies where each individual can realize their potential."

### NEW SOLUTIONS TO OLD CHALLENGES

Clinton will stress the need to harness the power of innovation and technology to provide a foundation for future stability, human development and sustainable economic growth, Kelly said. The secretary will also address a new generation of young African scientists, small business leaders, entrepreneurs and civic leaders — all of whom will be challenged to solve real problems and create new models for progress, he added.

"She will discuss ways to foster good regional governance, partnering with regional leaders to band together to prevent conflict and violence, including gender-based violence, democratic erosions and transnational threats," Kelly said.

What foreign affairs decisions should President Obama consider? Comment on America.gov's blog Obama Today ( <http://blogs.america.gov/obama/2009/01/21/day-2-what-should-obama%e2%80%99s-top-priorities-be/> ).

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

---

## Trade Is Key to Africa's Economic Growth . . .

*(Continued from page 1)*

have — oil, diamonds, gold ... not to mention all the agricultural products such as coffee, tea, cocoa — and to think that Africa still only has 2 percent of world trade is really incredible. But the power of trade is that if the Africans were able to increase their share of world trade from 2 to 3 percent, that 1 percentage increase would actually generate about \$70 billion of additional income annually for Africa," or about three times the total development assistance Africa gets from the entire world, Liser said.

Many countries in Asia and Latin America, she said, "don't have even one smidgen of Africa's natural resources — a country like South Korea, for example — yet they are huge players in the global trading system. This is why having AGOA as one initiative aimed at expanding the U.S. aspect of our economic relationship with the Africans" is so important.

Liser said the United States needs to work with the countries of sub-Saharan Africa in many areas so they can take full advantage of both AGOA and worldwide trading opportunities and send exports to emerging markets such as China, India and Brazil.

And Africans must begin trading more with each other. "Africans trade the least with each other than all the other continents. It is improving. We are seeing a greater increase in intra-African trade, but," she emphasized, "the reason that that is important is that you are unlikely to be competitive globally if you are not competitive regionally. So until they open their borders

with each other and trade with each other, you are not going to get the level of competition that will allow them to be major providers of any product globally."

For that reason, the United States strongly encourages all African countries to develop an "AGOA strategy" based on export promotion and competitiveness, she said.

"You look at the products you have, and you determine the three or four particular products or sectors [where] you have a comparative advantage," she explained. "Then you look carefully at what are the challenges that face those three or four products or sectors and what would the country have to do to make them more competitive." Some countries are employing this strategy and bringing together their trade, finance, transport and energy ministers and investment promotion experts. "You sit all of these people around the table and you have them ... determine, step by step, what they have to do to advance the competitiveness of those three or four products or sectors."

Recently, Liser talked to the Tanzanians about the AGOA strategy they are developing. Tanzania produces the cotton for the Venus Williams line of tennis shirts, which also is manufactured at a plant in Tanzania. "I challenged them. I said you only have one plant. You have all this cotton. You have cotton farmers who would benefit if you could create more of these factories," which in turn could employ many more people. "The problem is that, as is true with most of the AGOA countries, you have huge

potential but you don't have the investment and the focus on how to take that and duplicate and multiply that." The apparel industry, she added, is a "gateway to industrialization."

Africa's share of the U.S. import apparel market is less than 2 percent. By comparison, she said, depending on the product, Bangladesh exports to the United States three to five times the amount of apparel that is exported to the United States by all sub-Saharan African countries combined. "That shows you that they [the Africans] have huge potential but somehow that is not being advanced." U.S. imports under AGOA in 2008 totaled \$66.3 billion, with \$5.1 billion in nonoil trade, a sector that Liser says the United States wants to further expand.

Another issue, she said, is the need for much more domestic and foreign investment on the continent: "Without that investment, these factories that we are talking about building simply will not be built." She added that "it is not just about foreign direct investment, but also about domestic investment and government investment in the infrastructure that supports trade."

Acknowledging that there is confusion, Liser said it is important to understand what AGOA really is.

"AGOA is essentially a trade preference program which adds about 1,800 products to the list of about 4,600 products that are already eligible to enter the United States duty free under the Generalized

*(Continued on page 11)*

---

## Enhanced U.S. Market Access Critical for Africa

By Charles W. Corey  
Staff Writer

**Washington** — Enhanced market access to the United States — a key feature of the African Growth and Opportunity Act (AGOA) — remains a “critical component” for Africa’s long-term economic growth and development, says longtime Africa trade facilitator and attorney Anthony Carroll.

Carroll, a member of the Corporate Council on Africa and vice president of Manchester Trade Ltd., a Washington-based consulting firm specializing in international trade and investment, July 21 discussed with America.gov the 8th Annual AGOA Forum, which will take place in Nairobi, Kenya, August 4–6.

“I think it was our thought at the outset of AGOA — in its design — that we needed some pulling of the railroad instead of just pushing it and that pulling could be enhanced market access. That remains, I think, a critical component to Africa’s economic development and evolution, and that is to [help Africans] more effectively and competitively trade with the world and among themselves.”

In the nine years since AGOA’s enactment, Carroll said, it has been determined that “market access is not enough,” but has to be coupled with technical assistance, infrastructure development and marketing sophistication for Africa to be able to take advantage of AGOA and other such trade agreements.

Looking back on African progress under AGOA, which was signed into U.S. law in its original form on

May 18, 2000, Carroll said: “I think AGOA has made a significant contribution to Africa and its trading relations, not only with the United States but the world. Where I think we have been disappointed is that those benefits have not extended more broadly in terms of geographic distribution. There are some countries that remain not deeply affected by AGOA’s opportunity, and in product categories ... the overwhelming concentration of trade is in the hydrocarbon and mineral sector, and that masks, I think, some of the failure to penetrate other areas that might provide greater employment and deeper economic benefit, such as agribusiness in particular.”

Illustrating his point, Carroll said: “In agribusiness, there are certainly many areas [in which] Africa can be both competitive and more competitive. Those include specialty coffee, teas, specialty horticultural products, pisciculture [the breeding and raising of fish] and seafood products. They are all showing good growth.”

Africa has been limited in other product categories in agriculture by two things, he said. “First of all, AGOA does not provide for benefits to certain agriculture products that Africa could be more competitive in such as sugar, tobacco and groundnuts. Secondly, certain foodstuffs are very dependent on certain infrastructure for transport to ports and export to markets such as the United States. They have been constrained by certain institutional and physical constraints in Africa,” he explained.

Citing an example, he said onions are an excellent product in Northern Nigeria and Northern Ghana. “Onion varieties are world-class, but the absence of agricultural storage prevents these products from reaching the market in the best state. Also, road and sea transport are limited and therefore undermine the capacity of that crop itself to find export markets.”

Looking ahead to the AGOA Forum, Carroll said the Cabinet-level U.S. government presence “is certainly an endorsement of this administration’s embrace of Africa and underscores, I think, the importance of trade in our relationship with Africa.”

The AGOA Forum will have three major components, he said: government-ministerial, private sector and civil society.

Carroll, whose firm is helping to coordinate the private sector and civil society components, said civil society will play an important role at the forum. “I think in this day and age, corporate social responsibility requires an engagement and dialogue with civil society. I think we have seen that in both the trade agreements and ministerial of the World Trade Organization and in business practices. I think there is an important role to outreach to civil society.”

Continuing, he said: “Be mindful that civil society groups that tend to come to this [forum] are organizations that are very interested in enhancing their trade relationships with the United States. They are comprised of organizations that are gender-based [in the sense of being

*(Continued on page 10)*

---

## Eighth AGOA Forum More Important than Ever

By Charles W. Corey  
Staff Writer

**Washington** — U.S. Assistant Secretary of State for African Affairs Johnnie Carson and the Kenyan ambassador to the United States, Peter N.R.O. Ogego, formally announced July 23 that the eighth annual U.S.-Sub-Saharan African Trade and Economic Cooperation Forum will be held in Nairobi, Kenya, August 4–6 and could not be taking place at a more opportune time because of the world economic crisis.

The forum is more commonly known as the AGOA Forum, for the African Growth and Opportunity Act.

“In this time of economic crisis,” Carson said, “it is important that the United States and Africa work cooperatively as a major trading partner to protect economic growth, the advances made, and lessen the negative impact of market fluctuations.” Carson said the United States has been working closely with members of civil society and the private sector, who will have sessions at the AGOA Forum, to “ensure that we have captured the concern of all of those who have a commitment to Africa and to expanding African trade and opportunities.”

Briefing the foreign press in Washington, Carson and Ogego were joined by Assistant United States Trade Representative for Africa Florizelle Liser, Deputy Under Secretary of Agriculture for Farm and Foreign Agricultural Services Burnham “Bud” Philbrook, and Deputy Assistant Secretary of Commerce for Africa, the Middle East and



*Assistant Secretary for African Affairs Johnnie Carson*

South Asia Holly Vineyard.

Carson said the AGOA Forum is the only annual U.S. ministerial-level meeting with sub-Saharan Africa and as such, it is an opportunity for the United States and African nations to have a dialogue on issues that contribute to long-term development and growth, including good governance and sound economic policies.

Carson said the forum will begin with civil society and private sector events on August 4 and a ministerial meeting will be held August 5 and August 6. Carson, a former U.S. ambassador to Kenya, Zimbabwe and Uganda, praised the government of Kenya for doing a “superb job” in organizing the forum, and he praised African countries across the continent that have contributed to the event.

Forum sessions will address a wide array of issues, he said, such as: ways to deal with the global economic downturn and strategies for business development in Africa;

good governance and how it relates to business and economic development; and the importance of fostering greater regional trade integration across Africa.

Ogego told reporters Kenya is “ready and very happy” to host the eighth AGOA Forum and is looking forward

to discussing the importance of business development across the region.

Carson and Ogego both commented on what AGOA, which was first enacted in 2000, has meant.

“From the U.S. perspective,” Carson said, “it has expanded the opportunity for direct trade by opening the U.S. market to a large number of African imports on a duty-free basis [and] it has provided a forum for high-level discussions between Cabinet officials from the United States ... [and] their counterparts in Africa.” AGOA has also stimulated discussions between the private sector and civil society groups both in Africa and the United States and has been a “wonderful vehicle to make the kinds of connections that are essential to promote trade and investment.”

Providing the African perspective, Ogego said AGOA “has created access for African products to the

*(Continued on page 6)*

## Eighth AGOA Forum More Important than Ever . . .

(Continued from page 5)

overall U.S. market. ... We export to the U.S. market baby carrots and baby corn, for instance, which is a direct benefit to our farmers. It also helps us to create jobs ... particularly in the export-processing zones," as well as higher income levels and a platform for interaction.

Philbrook said between 2001 and 2008, agricultural imports from AGOA countries increased by 63 percent. Liser said AGOA has served to promote small business development both in the United

States and across sub-Saharan Africa and has allowed the Africans to "add value" by further finishing or refining their products and thus increasing the revenue gained from the sale and export of those products.

Liser said the forum serves as an "important platform" for high-level dialogue looking at ways to increase U.S.-Africa trade and investment flows.

"The opportunity for dialogue that is afforded us by the AGOA Forum is more important than ever as Africa joins the rest of the world in grappling with an economic crisis that touches us all. Global trade is down and U.S.-African trade is also suffering. Total AGOA imports during the first five months of this year, 2009, were about \$10.8 billion, but that was down 61 percent compared to the first five months of 2008," she said. "So this year's theme, 'Realizing the Full Potential



*According to Kenyan Ambassador Peter N.R.O. Ogego, AGOA has enabled Kenyan farmers to sell baby carrots and baby corn in the U.S. While this helps to create jobs in Kenya, it also provides American consumers with low-cost "specialty vegetables", which continue to increase in popularity thanks to their distinctive and nutritional traits.*

of AGOA Through Expansion of Trade and Investment,' takes on a special urgency."

Philbrook said the U.S. Department of Agriculture (USDA) will play an important role in the forum. "Agriculture represents one-third of the gross national product [GNP] of sub-Saharan African countries, and agriculture employs two-thirds of its workers." Additionally, he said, sub-Saharan African countries play a vital role in food-security issues. Philbrook said USDA is helping African countries meet international standards for the export of fresh agricultural products.

Vineyard, of the U.S. Department of Commerce, said this year's forum is the first such AGOA event to be held in East Africa. The intent of AGOA, she stressed, is to foster closer economic and trade ties between sub-Saharan Africa and the United States. She said her department will be co-hosting a workshop

with Mozambique on the important role intellectual property rights can play in promoting African economic competitiveness, export growth and innovation.

Carson said the United States government is proud of its assistance to sub-Saharan Africa. Last year, the United States provided about \$7.5 billion in foreign assistance to the 48 African countries south of the

Sahara.

"We have played a role ... in partnership with numerous African countries to assist in their development. I would challenge the assumption that Africa is worse off today than it was 10 or 20 or 30 years ago," Carson said. "The level of global engagement, the level of education, the level of professional standards that exist, the growth of the continent, is a reflection of the progress. Some would argue that it may not be as fast as we all want, both Africans and Americans, but there has, in fact, been a substantial degree of progress, and it is reflected in many indicators."

A transcript of the briefing ( <http://www.america.gov/st/texttrans-english/2009/July/20090724143613bpuh0.8467371.html&distid=ucs> ) is available on America.gov .

(This is a product of the Bureau of International Information Programs,

---

## Obama Pledges Full Withdrawal of U.S. Forces from Iraq by 2011

By Merle David Kellerhals Jr.  
Staff Writer

**Washington** — Stating that the United States is in the midst of a transition to Iraqi responsibility, President Obama said all U.S. forces are on schedule to be fully withdrawn from Iraq by the end of 2011.

“Violence continues to be down, and Iraqis are taking responsibility for their future,” Obama said at an afternoon press conference at the White House July 22 with Iraqi Prime Minister Nouri al-Maliki. “The success of this transition is critically important to the security and prosperity of our people, and it is a top priority of my administration.”

Obama said the United States took a critical step forward by transferring control of all Iraqi cities and towns to Iraq’s security forces. That step was outlined in a Status of Forces Agreement in 2008 and underscores U.S. commitments to the Iraqi government. And the president reiterated his pledge that “we seek no bases in Iraq, nor do we make any claim on Iraq’s territory or resources.”

The meeting between al-Maliki and Obama is their first at the White House, but the president met with al-Maliki in Baghdad in April. (See “Obama Makes Unannounced Visit to Iraq ( <http://www.america.gov/st/peacesec-english/2009/April/20090407143619idybeekcm0.1762201.html> ).”)

Acknowledging that “there will be some tough days ahead,” Obama said all U.S. combat brigades will be removed from Iraq by the end of



*US president Barack Obama, right, and Iraqi prime minister Nouri al-Maliki in Washington.*

August 2010 and all U.S. troops by the end of 2011. The president said he and al-Maliki have no doubt that there will be attacks on Iraqi security forces and the American troops supporting them.

The president said he is in regular communication with U.S. military leaders in Iraq and the reports have been “extremely positive about the progress that has been made.”

Obama said he has made a strong commitment to work with Iraq to get the United Nations to lift sanctions it imposed on the country following the 1991 Gulf War. “I think it would be a mistake for Iraq to continue to be burdened by the sins of a deposed dictator,” Obama said.

“President Obama and the American administration agree with us that Iraq is no longer representing a threat to international peace and security because there is a democracy in Iraq, not a dictatorship,” al-Maliki said. Iraq, al-Maliki added, is

looking for a constructive and positive relationship with its neighbors and the international community.

The sanctions were imposed during the regime of Saddam Hussein and require that Iraq pay 5 percent of its oil revenues for war reparations.

What foreign affairs decisions should President Obama consider? Comment on America.gov’s blog Obama Today ( <http://blogs.america.gov/obama/2009/01/21/day-2-what-should-obama%e2%80%99s-top-priorities-be/> ).

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

---

## United States, China Laying the Foundation for the Future

By Merle David Kellerhals Jr.  
Staff Writer

**Washington** — The United States and China are laying a foundation and a framework for future talks across a wide spectrum of issues from the global economic crisis to nuclear nonproliferation, Secretary of State Hillary Rodham Clinton says.

“We are laying brick by brick the foundation of a stronger relationship, improving lines of communication, increasing understanding, setting priorities and creating a work plan,” Clinton said at the opening of the two-day U.S.-China Strategic and Economic Dialogue in Washington July 27. “Solutions to

many of the global challenges today are within reach if we work together where our interests intersect, and where we cannot, we will be honest with each other.”

The Chinese, with a delegation of more than 150 senior officials, are led by Vice Premier Wang Qishan and State Councilor Dai Bingguo.

President Obama opened the two-nation talks that will focus on foreign policy issues as well as economic concerns over trade and currency values. He told the assembled delegations that relations between the United States and China will heavily shape the course of the early 21st century.

Under President George W. Bush’s administration the two-nation talks



*Secretary Clinton addresses a U.S.-China conference July 27 with Chinese Vice Premier Wang, center, and State Councilor Dai.*

had focused on problem areas in d budget deficits. Obama and Chinese President Hu Jintao agreed in early April at the Group of 20 Economic Summit in London to re-establish the strategic and economic dialogue with a broader scope. Obama wanted to expand the talks to include foreign policy issues like nuclear weapons development by North Korea and Iran, conflict in Afghanistan, Pakistan, climate change, clean energy and global poverty, Clinton said.

“To meet these threats, we must find common ground and work together in common purpose, even as we may disagree on certain issues,” Clinton said. “None of these problems, even with our closer cooperation, will be easy to solve, and results will not happen overnight.”

The dialogue has been designed to be comprehensive and to pull in a wide range of skills within both governments in ways that traditional bureaucratic approaches aren’t designed for, she said.

State Councilor Dai Bingguo acknowledged that China and the United States are two different social and political systems with very different cultures and vastly different histories.

“We came here in a spirit of mutual respect, treating each other as equals, mutual benefit; and we’re in progress to have candid and in-depth dialogue with the United States to discuss overarching strategic and forward-looking issues

*(Continued on page 11)*

---

## Common Goals for U.S., China at Strategic and Economic Dialogue

By Lauren Caldwell  
Staff Writer

**Washington** — Washington will host hundreds of high-level Chinese officials meeting with their U.S. counterparts July 27 and July 28, marking the beginning of a new strategy for closer ties between the United States and China.

The first U.S.-China Strategic and Economic Dialogue will set the stage for ongoing cooperation on a range of bilateral, regional and global issues. The dialogue is expected to focus on the economy, climate change and regional security, according to five senior administration officials at a press briefing July 23, who spoke on condition of anonymity.

President Obama will attend the opening session of the dialogue, and later will meet with Chinese officials. The dialogue will be co-chaired by U.S. Secretary of State Hillary Rodham Clinton, U.S. Secretary of the Treasury Timothy Geithner, Chinese State Councilor Dai Bingguo and Chinese Vice Premier Wang Qishan.

More than 150 Chinese officials will attend the dialogue, one of the largest official delegations ever to visit the United States, a senior administration official said. This signals that the U.S. and Chinese governments realize their economic destiny is linked, and that building a strong relationship is important to economic recovery, he said.

As a sign of the United States' and China's commitment to shared stra



*Secretary of State Hillary Rodham Clinton, third from right, and Treasury Secretary Timothy Geithner, second from right, host the first joint meeting of the U.S.-China Strategic and Economic Dialogue in Washington, Monday, July 27, 2009*

tegic and economic goals, the dialogue will be held annually, alternating between Washington and Beijing.

"It is essential that the United States and China have a positive, cooperative relationship," Clinton said when she visited China in February.

### PAST U.S.-CHINA DIALOGUES

The United States and China previously participated in the U.S.-China Strategic Economic Dialogue, created by President George W. Bush and President Hu Jintao in 2006. The Strategic Economic Dialogue was a forum for U.S. and Chinese officials to discuss economic challenges and opportunities. The dialogue was led by the U.S. secretary of the treasury and Chinese vice premier. It was held twice yearly in

alternate capitals.

President Obama and President Hu established the new U.S.-China Strategic and Economic Dialogue in April. It features higher-level officials than the previous dialogue, the

senior administration officials said. It will also include a broader discussion on a range of political, strategic and economic issues, rather than focusing solely on economic and financial relations.

In their meeting at the Group of 20 summit in London in April, Obama and Hu promised to build a positive, cooperative and comprehensive U.S.-China relationship in the 21st century. They agreed to deepen cooperation on many issues, including economics and trade, counterterrorism, law enforcement, science and technology, education, culture and health.

"Good relations with the U.S. is not only in the interests of the two peoples, but also beneficial to peace, stability and prosperity of the Asia-Pacific region and the world at large," Hu said.

### POINTS OF DISCUSSION

Economic recovery will play a central role in the dialogue. Cooperation is important because the success of U.S. policies will depend in part on China, and the success of Chinese policies will depend in part on the United States, Geithner said when he visited China in May.

"China and the United States indi

*(Continued on page 10)*

---

## Common Goals for U.S., China at Strategic and Economic Dialogue . . .

*(Continued from page 9)*

vidually and together are so important in the global economy and financial system that what we do has a direct impact on the stability and strength of the international economic system," he said.

Economic data trends show American families spending less and saving more, so China cannot expect to recover by increasing exports, another senior administration official said. U.S. officials will encourage China to balance their level of imports and exports and to be open to foreign investment.

Climate change and clean energy will also be a principal focus of the dialogue. The United States and China are the greatest greenhouse gas emitters in the world, so climate change cannot be reversed unless the United States and China reduce emissions, one of the senior administration officials said. U.S. and Chinese officials will discuss ways to work together to invest in clean energy and promote environmentally sustain-

able growth.

U.S. and Chinese officials will also discuss regional security threats, including terrorism and nuclear proliferation.

The Strategic and Economic Dialogue is the beginning

of a conversation, and the two countries will see the results of the dialogue over the next few years, one of the senior administration officials said.

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

## Enhanced U.S. Market Access Critical for Africa . . .

*(Continued from page 4)*

largely women], small credit-based that are agricultural producers, etc., and so they are looking for ways that AGOA can benefit them as well."

The Rwandan cooperative of largely women — many of whom are survivors of that country's 1994 genocide — who are producing baskets for sale in the large U.S. market by retailer Macy's is a prime example

of such a group, he said.

Carroll said it is most important that the annual AGOA forums offer the opportunity to hear from Africans.

"The old idea of this AGOA Forum was to have a useful dialogue. I think the Africans have a better understanding often of what works and does not work in terms of market access, technical assistance, and I think we need to be ready to garner and digest and use that guidance from them in a manner that makes us constantly try to improve the model of AGOA,"

which has already been modified many times since its original inception.

"I think the Africans would, frankly, like to see some out-of-the-box [new and unique] thinking on how

AGOA can be expanded and added to in many ways to try to continue

to open this trade window with the United States," he said.

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

**PUBLIC AFFAIRS  
SECTION  
AMERICAN EMBASSY**

P.O.Box 1014  
Addis Ababa  
Ethiopia

Phone: 251-11-5174007  
251-11-5174000  
Fax: 251-11-1242454  
Email: pasaddis@state.gov



See also

<http://www.america.gov/>

Telling America's story

**Trade Is Key to Africa's Economic Growth . . .**

*(Continued from page 3)*

System of Preferences. The purpose of AGOA in adding those 1,800 products was to give the Africans a competitive advantage in the U.S. market for additional value-added products. ... So AGOA is important because it is one of the major ways that we have to help encourage greater value addition to Africa's production of agricultural and manufactured products."

Often, she added, people think AGOA is just about textiles and apparel. It is not. "So ... the first thing we need to understand is what it does, and that it is working. We are getting a greater number of value-added nontraditional products entering the U.S. under AGOA. But again," she acknowledged, Africa is

"starting from a very small base. So even though we have seen growth, we have not gotten anywhere near the potential."

What foreign affairs decisions should President Obama consider? Comment on America.gov's blog. ( <http://blogs.america.gov/campaign/2009/01/21/day-2-what-should-obama%e2%80%99s-top-priorities-be/> )

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

**United States, China Laying the Foundation for the Future . . .**

*(Continued from page 8)*

that are essential to people's subsistence, peace and development," Dai said.

Treasury Secretary Timothy Geithner said actions taken by the United States and China have blunted the force of the economic recession and restored some confidence in the global economy. Both countries have made strong commitments to economic-stimulus programs and pledged to maintain them until recovery is firmly in place, Geithner said.

"Our meetings take place at a critical moment when China and the United States, as leading nations in the global economy, have both the opportunity and the responsi-

bility to act not just for the benefit of our own citizens, but also for the global economy," Geithner said. "We need to design a new framework to lay the foundation for more sustainable and more balanced global growth in the future, and a smooth transition to a more green global economy."

Geithner said the United States is moving to repair its financial systems and put in place a set of conservative and effective regulations to lessen the chance of a similar crisis. He added that the United States is also committed to bringing down fiscal deficits projected to hit \$1.84 trillion this year to more sustainable levels once a full recovery has been established.

"China and the United States have

been among the biggest beneficiaries of the global trading system. And we share a special responsibility to ensure that global trade and investment will remain open and rules-based," Geithner said.

What foreign affairs decisions should President Obama consider? Comment on America.gov's blog Obama Today ( <http://blogs.america.gov/obama/2009/01/21/day-2-what-should-obama%e2%80%99s-top-priorities-be/> ).

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