



# U.S. FOREIGN POLICY

IN THE 21ST CENTURY



## REGIONAL ISSUES

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U.S. DEPARTMENT OF STATE / BUREAU OF INTERNATIONAL INFORMATION PROGRAMS



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## FOREIGN POLICY AGENDA

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U.S. Department of State/janine Sides

President George W. Bush discusses his plan for global AIDS relief at the Eisenhower Executive Office Building in Washington, D.C., on World AIDS Day, December 1, 2005.

# Introduction



U.S. Department of State

In 1790, when Thomas Jefferson assumed his duties as the first U.S. Secretary of State, his entire staff consisted of a chief clerk, three assistant clerks, and a messenger. The young nation maintained two diplomatic missions—in Britain and France—and 10 consular posts. Today the United States has diplomatic relations with some 180 nations and maintains over 250 diplomatic posts around the world. Through multilateral institutions, many under the aegis of the United Nations, we engage with other nations to address issues ranging from peacekeeping and human rights to humanitarian relief and trade.

The goal of American diplomacy is as sweeping as our diplomatic representation around the world. President Bush said in his second inaugural address: “It is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture with the ultimate goal of ending tyranny in our world.” With this charge, the United States faces tremendous challenges and tremendous opportunities, comparable, I believe, to those faced by our diplomatic predecessors who, sixty years ago, helped to transform countries devastated by World War II into thriving democracies, allies who joined us in the long struggle of the Cold War.

To meet the extraordinary challenges of the 21st century, the Department of State is pursuing “transformational diplomacy.” The goal of transformational diplomacy is to work with others to build and sustain democratic, well-governed states that will respond to the needs of their people and conduct themselves responsibly in the international system. We seek to use America’s diplomatic power to help others better their own lives and transform their own futures.

Countries such as China, India, South Africa, Indonesia, and Brazil are playing an increasingly prominent role on the world stage. Democratic reform has begun and is spreading

in the Middle East. The United States is working with our many partners to promote freedom in every part of the globe.

This is not the work of months or even years, but of generations. Yet we face urgent issues everywhere, from the global threat of terrorism to the fight against AIDS in Africa and many other regions. The United States is helping to educate girls in Afghanistan. With others, we have used our military and economic power to bring peace to the Balkans, relief to the tsunami-devastated Asia Pacific region, and help to the earthquake victims of Pakistan. We are engaged in the pursuit of peace in East Africa and in the strengthening of democratic governance and fundamental rights and liberties in the Americas. We are transforming traditional institutions, like the North Atlantic Treaty Organization, with our European partners to meet the demands of the new century.

In the six essays that follow, the senior State Department officials who manage our daily relationships on the international stage offer their perspectives on the policy objectives and priorities of America’s global diplomacy. Jendayi Frazer is Assistant Secretary of State for Africa, Christopher R. Hill for East Asia and the Pacific, and Daniel Fried for Europe and Eurasia. C. David Welch is Assistant Secretary of State for Near Eastern Affairs, Richard A. Boucher for South and Central Asia, and Thomas A. Shannon for the Western Hemisphere.

While the details of U.S. policy objectives differ region to region, a common thread runs throughout all of our diplomatic efforts: we will champion freedom, respect for the individual, and a commitment to the opportunity for a better life for all human beings everywhere.

Condoleezza Rice  
Secretary of State

# African Affairs

Jendayi E. Frazer



U.S. Department of State

Jendayi E. Frazer, Assistant Secretary of State, Bureau of African Affairs

**M**y vision and priorities for U.S. Africa policy derive directly from President Bush's charge to make the world safer and better, and the Secretary's guidance to use America's diplomatic power to help foreign citizens better their own lives, build their own nations, and transform their own futures. Translated to Africa, the key priorities are to support the spread of political freedom throughout the continent; expand economic opportunity and growth; address the unique challenge of the HIV/AIDS pandemic; and reinforce African initiatives to end conflict and fight terror. We succeed as African countries take their place squarely in the community of democracies building an international system based on our shared values, and contributing to global peace and prosperity. In my academic career and during my government service, including as my nation's Ambassador to the Republic of South Africa, I have studied and learned much about the challenges that the African people face. Now, as Assistant Secretary of State, I am grateful for the opportunity to work with African nations to meet those challenges and serve my own country at the same time.

After 25 years of studying and working on U.S. policy toward Africa, I can attest that there has never been a more auspicious time to consolidate the progress and promise of the continent. Democracy in Africa is spreading, with more than 50 democratic elections in the past four years. Economic expansion on the continent is at an eight-year high, with 20 countries registering growth each of the past five years. Six major wars have ended in the past six years: in Angola, Burundi, Democratic Republic of the Congo, Liberia, Sierra Leone, and Sudan's north-south 22-year civil war. Africans are taking control of their collective destiny through institutions like the African Union and its New Partnership for Africa's Development (NEPAD) program, which contributes to better governance and friendlier ties among states. The Bureau of African Affairs is capitalizing on these historic shifts by engaging and helping to build the institutions that will sustain progress across generations. We are instituting an "Era of Partnership" with Africa.



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U.S. First Lady Laura Bush (standing, center) and Ghana's president, John Agyekum (right), at the Accra Teacher Training Center where Mrs. Bush launched the Africa Initiative Textbooks Program.

### **SUPPORTING THE SPREAD OF POLITICAL FREEDOM IN AFRICA**

The United States will continue to support the institutions essential for democracy—a free press, an independent judiciary, a sound financial system, and vibrant political parties. Over the next two years, strengthening the electoral infrastructure will be a priority since, in many African countries, elections have become flash points for conflict: losers frequently contest results with policy issues taking a second place to ballot theft and street protest. We will work in two areas: (1) building the capacity of independent national electoral commissions to conduct free, fair, and transparent elections that engender public confidence; (2) encouraging all candidates and political parties to “earn their votes” by focusing on service delivery and policy debate to gain support.

Working with civil society groups and advocating for press freedom will remain core to my efforts to promote and protect human rights and basic freedoms.

The prospects are good. In the last decade, more than two-thirds of Africa's 48 countries have held free elections. Moreover, in 1990 Freedom House (a non-profit, nonpartisan organization that promotes liberal democracy throughout the world) classified four sub-Saharan African countries as free; 20 as partly free; and 24 as not free. In 2006, the numbers have reversed: 34 are free or partly free and only 14 were classified as not free. The trend offers a ray of hope for the continent with 34 of the 48 countries now on the freedom path.

Even so, we cannot take progress for granted. One key is to embed the values of freedom in transnational African institutions like the NEPAD Secretariat and Peer Review Mechanism. If the institutions that link African nations



Photo: USAID/William Creighton, DAI

The U.S. Agency for International Development (USAID) is supporting efforts to help Tanzanian farmers, such as this family, understand the paprika market and learn how to successfully grow this new crop.

embrace fairness and democracy, they will reinforce those principles among African leaders and help instill positive attitudes toward good governance.

Building democracies and transforming societies is not the result of politics alone; efficient, honest, and transparent financial systems provide important support for positive change. Leveraging the substantial resources of President Bush's multibillion-dollar aid program, the Millennium Challenge Account (MCA), will help encourage reform, good governance, and accountability.

## **EXPANDING ECONOMIC OPPORTUNITY AND GROWTH**

Africa is a rich continent in an impoverished state. Over the next two years, we will focus heavily on supporting Africa's entrepreneurs. We believe their talents and drive hold the potential to harness the continent's great potential to create prosperity for its people. These business leaders will need access to markets in order to sell their goods and create badly needed jobs. A primary vehicle for market access is the African Growth and Opportunity Act (AGOA), signed into U.S. law in 2000, which provides for trade preferences and duty-free entry into the United States for certain goods from sub-Saharan nations introducing market-based reforms.

We are also encouraging domestic reforms to support small and medium-sized businesses, leveling the playing field in our global economic institutions, and using development assistance as a catalyst for growth. One focus of this aid is empowering women and girls. President Bush's Africa Education Initiative has trained over 220,000 teachers in 15 countries, distributed over 1.8 million textbooks, and awarded some 85,000 scholarships to girls from 38 countries.

Protecting the environment and inculcating proper management of water, wildlife, fisheries, forests, and other natural resources are crucial to preserving and harnessing Africa's resources for future generations. In Central Africa, the Congo Basin Forest Partnership Initiative brings together the United States, several African

nations, and non-governmental organization (NGO) partners to shape and implement conservation programs that also spur economic opportunities. We will expand our efforts beyond this successful program.

Our aid budget for Africa this year is \$4.1 billion, up from about \$700 million in 2001. This six-fold growth reflects the Bush Administration's willingness to increase aid in exchange for greater recipient accountability for how the funds are used. President Bush has also taken aim at reforming global economic institutions to fight poverty and encourage economic development.

In both international trade and international debt relief, our policy is to create greater opportunity for our African friends. Agricultural export subsidies make it more difficult for African agricultural goods to compete in world markets. We seek to level the playing field by ending those trade-distorting subsidies. In 2001, President Bush urged the World Bank to provide all new assistance to the poorest countries in the form of grants—not loans—to stop the suffocating cycle of debt that disproportionately affects African nations. His initiative at the G-8 helped cancel 100 percent of the debt of the heavily indebted poor countries. It helps to free up some \$30 billion of resources that now can be invested in the health and education of Africa's people.



©AP Images

Alexandra Zekas (center), Chad Country Manager for the Ambassadors Girls' Scholarship Program (AGSP), talks with girls in a school in Chad. The AGSP, funded by the U.S. Agency for International Development (USAID), will provide 550,000 scholarships to schoolgirls in sub-Saharan Africa.

### **FIGHTING HIV/AIDS AND MALARIA**

It was a privilege to be President Bush's choice to be U.S. Ambassador to South Africa. But this assignment put me at ground zero of the devastation caused by the HIV/AIDS pandemic, face to face with the men, women, and children suffering and dying from HIV/AIDS.

Having studied and worked on U.S. policy toward Africa for over 25 years, I am sadly familiar with the devastation caused by the HIV/AIDS pandemic. The President's Emergency Plan for HIV/AIDS Relief (PEPFAR) offers the first chance at winning the war against this deadly disease. In 2000 our assistance for global HIV/AIDS was around \$300 million; now, at \$15 billion over a five-year period, the United States has provided more resources than all other donor nations combined. Through the President's leadership, the United States initiated wide-scale treatment for Africans, transforming not only lives but also health care systems, as we helped create the medical infrastructure necessary to support treatment from only 50,000 people to over 550,000 people in Sub-Saharan Africa in just two years.

Twelve of the 15 focus PEPFAR countries are in Africa, which is the largest recipient of this bold initiative. We aim to prevent 7 million new infections, treat 2 million HIV-infected individuals, and offer care to 10 million individuals who are infected with, or affected by, HIV/AIDS.

The President's recently announced malaria initiative also mobilizes global efforts to combat a major killer that strikes especially hard at Africa's children. Malaria is both preventable and treatable, yet every year it kills almost 1.2 million people. Estimated yearly economic loss due to malaria is about \$12 billion; a crippling 1.3 percent annual loss in GDP growth in countries where the disease is endemic. The President's initiative currently targets seven African countries to eradicate this killer. We aim to cover 175 million people in 15 African countries by increasing funding of malaria prevention and treatment to \$1.2 billion over five years. Working together—donor and African governments, private corporations, foundations, voluntary organizations—we can reach our goal of reducing malaria deaths by 50 percent in each target country.

## ENDING WARS AND COMBATING TERROR AND VIOLENCE

We will support efforts to mediate conflicts between African nations and strengthen African capacity to carry out peace support operations and to fight terror. Since 2001, when I was senior director for Africa at the National Security Council, the administration's approach to working collectively with lead African mediators and multilaterally with the African Union, the United Nations, and sub-regional organizations like the Economic Community of West African States (ECOWAS) has succeeded. Largely as a result of this partnership, Liberian President Ellen Johnson-Sirleaf has become Africa's first elected woman president. She replaced one of the continent's worst dictators, former Liberian President Charles Taylor, who now sits in The Hague to be tried for war crimes by the Special Court for Sierra Leone. I am proud of the role American diplomats and Marines played to end Liberia's 14-year war.

We will train 40,000 African peacekeepers through the Global Peace Operations Initiative (GPOI) and Africa Contingency Operations and Training Assistance (ACOTA) programs. Our investment of \$600 million over five years will yield global dividends. Africans are sharing the burden of international peace and security by supplying 30 percent of U.N. peacekeeping forces worldwide. Four countries—Ethiopia, Ghana, Nigeria, and South Africa—are among the top ten U.N. troop contributors. Another program, the Women's Justice and Empowerment Initiative, extends the effort to help victims of abuse and sexual violence recover their dignity.

I rely on the East Africa Counterterrorism and the Trans-Sahara Counterterrorism Initiatives to provide robust and multifaceted programs to deny terrorists safe-havens, operational bases, and recruitment opportunities. We must reach out to counter the despair that can feed extremist ideology. As we confront America's gravest threats of terrorism and proliferation of weapons of mass

destruction, we have willing partners and ready models in Africa. Extreme poverty in Africa has not provided fertile recruiting grounds for extremist ideology. South Africa's renunciation of nuclear weapons has proved that abandoning WMD and nuclear ambitions can enhance a country's global standing and influence.

Together with our Ambassadors and embassies in Africa, I will pursue our Africa policy priorities covering 48 sub-Saharan African countries. As we move forward, our relations with Africa's strong democratic and economic reformers (like Benin, Botswana, Ghana, Mali, Mozambique, Senegal, Tanzania, and others), and with its most influential powers—Nigeria and South Africa—will be critical. We will invest in success, not chase crises.

The strength of our partnership with Africa is built on people-to-people ties. America's cultural links with Africa are intrinsic: we share a common heritage. Through public diplomacy and youth outreach, we continue to strengthen bonds and illustrate the link between America's well-being and Africa's progress. We are moving beyond traditional exchanges among foreign policy diplomats to incorporate a cultural diplomacy that enriches understanding and builds common cause between Americans and Africans. Through our *AfricaAlive* initiative, we have engaged with eminent persons such as Angelique Kidjo, Bono, Salif Keita, and NBA basketball star Dikembe Mutombo. We also screened the Academy Award-winning South African film *Tsotsi* to help institute an Era of Partnership.

I am confident that our Africa policy will prove successful. Many fine men and women, American and Africans, work every day to achieve that common success. With the innovative initiatives and historic resources at hand, together we will advance freedom, peace, and prosperity in Africa. ■

For more information:  
<http://www.state.gov/p/af/>  
<http://usinfo.state.gov/af/>

# Africa



Photo: USAID/Richard Nyberg

Facoumba Gueye (left), a volunteer with the U.S. Agency for International Development (USAID)-sponsored Digital Freedom Initiative, explains how information technology can help clothing merchant Omar Fall increase efficiency and profits. Through the Digital Freedom Initiative, USAID works together with leading U.S. companies to promote economic growth for entrepreneurs and small businesses in developing countries.

U.S. Secretary of State Condoleezza Rice (right) greets South African Foreign Affairs Minister Nkosazana Dlamini-Zuma at the U.S. State Department in Washington, D.C.



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Photo: USAID/Richard Nyberg

On Senegal's remote island of Carabane, a project of the U.S. Agency for International Development (USAID) provided training for the technicians who installed this water pump, which brings safe drinking water to the island's inhabitants.

Presidential election posters in Kinshasa, Democratic Republic of Congo, preceding the country's first democratic election in more than 40 years.



©AP Images

# Africa



©AP Images

In Sauri in western Kenya, a woman takes a break from clearing the bush to make space to plant maize. Sauri is part of an experiment in poverty reduction sponsored by private donations through Columbia University's Earth Institute.

This 37-year-old woman is attending a nighttime literacy class in Gabarone, Botswana. One of the aims of U.S. assistance is the empowerment of women and girls.



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Ambassador Randall Tobias, Director of U.S. Foreign Assistance and USAID Administrator, applauds First Lady Laura Bush after a speech describing additions to the President's Malaria Initiative in June 2006 in Washington, D.C.

# East Asian and Pacific Affairs

Christopher R. Hill



U.S. Department of State

Christopher R. Hill, Assistant Secretary of State, Bureau of East Asian and Pacific Affairs

**N**o other part of the globe holds greater potential benefits and challenges for the United States than East Asia. The region is home to some of our most stalwart security and trade partners, to an established power—Japan—and a rising power—China—and to a political and economic dynamism that is the envy of other regions. The region accounts for nearly a third of the Earth's population; a quarter of global GDP; a disproportionate share of global growth; and 26 percent of our exports, including about 37 percent of our agricultural exports—in all, some \$810 billion in two-way trade with the United States. In every regard—geopolitically, militarily, diplomatically, economically, and commercially—East Asia is vital to the national security interests of the United States.

At their core, the United States' long-term, strategic foreign policy priorities are very simple. We want to see a world that is democratic, prosperous, stable, secure, and at peace. Our policies toward the East Asia-Pacific region are based on these global objectives, and we are engaged

extensively throughout the region to advance these fundamental goals.

## FAVORABLE TRENDS

As I have traveled throughout the region over the past year, I have seen a dynamic wave of transformation taking place. For example, since January 2004, successful elections have taken place not only in established democracies—Australia, Japan, Malaysia, Mongolia, the Philippines, Singapore, South Korea, and Taiwan—but also in newly democratized Indonesia, the world's most populous Muslim-majority nation.

We have also seen a rise in prosperity and economic opportunity throughout the region, fueled by China's rapid development and by broad recovery from the financial crisis of the late 1990s among member countries of the Association of Southeast Asian Nations (ASEAN). Regional economies are moving toward greater economic openness, lower trade barriers, and regional cooperation.



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U.S. Secretary of State Condoleezza Rice (fourth from the left in the front row) poses with other participants in the 13th ASEAN Regional Forum in Kuala Lumpur, Malaysia, in July 2006.

Income levels have climbed, and extreme poverty has, on the whole, declined. Several of the fastest growing world economies in 2005 were in East Asia.

Today, East Asia is largely at peace. The region has not seen a single major military conflict for more than 25 years. Notwithstanding occasional terrorist attacks, we have seen a widespread rejection of terrorism.

As East Asia has emerged politically and economically, it has also come together as a region. We are witnessing expanding regional cooperation—politically, economically, and culturally—through the region’s major institutions, such as the Asia-Pacific Economic Cooperation (APEC) forum, ASEAN, and the ASEAN Regional Forum (ARF).

**REMAINING CHALLENGES**

Against this backdrop of favorable trends, several threats remain. Chief among them is the situation in North Korea, where the Pyongyang regime continues to challenge the international community through its pursuit of nuclear weapons. To deal with this challenge, we have established the Six-Party Talks framework aimed at obtaining the dismantlement of North Korea’s nuclear programs in a permanent, thorough, and transparent manner.

We continue to pay close attention to evolving cross-Strait relations. We pursue our “one China” policy in accordance with the three communiqués issued jointly by the United States and the People’s Republic of China (PRC) in 1972, 1979, and 1982 and the Taiwan Relations Act passed by Congress in 1979. We do not support Taiwan independence and are opposed to unilateral steps by either the PRC or Taiwan that would change the status quo. We urge both sides to engage in direct dialogue to reach a peaceful resolution of cross-Strait differences, absent the threat or use of force and in a manner acceptable to people on both sides of the Strait.

There is a growing realization throughout the region that terrorism threatens all governments and that the best way to confront this threat is by working together. We are also continuing to look for ways to help regional states that have sovereign responsibilities for ensuring security of the vital Strait of Malacca trade route to enhance their maritime law enforcement capabilities and cooperation.

Finally, we must work with allies and friends in the region to promote national reconciliation and democracy in Burma. The country’s continued estrangement from the international community is an increasingly worrisome problem for the region, especially for ASEAN.



U.S. Assistant Secretary of State Christopher R. Hill and Chinese Vice Foreign Minister Wu Dawei prior to a meeting at the Chinese Embassy in Tokyo, Japan, in April 2006.

## TRANSFORMATIONAL DIPLOMACY

To make our diplomacy more effective, Secretary of State Condoleezza Rice has embarked on a program to revise the way the State Department does its work. She describes this “transformational diplomacy” as “work[ing] with our many partners around the world to build and sustain democratic, well-governed states that will respond to the needs of their people and conduct themselves responsibly in the international system.” Integral to this effort is a broad and vigorous program of public diplomacy—promoting the national interest and the national security of the United States through understanding, informing, and influencing foreign publics and broadening dialogue between American citizens and institutions and their counterparts abroad.

## BILATERAL ENGAGEMENT

In considering the tasks embodied in the objective of transformational diplomacy—to promote democracy, good governance, and responsibility in the international system—no effort offers greater potential challenges or rewards than engagement with China.

The success we have in achieving our long-term strategic vision in East Asia will depend in large measure on China’s role as an emerging regional and global power. The United States welcomes a confident, peaceful, and prosperous China. We want to see China take on an increasing role as a responsible stakeholder in the

international system, and we are working toward that end.

Like China, Southeast Asia is changing rapidly, with many countries advancing along the road of economic development and prosperity. Southeast Asia offers fertile ground for our transformational diplomacy efforts to support reforms being undertaken by the peoples of the region that will promote democracy and good governance, foster broad-based and sustainable economic development, strengthen their societies, and make them stronger partners.

A case in point is Indonesia, which has emerged from over three decades of authoritarian rule to become the world’s third-largest democracy. In 2004, Susilo Bambang Yudhoyono became Indonesia’s first-ever directly elected president. He has launched an ambitious reform agenda and is working to fight corruption and strengthen Indonesia’s young democratic institutions, while creating conditions for sustained economic growth, which is essential to the country’s development and stability.

In recent years, we have invested considerable time, effort, and resources into supporting the efforts of Cambodia and Vietnam to integrate fully into regional institutions and the global economy and to institute reforms that improve their peoples’ lives. The APEC Leaders’ Meeting, to be held in Vietnam in November 2006, will highlight both Vietnam’s emergence as a dynamic regional power and our increasingly warm bilateral relationship. We have begun negotiations on a Free Trade Agreement with Malaysia to strengthen ties to a country that is already our 10th-largest trading partner.

## REGIONAL ENGAGEMENT

One of the favorable trends in the Asia-Pacific region is toward greater regional cooperation, which includes the development of regional organizations. We are broadening our engagement with these organizations to discuss issues of common interest that can be more effectively addressed multilaterally.

We are deeply involved in the Asia-Pacific Economic Cooperation (APEC) forum, an association of 21 economies bordering the Pacific Ocean that are working cooperatively to enhance the security and prosperity of our region. For the United States, APEC is the key institution for pursuing trade and investment liberalization and addressing issues that demand multilateral cooperation, such as confronting the threat of an avian influenza pandemic and ensuring secure trade in the region.



©AP Images

South Korean veterans demonstrate in support of strengthening the U.S.-Korea alliance in August 2006.

The United States is an enthusiastic participant in the ASEAN Regional Forum (ARF)—the region’s only broadly inclusive institution dedicated to security issues—and has begun discussions with ASEAN governments on an ASEAN-U.S. Enhanced Partnership, which will include new cooperation on political/security, economic, and socio-cultural issues.

We actively assist Pacific area programs, primarily through regional organizations like the Secretariat of the Pacific Community and the Pacific Island Forum, by providing economic, technical, and development support to the 22 nations and territories of the Pacific.

We will continue to watch the East Asia Summit (EAS) to gain an understanding of its relationship to the regional fora which we actively support and participate in and to our goals for the region.

### **STRENGTHENING OF ALLIANCES AND PARTNERSHIPS**

To address threats to regional peace and security, President Bush has emphasized the strengthening and revitalization of alliances. The ties we have with our five key allies and a key partner in the region have improved significantly since 2001, but the challenge of continuing this progress will occupy our time in the coming years.

The United States and Australia have a long history of working together as the closest of allies, and our relationship is the best it has ever been. Australia stands with us in Afghanistan and Iraq—sending forces to the conflicts and playing a major role in reconstruction. We share a commitment to nonproliferation, to combating terrorism and international trafficking in persons, and other transnational issues.

President Bush has called Japan “a force for peace and stability in this region, a valued member of the world community, and a trusted ally of the United States.” We continue to work closely with Japan, advancing our relations toward a more mature partnership, one in which Japan plays an increasingly effective role in advancing our mutual interests regionally and globally.

Our relationship with South Korea is moving beyond its original security rationale as the Republic of Korea begins to play a global political role commensurate with its economic stature. South Korea is the third-largest troop-contributing state to international operations in Iraq, and we have decided to initiate negotiations on a bilateral free trade agreement that, when concluded, will make Korea our third-largest free trade partner after Canada and Mexico.

Both Thailand and the Philippines are major non-NATO allies and important partners in the war against terrorism. Thailand has contributed troops to coalition efforts in Afghanistan and Iraq and is another country where we are engaged in free trade negotiations. U.S. and Philippine armed forces cooperate closely, and we are engaged in a jointly funded, multi-year program called Philippine Defense Reform aimed at modernizing the structure of the Philippine defense establishment.

Our arrangements with Singapore, not a treaty ally but an increasingly close partner, give us access to world-class port and airfield facilities strategically located along key transportation routes. Singapore is playing an active role in regional efforts to safeguard the vital sea lanes that pass through the Straits of Malacca and Singapore.

### **CONCLUSION**

We are moving forward throughout the East Asia and Pacific region to achieve our objectives of strengthening stability, security, and peace and expanding opportunities for democracy and prosperity.

My travels have given me optimism that, despite some difficult obstacles, the favorable trends I have outlined can be built upon in the years to come. ■

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# East Asia and the Pacific

U.S. Secretary of State Condoleezza Rice speaks with teachers at an Islamic school in Jakarta, Indonesia. Her trip to the world's most populous Muslim nation demonstrated U.S. support for Indonesia's burgeoning democracy and its fight against terrorism.



©AP Images



This miniature humanoid robot, HRP-2m Choromet, was developed by the National Institute of Advanced Science and Technology in collaboration with four other firms in Tokyo, Japan.

©AP Images

Red Cross volunteers unload boxes of relief supplies from the U.S. government in Leyte province in the Philippines following a massive landslide in February 2006.



©AP Images

# East Asia and the Pacific

Children are being bussed to school, building supplies and fish are being brought to market, and aid is being delivered by organizations such as World Vision (shown in the photo) along this highway, a centerpiece of the U.S. government's reconstruction package following the tsunami in Aceh, Indonesia.



©AP Images



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Participating in a humanitarian mission from the hospital ship USNS *Mercy*, an American dental officer observes a tooth extraction by a Filipino dentist in Isabella, the Philippines.

The Seoul, Republic of Korea, Metropolitan Subway is one of the most heavily used subway systems in the world, with well over eight million trips daily on the system's nine lines.



Korea Tourism Organization of New York

# European and Eurasian Affairs

Daniel Fried



U.S. Department of State

Daniel Fried, Assistant Secretary of State, Bureau of European and Eurasian Affairs

**M**y nearly 30 years of foreign service assignments at home and abroad taught me that America's partnership with Europe, resting on shared democratic principles, remains the center of American foreign policy. Together, the United States and Europe mobilized our values to defend ourselves during the Cold War, ultimately to prevail in that struggle, and finally to build a Europe whole, free, and at peace after the fall of the Berlin Wall, helping people throughout Europe find their own path to freedom. I saw this in my service in the Soviet Union, in Yugoslavia, and in Poland during the intense years of its democratic transition. Our common values—and the hard-won knowledge that freedom, security, and prosperity within the Euro-Atlantic community depend on their extension throughout the world—drive our mutual commitment to promote democracy and freedom, bring peace to troubled regions, and foster global prosperity.

As in any long-term partnership, Europe and the United States have occasional differences, but these are secondary compared to the values and common interests that bind us. The North Atlantic Treaty Organization

(NATO) remains our principal security alliance, and many of our strongest multilateral partnerships are with Europe-anchored organizations: the European Union, the Organization for Security and Cooperation in Europe (OSCE), and the Organization for Economic Cooperation and Development (OECD).

Our common values ensure that the European-American partnership will endure even as it evolves to meet new challenges. Many of the 20th century's great international questions were essentially about the political and economic organization of Europe, but the post-9/11 world poses challenges about whether freedom can stand and grow throughout much of the world.

As a result, the Euro-Atlantic partners now work together in troubled regions across the globe.

## **THE BROADER MIDDLE EAST AND NORTH AFRICA (BMENA)**

For too long, the world's democracies accepted a stagnant and undemocratic status quo in the Broader Middle East. We sought stability, but instead



NATO Secretary General Jaap de Hoop Scheffer (right) and Georgian Prime Minister Zurab Nougaideli at a press conference at NATO headquarters in Brussels, Belgium, in July 2006.

economic reform is essential for this region.”

The United States, the European Union, Russia, and the United Nations are committed to finding a two-state solution to the Israeli-Palestinian conflict. We are pressing the Palestinian leadership to act decisively against terror, recognize Israel’s right to exist, meet its international commitments, and build a practicing democracy based on tolerance and liberty. We encourage Israel to do its part to support Palestinians to establish a state rooted in democracy and the rule of law, living in peace and security with Israel.

The U.S.-European partnership provides critical support for the

authoritarianism and dysfunctionality incubated a hostile, anti-democratic ideology and brought the world greater instability. Our long-term interests in this part of the world depend on the advance of freedom and justice, and the spread of functioning market economies throughout this region. We must be realistic about the near-term difficulties but bold in our mid- and long-term objectives.

Europe and America share a vision of a democratic Middle East. Together we have launched initiatives to strengthen reformers there. The Forum for the Future brings together government and nongovernmental representatives from countries of the broader Middle East and North Africa and the G8 (leading financial/industrial) nations. Two new institutions established under the forum’s auspices work to strengthen the civil society institutions on which democracy and prosperity rely. As Secretary Rice has said, the Foundation for the Future “looks to indigenous reformers to draw upon their ideas and their ideals to nurture grass roots organizations that support the development of democracy. The Foundation will provide grants to help civil society strengthen the rule of law, to protect basic civil liberties, and ensure greater opportunity for health and education.”

An accompanying Fund for the Future aims to stimulate economic growth and job creation. With initial contributions from Egypt, Morocco, Denmark, and the United States, the Fund supplies promising small and medium businesses the capital they need to create jobs and spur economic growth. It reflects, Secretary Rice says, “new international consensus that greater democratic and

rapid, historic transformation of Afghanistan, which remains under pressure from terrorists. As NATO troops increase their presence across that nation, they bring security and the possibility for development to the long-suffering population. U.S.-European cooperation in the war on terror starts with giving Afghanistan, the one-time home of al-Qaida, the chance to build a democratic and prosperous nation at peace with itself and its neighbors.

The United States has worked closely with the “EU-3” (France, Britain, Germany) to convince the Iranian regime to cooperate with the international community and abandon its efforts to develop nuclear weapons. Because a more democratic Iran will be a better, more responsible partner in the region and the world, the United States and Europe are determined to reach out to the Iranian people and society.

Europe and the United States support the new democratically elected government of Iraq and its efforts to bring security, prosperity, and lasting democracy to the Iraqi people. Our differences with some European countries over the decision to remove Saddam Hussein from power belong to the past. Success in Iraq is our common interest, and will set the stage for the advance of freedom in the heart of the Middle East.

The United States and Europe are working together urgently both to stop the fighting and to create the conditions for a lasting settlement between Israel and Lebanon, meaning among other things that Hizballah must no longer be free to attack Israel at will. We want to see Lebanon fully sovereign and free of foreign



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The Heavy Bomber Elimination Program, a U.S. congressional initiative, has provided more than \$650 million to Ukraine to scrap its strategic nuclear arsenal in compliance with the START I and Conventional Forces in Europe treaties. This Tu-22MS Backfire bomber is being dismantled as part of that program.

domination and foreign forces, at peace with Israel, and living in security.

### YOUNG DEMOCRACIES

The United States and Europe are working together to support the young, still vulnerable democracies in Ukraine and Georgia. The Orange and Rose revolutions inspired freedom-seeking people around the world. We are committed to help Ukrainians, Georgians, and others along the “Frontiers of Freedom” consolidate their democratic gains. In Belarus, where the illegitimate Lukashenka regime has suppressed free speech and cracked down on those who seek democratic development, the United States has worked hand-in-hand with the European Union carefully to apply pressure; travel bans and financial sanctions target the clique helping Lukashenka maintain the last dictatorship in Europe. We continue to reach out to the people of Belarus.

The United States and Europe support Russia’s development into a vibrant, market-oriented democracy and aim to deepen a partnership to advance global security, peace, and prosperity. We cooperate with Russia to pursue common interests, including nonproliferation, ending terrorism, and promoting health. At the same time, we have concerns about worrying trends in Russia’s democratic development and about Russia’s approach toward some of its neighbors, including some aspects of Russian use of energy resources.

The United States and Europe have joined together to resolve the last major issue in the region: Kosovo’s final status. As part of this effort, we are prepared to reach out to all the countries of the region, especially Serbia, and bring them into Euro-Atlantic institutions.

The United States and European allies are working in concert to achieve a final peace agreement in Southern Sudan. We are determined to end the killing in Darfur, and are working with the U.N., NATO, the EU, and African Union on an urgent basis to stop the violence.

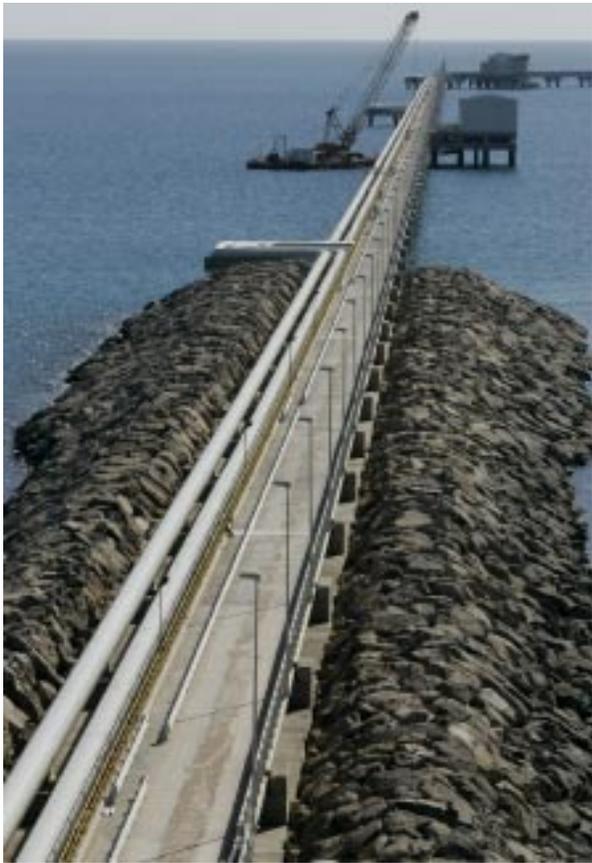
### SECURITY AND PEACE

The United States and Europe are working together to extend in the world the peace that the transatlantic community has known for decades.

NATO is America’s premier alliance, the strategic link between North America and Europe, and the core security arm of the transatlantic democratic community. Together, Europe, Canada, and the United States are transforming NATO to meet 21st-century challenges. At the start of 1994, NATO was a military alliance of 16 countries, oriented toward countering a Soviet Union that no longer existed; it had never conducted a military operation. By 2004, NATO had 26 members and 31 partnerships across Eurasia, the Mediterranean, and the Persian Gulf. It was engaged in eight simultaneous military operations, from the Balkans to Afghanistan, performing tasks ranging from humanitarian assistance to stability operations. NATO is an alliance in action.

We work every day with European partners to strengthen our anti-terrorist efforts and jointly to help other states improve their counter-terrorist abilities. Our cooperation extends to information- and intelligence-sharing, dismantling terrorist cells, interdicting terrorist logistics, and pursuing anti-money laundering efforts.

The most acute danger we and Europe face is the prospect of weapons of mass destruction in the hands of terrorists and their sponsors. Under the global Proliferation Security Initiative, the United States and Europe join other countries in agreeing to take effective measures to interdict the transfer or transport of weapons of mass destruction, their delivery systems, and related materials.



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The 1,600-kilometer, \$4 billion Baku-Tbilisi-Ceyhan (BTC) pipeline, shown here under construction in February 2005, officially opened in May 2005. It carries oil from Azerbaijan through Georgia to Turkey's Mediterranean coast. The United States supported the public-private partnership that built the pipeline in order to help the region achieve greater economic independence.

The United States and Europe have steadily deepened law enforcement cooperation. We work together to combat organized criminal activity including human trafficking, narcotics distribution, border enforcement, and financial crimes.

The United States and Europe advance global prosperity through our commitment to open markets, a stable and reliable financial system, and integration of the global economy. Whether through the Doha Round of World Trade Organization negotiations to lower trade barriers, or through our U.S.-EU initiatives to improve economic effectiveness, America and Europe seek to create new opportunities for our people and others, help alleviate poverty, and provide hope, dignity, and progress to hundreds of millions around the world.

The United States and the European Union are each other's largest trade and investment partners. Together our economies account for more than half the global

GDP and one-third of global trade, generating roughly \$2.5 trillion in annual commercial sales and employing an estimated 12-14 million workers on both sides of the Atlantic.

The United States and Europe are crafting an international engagement strategy to prevent the spread of avian flu. It stresses preparedness, prevention, and containment. Americans and Europeans have made the fight against HIV/AIDS a top priority for humanitarian reasons, and also because HIV/AIDS threatens prosperity, stability, and development around the world. Since 1986, the U.S. Agency for International Development (USAID) has funded almost \$6 billion, more than any other public or private organization, to combat the virus in nearly 100 countries worldwide.

The United States and its European partners are working closely to increase energy security. Our agreed-on principles and objectives include diversifying suppliers and sources, affording investors transparency and openness, developing new technologies, and promoting efficient energy consumption.

The discovery, capture, and consumption of energy is inseparably linked to responsible stewardship of the natural environment. At the 2006 U.S.-EU Vienna Summit, both parties agreed to address jointly the problems of climate change, biodiversity loss, and air pollution.

## CONCLUSION

Never before have Europe and the United States worked so closely and so effectively. While skeptics have offered theories of divergent interests, strategic drift, or even incipient rivalry, these dissolve before the reality of close policy cooperation grounded in common values, common purposes, and a common vision. Europe and the United States are allies in action, determined together to make the world freer, more secure, and more prosperous. ■

For more information:

<http://www.state.gov/pl eur/>

<http://usinfo.state.gov/eur/>

# Europe and Eurasia



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U.S. President George W. Bush and German Chancellor Angela Merkel wave upon his arrival in Stralsund, Germany, in July 2006.

Britain's Prime Minister Tony Blair poses with British soldiers at Shaibah logistics base in Basra, Iraq, during his fourth visit to Iraq in December 2005.



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Organization for Security and Cooperation in Europe (OSCE) observers watch as an electoral commission member gives instructions to an Albanian man in a polling station in Macedonia's capital, Skopje, during parliamentary elections in July 2006.



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# Europe and Eurasia



The participants in the July 2006 G8 Summit pose during the official photo session in front of the Constantine Palace in St. Petersburg, Russia.

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U.S. Secretary of State Condoleezza Rice addresses a media conference after a NATO foreign ministers meeting at the National Palace of Culture in Sofia, Bulgaria, in April 2006.

©AP Images



U.S. Under Secretary of State for Public Diplomacy and Public Affairs Karen Hughes chats with Turkish children as she presents them with books about the United States during a visit to the Turkish Education Volunteers Foundation Education Park in Istanbul, in September 2005.

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# Near Eastern Affairs

C. David Welch



U.S. Department of State

C. David Welch, Assistant Secretary of State, Bureau of Near Eastern Affairs

The responsibilities of the State Department's Bureau of Near Eastern Affairs (NEA) stretch from Morocco on the Atlantic Ocean to the eastern borders of Iran. In the big bureaucracy, we are highly visible but surprisingly small in personnel and resource terms. The 19 countries in our region run the gamut from small nations to populous and ancient civilizations such as Egypt and Iran. It includes two-thirds of the globe's proven oil reserves and is the cradle of the three great monotheistic religions. It is the land of Jerusalem and Mecca, of Bethlehem and Babylon, of holy wars and holy men. It is where civilization began and the alphabet was invented, where the light of classical civilization survived when it flickered during Europe's dark ages. It is the region with the most challenging and volatile of America's foreign policy issues.

It has been my great good fortune to spend a significant part of my adult life working on and living in this fascinating and frustrating, intense, and beautiful part of the world. My children, my wife Gretchen, and so many friends and colleagues share this powerful and deep interest in and respect for this region. The Middle East can inspire with its promise and disappoint with

its tragedy but can never be forgotten. From the natural beauty of Wadi Rum, the vastness of Saudi Arabia's Empty Quarter and the legendary cedars of Lebanon to the intriguing markets of old Cairo, of proud Aleppo and Isfahan to dynamic Dubai booming in the Gulf, the Near East presents a stunning physical environment. But this is surpassed by a rapidly growing mosaic of more than 350 million restless and very diverse inhabitants who are not so different from us—they too seek to secure lives of dignity, of safety from fear, and of hopes for a better future for themselves and their children. I know many of them as colleagues and as life-long friends.

## DEEP AND ENDURING CHALLENGES

The challenges of the United States in the Middle East are deep and enduring. We seek to promote cooperation against global terrorism and work to prevent attacks against us and our friends, champion aspirations for human dignity and reform, and work for a lasting peace for Israel, the Palestinians, and their neighbors.

All of our policy objectives are based on two underlying pillars. The first is promoting freedom,

justice and human dignity—working to end tyranny, to promote effective democracies, and to extend prosperity through free and fair trade and wise development policies. The second pillar of our global strategy is to confront the challenges of our time by working with a growing community of democracies on many of the problems we face—from the threat of pandemic disease to proliferation of weapons of mass destruction, to terrorism, to human trafficking, to natural disasters—which reach across national and regional borders.

While we seek positive change that will translate into a better life for all the people of the region, we work closely with governments, with civil society, and with others on a wide spectrum of priority issues. We deeply respect and seek to nurture important and deeply rooted relationships with Egypt, Jordan, and Saudi Arabia. We welcome their steps towards reform and encourage more to be done. We support and encourage their efforts to counter extremist ideology and promote moderation and tolerance. We appreciate their constructive work on many different fronts, from regional cooperation to promoting an end to regional conflicts to fighting terrorism.



U.S. Under Secretary of State for Public Diplomacy and Public Affairs Karen Hughes shows a book about football to some young Moroccans during ceremonies marking the opening of Morocco's second "American Corner," a cultural center-cum-cyber cafe-cum-library, in Daoudiate, a district of Marrakesh.

We are working alongside Iraqis to secure a united, stable, and democratic Iraq. The process of developing a stable political system that produces a competent and strong national unity government that reflects the needs and interests of all Iraqis is an Iraqi effort, but they have our sincere and unwavering support.

We continue to work for the President's vision of a two-state solution with Israelis and Palestinians living in peace, stability, prosperity, and dignity. Far too many lives have been lost on both sides as a result of violence and terrorist action. While we recognize and fully respect the political process that brought it to power, we have serious and long-standing concerns about Hamas. Any Palestinian government that encourages or tolerates terrorism against innocents not only increases violence against the Israelis, but does great harm to the



U.S. Consul General in Jerusalem Jacob Waller (center) looks over boxes containing supplies donated to the Palestinians by the U.S. Agency for International Development (USAID) at a warehouse in Ramallah in May 2006.



Assistant Secretary of State David Welch speaks during a press conference after a meeting with the Lebanese prime minister in Beirut, Lebanon, in January 2006.

interests of the Palestinian people, ensuring their further isolation. The United States will have no contact with such a government and we are working with many others in the region and the world to demand that it abandon its support for terror, recognize Israel's right to exist, and abide by previous agreements.

We are focused on Iran's challenge to the international community. The regime in Tehran regularly flouts international norms and its responsibilities to the International Atomic Energy Agency (IAEA), supports violence and terror in Iraq, Lebanon, and around the world, and refuses to bring to justice senior al-Qaida members it detained in 2003. It continues to provide Lebanese Hizballah and Palestinian terrorist groups with extensive funding, training, and weapons. As President Bush and Secretary Rice have made clear, America stands with the Iranian people, who suffer under the regime's continued repression and economic mismanagement. We seek to one day be the best of friends with the Iranian people.

### **DEMOCRACY AND REFORM**

We continue to support the path of democracy and reform enunciated by the Lebanese government. Lebanon

has accomplished much over the past year—the Lebanese have compelled Syrian troops to withdraw and they have held free and fair elections. After a destructive war provoked by Hizballah, UNSCR 1701 provides the essential framework to support the Lebanese people as they work to reassert their independence, strengthen their democracy, reestablish the sovereignty of the Lebanese government and armed forces over all their territory, and implement their call for national dignity, truth, and justice.

We are striving to express our solidarity with the Syrian people. Their aspirations for a better life of dignity are thwarted by an atavistic regime that cracks down harshly on Syrian civil society, seeks to intimidate the Lebanese, fails to control its border with Iraq, and sponsors Palestinian and Hizballah terrorist groups. We continue to highlight the critical importance of Syrian regime compliance with U.N. Security Council Resolutions 1644, 1636, 1559, 1595, and 1701, and our continued commitment to see an end to Syrian support for Hizballah's armed aggression in Lebanon and to bring to justice those responsible for former Lebanese Prime Minister Hariri's assassination.

In Saudi Arabia, a partnership was initiated by King Abdulaziz and President Roosevelt in February 1945, and has been continued by a succession of kings and presidents. Saudi Arabia is the symbolic heart of the Muslim world—the birthplace of Islam and location of its two holiest cities. We look for the Kingdom to take a leading role in ensuring the predominance of a moderate form of Islam and in expanding citizen participation, increasing opportunities for women, and promoting a vibrant private economic sector.

North Africa, a region with which the United States has had relations since our independence, is growing in importance to our regional and strategic interests. More than one-half of Arabs live in this region, counting Egypt. Our reestablishment of more normal relations with Libya has occurred against the background of historic achievements in that country's renunciation of terrorism and its WMD and long-range ballistic missile programs. Morocco has emerged as a regional leader and key U.S. partner on reform. Algeria has also embarked on a path to serious reform following a decade of domestic upheaval. We are encouraging Tunisia to match its tremendous economic and social record with a comparable effort at political reform. These countries have further to go with respect to political and economic reform and respect for human rights, but we are prepared to help them. We are also aware that they face a common threat from

religious extremism and have developed the Trans-Sahara Counterterrorism Initiative as one way to deal with it. This will require steady work to support U.N. efforts to resolve the longstanding dispute over the Western Sahara, whose resolution is ultimately the key to true regional cooperation.

### **CONCLUSION**

All of these issues constitute a challenging and difficult agenda. Some of these crises have now occupied policymakers and governments for decades. But we know that the voices of reform, for positive change, and for greater humanity in governance did not originate from the West; they came from regional leaders both inside and outside government. We readily acknowledge that democracy will develop in the region with its own Middle Eastern characteristics and with its own timing. We are

providing tangible support to reformers and peacemakers in the region so that conflict will diminish, democracy can spread, education can thrive, economies can grow, and women can be empowered. We are heartened by recent important progress in Kuwait and Qatar in the field of women's rights. We work diligently to support all of this change in an environment of mutual respect and humility, deeply conscious of the need to respect the traditions and culture of the region and to listen to the people, even when their voices are raised in anger or criticism. ■

For more information:

*<http://www.state.gov/p/nea/>*

*<http://usinfo.state.gov/mena/>*

# Near East

A member of the U.S. Army Corps of Engineers and the onsite Iraqi contractor discuss the electrical situation at the Diwaniyah Maternity and Children's Hospital in Ad Diwaniyah, Iraq.



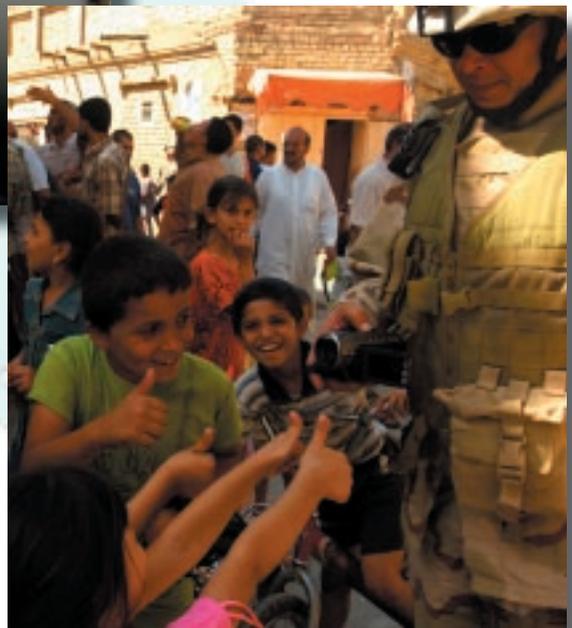
(U.S. Army photo by PFC Timothy J. Villareal)  
(Released)



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An estimated 15,000 Egyptian jobs have been created as a result of a U.S.-brokered agreement that has dramatically increased Egypt's trade with Israel. This worker is at a textile factory in Cairo.

A U.S. Navy mass communications specialist shows children his video camera during a visit to the Adhamiyah district of Baghdad, Iraq, in September 2006.



(U.S. Air Force photo by Senior Airman Richard Rose)  
(Released)

# Near East



Students walk through the entrance to Hassan II Ain Chock University in Casablanca, Morocco.

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A camel keeper waits for tourists on the beach with the Jumeira Residence construction site in the background in Dubai, United Arab Emirates.



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Officials from the U.S. Agency for International Development (USAID) monitor humanitarian supplies being delivered in Beirut, Lebanon, on July 29, 2006. This delivery included 20,000 blankets, 2,000 tarpaulins, and seven one-ton medical kits designed to support 100,000 people for three months.

# South and Central Asia

Richard A. Boucher



U.S. Department of State

Richard A. Boucher, Assistant Secretary of State, Bureau of South and Central Asian Affairs

Last year Secretary Rice decided to consolidate policy responsibility for the South and Central Asian nations into one bureau. This change makes good sense, because South and Central Asia should be dealt with as a unit. In addition to deep cultural and historic ties, our major policy goals for the 21st century, such as winning the war on terror, finding outlets for energy supplies, achieving prosperity through economic cooperation, and exploiting democratic opportunities, are of central importance in all the countries of this region. At the same time, in each country—Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, Sri Lanka, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan—we encounter unique and challenging issues with which to deal.

Our success in South and Central Asia is critically important to our national interests. September 11th cemented our realization that stability in the region was ever more vital. What the United States seeks in the region is a continuing spread of democratic stability. We are helping regional states find peace and prosperity through the virtuous combination of political

and economic freedom. We seek to champion change and reform to produce a more stable, prosperous, and integrated region. This is in line with a central objective of American global foreign policy as articulated by President Bush: “It is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture with the ultimate goal of ending tyranny in our world.”

The United States will work with the governments and peoples of South and Central Asia, practicing what Secretary Rice has termed “transformational diplomacy.” She explains that “... transformational diplomacy is rooted in partnership; not in paternalism. In doing things with people, not for them, we seek to use America’s diplomatic power to help foreign citizens better their own lives and to build their own nations and to transform their own futures.”

## **EDUCATION, GROWTH, AND COOPERATION**

Education, particularly of women and girls, is our strongest foreign policy tool in the region. It is the



Kashmiris unload American-donated relief aid from a United Nations helicopter at Sharda village in Pakistan, following the 2005 earthquakes there.

©AP Images

energy sources in Central Asia. It's a winning solution for both sides, providing much-needed energy to Afghanistan and serving as a major source of future revenue for countries like Tajikistan and Kyrgyzstan.

Generating long-term stability through regional cooperation in energy, trade, and communications is an area where the United States can offer technical assistance. As a government, it is not our role to carry out large-scale energy and infrastructure projects. But, we have a key interest in using our expertise, in combination with other multilateral partners and donors, to stimulate such activities.

Strengthening these ties and helping to build new ones in energy,

foundation for accelerating social, political, and economic development in all areas: reducing infant/maternal mortality and improving health care, basic hygiene, literacy, civic participation, and economic growth, among others. The United States will devote significant resources to educational projects in the region.

Programs to encourage and stimulate economic growth with a broad impact on regional populations, ranging from micro-enterprise development to trade facilitation and custom reforms, are all essential components of creating healthy economies and trading partners. Thanks to reforms and export opportunities, Pakistan and India are both growing at more than 8 percent, and Afghanistan is growing at 14 percent. Kazakhstan's economic reforms and hydrocarbon deposits will soon catapult it into the first ranks of energy exporters.

Promoting closer cooperation in all spheres both within and between South and Central Asia is a high priority. We are fostering Central Asia's natural partnership with Afghanistan and the tremendous potential for cross-border trade and commerce. One important objective is to fund a greatly expanded Afghan power grid, with connections to underutilized

infrastructure, transportation, and other areas will increase the stability of the entire region, but will not be at the expense of already existing relationships. We will continue to emphasize the involvement of Central Asian nations with Euro-Atlantic institutions. Their links with NATO, the European Union, the Organization for Security and Cooperation in Europe, and with individual European nations must remain an important part of their future.



Pakistani Joint Secretary Fardosh Alim (center) waves to the crowd at the India-Pakistan joint check post at Wagha, India, on the day a new cross-border service opened as a result of efforts to improve ties between the two nations.

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U.S. Assistant Secretary of State for South and Central Asian Affairs Richard Boucher (right) joins (from left to right) Herve Jouanjean, deputy director-general of the European Union Commission for External Relations; Yasushi Akashi, Japanese peace envoy to Colombo; and Erik Solheim, Norwegian minister of international development, at the start of a meeting about Sri Lanka's peace process in May 2006.

## STRATEGIC PARTNERSHIPS

We are building a global strategic partnership with India, the world's largest democracy and likely to be the most populous nation in 20 years. India and the United States are both multi-ethnic, multi-lingual, multi-religious democracies with increasingly converging interests on the world's most important issues. Opening new areas to economic cooperation and concluding a civilian nuclear partnership are two of the most important paths we are currently following. We are also looking at all the areas where both of our international interests can be advanced through our partnership. These include agriculture, democracy building, disaster relief, education, and science and technology.

We are continuing America's long friendship with Pakistan, a key ally in the war on terror. President Musharraf has made the important decision to move his country away from extremism and towards a future as a modern democracy, and we fully support this undertaking. We are working with political parties, civil society, and institutions such as the election commission to assure

successful parliamentary elections in 2007, and we continue to make clear that we are deeply committed to helping the Pakistani people recover from the devastating earthquake of last October.

A stable and friendly relationship between India and Pakistan is essential for peace and stability in the region and beyond. We are encouraged by continuing progress in the composite dialogue between India and Pakistan. Confidence-building measures, such as the opening of bus and rail links, are helping to build a constituency for peace in both nations. We will continue to encourage peace efforts between the two countries, including moving toward resolution of the question of Kashmir.

Afghanistan, at the center of this region, can be a bridge that links South and Central Asia, rather than a barrier that divides them. Stability, democracy, and economic development in Afghanistan remain top priorities for the United States and for our partners as well. The Afghanistan Compact and Interim Afghan National Development Strategy documents unveiled in January at the London Conference on Afghanistan map out specific security, governance, and development benchmarks for

the next five years; our support is vital to achieving these important goals. We must continue to deal decisively with the violent remnants of al-Qaida, the Taliban, and other insurgents that are still at large. The huge opium crop in Afghanistan poses a grave threat to Asia, Europe, and the United States, with the potential to fuel insurgencies, destroy economies, and corrupt governments. Through a five-pillar approach of information, income alternatives, eradication, enforcement and interdiction, and fair application of the law, Afghanistan is moving against the drug trade, and we are helping.

We are working to end strife and promote stability elsewhere in the region. In Sri Lanka, we continue to work with our international partners to preserve a fragile peace process and bring resolution to the violent struggle against the government by Tamil separatists. Nepal also faces a difficult situation. Popular demonstrations forced King Gyanendra to reinstate parliament and acknowledge the people's sovereignty, but the country still faces many challenges on the path to restored democracy, peace, and development, including a continuing insurrection by the Maoists. While the United States is cautiously optimistic, this is the very beginning of a process of entrenching democracy in Nepal, and U.S. and other countries' strong support will be important to ensuring the success of the new government. In Bangladesh, a moderate Muslim democracy recently threatened by political violence and extremism, we are looking forward to free and fair parliamentary elections next year with the full and active participation of all parties.

Central Asian nations are dealing with similar challenges of fighting terror, building sustainable growth, and meeting the demands of their people for economic and political opportunity. Some leaders, such as those in Turkmenistan and Uzbekistan, have responded negatively

and we must manage our relationships accordingly. However, Central Asia is also a region of tremendous promise. Oil and gas production in the Caspian Sea basin, particularly in Kazakhstan and Turkmenistan, could make a significant contribution to global energy security. Kazakhstan may be emerging as a regional engine of economic growth and reform. Kyrgyzstan is struggling to consolidate democratic gains and keep reforms on track.

## CONCLUSION

Throughout the region, traditions of tolerant faith and scientific learning, which stretch back a millennium, provide a shield against imported strains of violent extremism. As we help the governments and peoples of the region to strengthen their institutions promoting growth, peace, and stability, we also seek to encourage those members of society who have begun to reform, to promote change, to open their economies, and to cooperate with their neighbors. With nearly a quarter of the world's population, abundant resources, and a generation of young people with unprecedented dreams, South and Central Asia has great global potential to serve as a democratic and economically vibrant force for positive change. The United States should have a role in fostering such change, in which all in the region can share. ■

For more information:

<http://www.state.gov/p/scal/>

<http://usinfo.state.gov/sal/>

# South and Central Asia



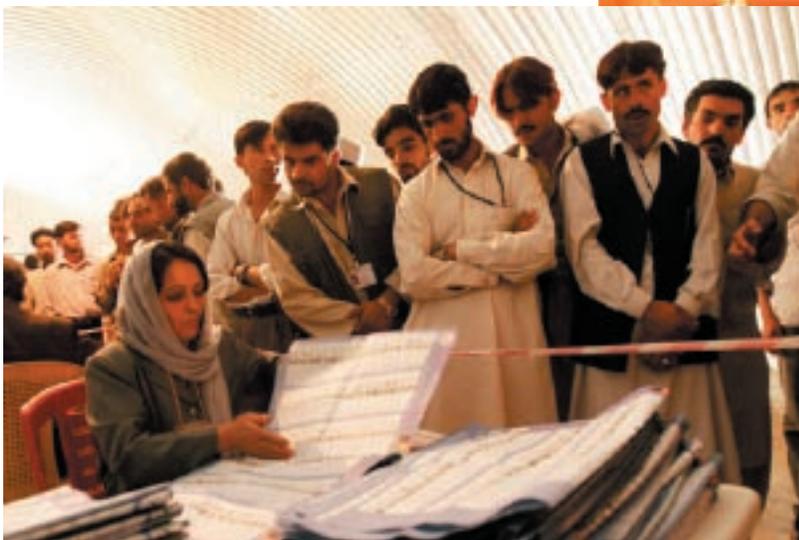
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American field specialist for the International Organization for Migration (IOM) Matt George makes a cast out of cardboard for a boy in Kashmir.

Pakistani women light candles to mark International Women's Day in Multan, Pakistan, in March 2005.



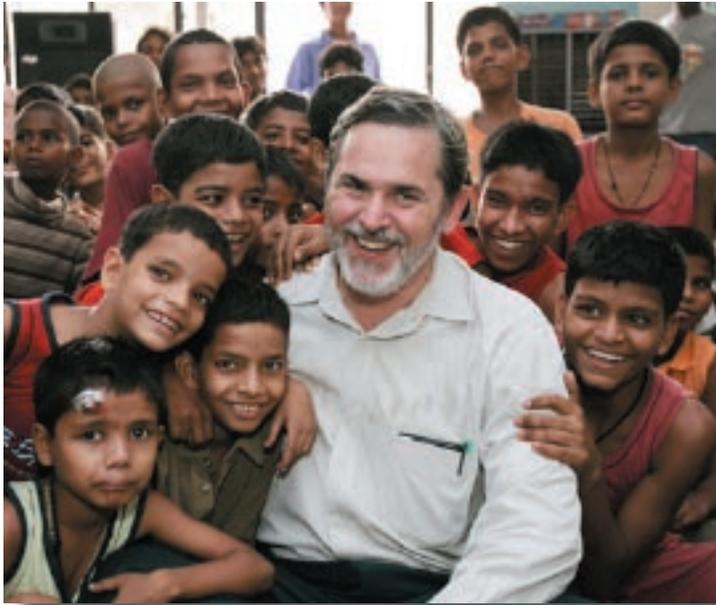
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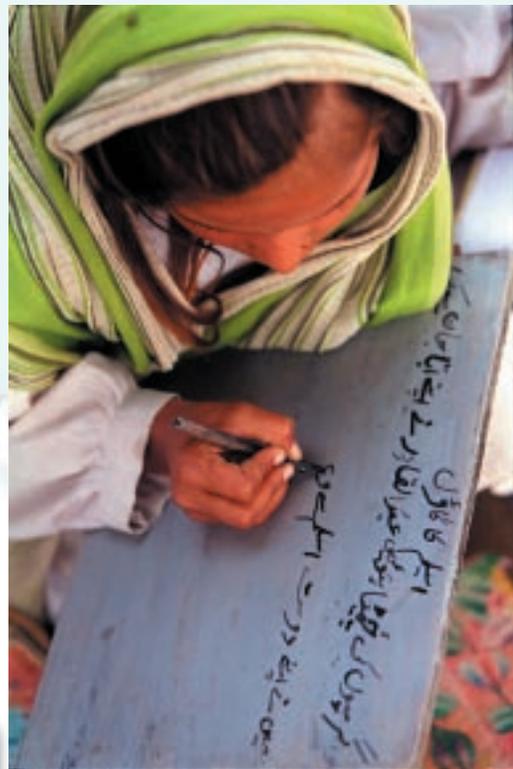
An Afghan election worker counts ballots as observers watch her in Kabul, Afghanistan, in September 2005. Some 12 million votes were cast in simultaneous parliamentary and provincial council elections.

# South and Central Asia



U.S. Assistant Secretary of State for South and Central Asia Richard Boucher visits the Salaam Baalak Trust, a shelter for street children funded by the U.S. government in New Delhi, India, in August 2006.

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A girl practices her Urdu writing skills at a village school in Bhair Sodian, in northeastern Pakistan.

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Children play a computer cricket game at “Hole in the Wall,” an informal computer education program supported by the American Embassy School in partnership with the American Women’s Association, an Indian nongovernmental organization (NGO), and the National Institution of Information Technology.

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# Western Hemisphere Affairs

Thomas A. Shannon Jr.



U.S. Department of State

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I have spent my 22 years in the Foreign Service working in Latin America and Africa. I am what is known as a “dusty roads” diplomat. I have dedicated myself to countries in transition—countries that have struggled to make democracy real for their people, and to provide the prosperity and security necessary for human development.

Because of this experience, I know what democracy means to the disenfranchised. I know what economic opportunity means to the poor and excluded. And I know what freedom means to peoples attempting to gain control of their own destinies. I have experienced first hand the dramatic transformational role the United States can play during such transitions.

When Secretary Rice asked me to return to the State Department to become the Assistant Secretary for Western Hemisphere Affairs, she charged me with revitalizing our diplomacy, building new and lasting partnerships in the Americas, and articulating the president’s commitment to individual freedom and social justice.

I have sought to meet this responsibility by implementing an agenda in the Americas that is both straightforward and comprehensive: the United States is committed to working with our partners in the Americas to consolidate democracy, promote prosperity, invest in people, and enhance the security of the hemisphere’s democratic states.

Our policy reflects a common agenda shaped through the Summit of the Americas process. It is based on two guiding principles, both enshrined in the Inter-American Democratic Charter:

- The peoples of the Americas have a right to democracy and their governments have an obligation to promote and defend it.
- Democracy is essential for the social, political, and economic development of the peoples of the Americas.

## **CONSOLIDATING DEMOCRACY**

The Americas have made an historic commitment to democracy. This commitment is to more than an electoral process. It is also to the fundamental rights



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A Nicaraguan farmer receives medical attention from U.S. Army reservists on a humanitarian aid mission to rural workers in El Sol, Nicaragua, in July 2006.

and liberties that underlie our open societies, to the institutions and constitutional procedures that give structure to our democratic states, to the development of the political parties and civil societies that represent our citizens, and to the democratic governance necessary to create just and fair societies in which all citizens have a covenant.

The United States is committed to fostering democratic governance and protecting fundamental rights and liberties in the Americas. Working bilaterally—through our foreign assistance programs and diplomatic outreach—and multilaterally—through the Organization of American States and the other institutions of the Inter-American System, we are helping our partners in the Americas attack poverty, inequality, and political marginalization and exclusion. We are standing up to tyranny, especially in Cuba. And we are working to ensure that all the peoples of the Americas have the rights and the capabilities to enjoy and express their citizenship in all its dimensions: political, economic, and social.

## PROMOTING PROSPERITY

The Americas are experiencing a revolution in expectations. People expect their democratic governments to be responsive and accountable, and to deliver the benefits of free markets, trade, and economic integration to all citizens. Access to economic opportunity and the social mobility that it creates are now understood to be fundamental components of social justice.

The United States is helping to create economic opportunity in the Americas through our free trade agenda, now encompassing two-thirds of the gross domestic product of the hemisphere. We are also working through our foreign assistance programs, especially the Millennium Challenge Corporation, to fight corruption, promote the rule of law, and create the kind of democratic and just governance necessary to ensure that economic opportunity is not trapped by elites but instead courses through society.

## INVESTING IN PEOPLE

People need capacity and skills to take advantage of economic opportunity. Poverty, inequality, and social exclusion have denied many in the Americas access to opportunity. Through the Summit of the Americas, the democratic leaders of the hemisphere have committed to providing their citizens the tools to become agents of their own destiny.

The United States, by helping our partners invest in people through improved education and training, health care, access to capital, economic infrastructure, and security for their families and their property, is helping to unlock the vast potential of the peoples of the Americas. Our action, again, is channeled through our foreign assistance programs. It is also enhanced by our commitment to the Inter-American Development Bank and other multilateral development institutions.

## PROTECTING THE DEMOCRATIC STATE

In a hemisphere committed to democracy, free trade, and economic integration, the principal security threat



Photo: USAID/Jorge Vinueza

Thanks to a small loans project of the U.S. Agency for International Development (USAID) in Ecuador, Maria Isabel Coral has been able to expand her small store and increase her profits, allowing her to pay for her two daughters' higher education.



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Traders work in the futures dollar pit at the Brazilian Mercantile and Future Exchange in Sao Paulo, Brazil.

no longer comes from other states. Instead, it comes from non-state actors, such as terrorists, drug and people traffickers, and organized crime. It is also comes from natural disasters, environmental disasters, and pandemics.

The United States, working through the Summit of the Americas and the Organization of American States, has helped reshape the hemisphere's security agenda and institutions. We have built new forms of cooperation that go beyond traditional military and security assistance. Through law enforcement and intelligence cooperation, increased communication between disaster and emergency management agencies, and better coordination among environmental and medical authorities, we are creating the ability to respond to new threats. We are building a new understanding of the linkage between security and our economic prosperity and the well-being of our democratic institutions. We are also building a hemisphere in which open societies are protected and resilient.

Our agenda in the Americas is positive, people-focused, and committed to our fundamental political, economic, and social values. It is based on cooperation and collaboration, and it is committed to open discussion with our partners and to the common institutions of the Inter-American System that we share with the other 33 democratic states of the Americas.

Our agenda recognizes the transformational power of democracy. It understands the central role that economic and social development play within democracy; and it asserts that all political and economic activity must enhance and respect human dignity and individual freedom. ■

For more information:

<http://www.state.gov/p/whal>

<http://usinfo.state.gov/wh/>

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Shown here following the signing of the U.S.-Peru Trade Agreement at the Organization of American States (OAS) in April 2006 in Washington, D.C., are (left to right) then-U.S. Trade Representative Robert Portman, Peruvian Minister of Production David Lemor, Peruvian President Alejandro Toledo, Deputy U.S. Trade Representative Susan Schwab, and Peruvian Foreign Trade Minister Alfredo Ferrero Diez Canseco.

Mexican actress Salma Hayek holds a child while speaking with Nicaraguan youths during a visit to the Quincho Barrilete Foundation in Managua, Nicaragua. She and American actress Ashley Judd were traveling together to promote a global initiative called “YouthAIDS,” a program to educate young people about HIV/AIDS.



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Members of the U.S. military construct a school in Honduras as part of New Horizons, a Joint Task Force (JTF) humanitarian exercise.

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Nicaraguans with relatives in the United States wave U.S. and Nicaraguan flags during a holiday celebration in Managua, Nicaragua.



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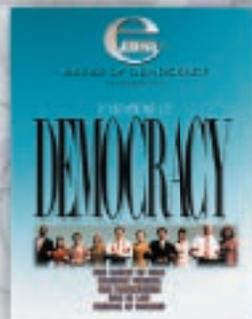
Ambassador John F. Maisto, U.S. Permanent Representative to the Organization of American States (OAS), is among the participants from 34 countries at the 36th General Assembly of the OAS in Santo Domingo, Dominican Republic, in June 2006.



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