through it is subject to compliance with U.S. sanctions.

Sanctions have also greatly reduced South Sudan's income, including limiting the market for Sudan's oil, because OFAC monitors dollar-based oil transactions. Sanctions have also prevented American oil companies, with more sophisticated technologies for oil production, from operating in Sudan. Even though a large percentage of the oil is in the South, the oil industry was not exempted there. This has prevented increased oil output, which would be beneficial to the South as well as to the people of Sudan as a whole.

Sudanese sources report that there is now a monthly \$250 million budgetary shortfall in the South. As a result, sanctions are giving ammunition to those in the South who want to secede, since this is the only way to avoid the constraints on economic development, which have resulted from the sanctions imposed on the government.

New Somali Government Struggling To Hold On

by Douglas DeGroot

May 23—Somalia's beleaguered Transitional Federal Government (TFG) struck back militarily yesterday against opposition radical Islamic insurgents who have vowed to destroy it. The TFG, headed by President Sheikh Sharif Ahmed, a moderate Islamist, had lost territory to the insurgents in recent weeks, and, according to news reports, controls only a few roads and key installations in Mogadishu, the capital, with the help of approximately 4,000 African Union peacekeepers.

Preventing the establishment of a stable government in Somalia, which has been without one since 1991, has been part of a long-term strategy of the London-based imperial financial cartel to destabilize the entire Horn of Africa, and surrounding nations. Keeping the region embroiled in dealing with the chaos in Somalia, serves that purpose. There have been numerous reports of a large input of funds into Somalia from Dubai, one of the financial clearing houses for laundering drug money of the British Dope, Inc. operation. Some of these funds and supplies come to Somalia directly, via flights from the Gulf. Some are funneled through the desperately poor neighboring country of Eritrea.

In a hearing on Somalia held May 20, by the African

Affairs Subcommittee of the Senate Foreign Relations Committee, U.S. Assistant Secretary of State Johnnie Carson acknowledged that the situation was critical, and said the Obama Administration is considering ways to bolster the TFG, without being specific beyond pledging aid to AMISOM, the African Union peace-keeping mission in Somalia, and humanitarian aid. At the hearing, subcommittee chairman Sen. Russ Feingold (D-Wisc.) announced he has proposed that the Obama Administration consider appointing a senior envoy for the Horn of Africa.

In a news conference in Mogadishu, Mohammed Abdi Gandi, Somalia's Defense Minister, said the TFG had no choice but to undertake yesterday's counteroffensive, if it wanted to survive. After the fighting, both sides claimed victory. Many Somalis fear that the well-armed, radical militias are on the verge of toppling the TFG.

President Ahmed was elected in January 2009, after UN-brokered reconciliation talks in neighboring Djibouti, which began last year. The departure of the Ethiopian occupation facilitated the outcome of the talks, and his election.

Ken Menkhaus, an expert on Somalia and the Horn of Africa, also testified at the hearing, noting that past U.S. policies have made things worse for Somalia and its neighbors. He pointed out that the two-year Ethiopian occupation of Somalia had raised anti-Americanism there to a very high level. The Ethiopian invasion had been encouraged by former Vice President Dick Cheney and former British Prime Minister Tony Blair, as part of their so-called War on Terror, which aided the British deployers of the terrorists.

The TFG is under siege by a loose coalition of hardline Islamist insurgencies—most notably Shabaab and Hisbul Islamiyya, which received support from the population because of the Ethiopian presence, said Menkhaus. But since the Ethiopian withdrawal, they have continued to survive because of strong external support.

He cautioned against any military interventions, because that would play into the hands of the radicals. He said that the majority of the Somali people do not like the fact that al-Qaeda-linked movements are "urging Somalis to kill one another in the name of a radical, Wahhabist interpretation of Islam," just because these movements think the TFG is too willing to co-exist with Ethiopia and the West. He cautioned against globalizing the crisis in Somalia as part of a war on terrorism or piracy, because this would play into the hands of the radical militias.

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