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Pakistanis say NATO raid killed 7 civilians

Cross-border strike involving troops appears to be a first

By Pir Zubair Shah and Jane Perlez

DERA ISMAIL KHAN, Pakistan
Two helicopters carrying NATO forces landed in a Pakistani village in South Waziristan near the border with Afghanistan early Wednesday morning and the soldiers opened fire on villagers, killing seven people, a spokesman for the Pakistani military said.

The account by the spokesman, Major General Athar Abbas, broadcast on Pakistani television Wednesday evening, described what appeared to be a first commando attack by NATO forces against the Taliban inside Pakistan.

Pakistan has lodged a "strong protest" to the U.S. government and reserved the right of "self defense and retaliation," Abbas said. Local residents said most of the dead were women and children, but this could not be immediately confirmed.

The Bush administration has admonished Pakistan in recent months for not doing enough to curb attacks by the Taliban, who maintain bases inside the Pakistani tribal region and cross the border to attack coalition soldiers in Afghanistan.

Coalition forces have fired missiles into the border region of Pakistan to strike against militants, but commando operations by American-led forces into the tribal region have been under discussion in Washington. The action Wednesday in the border village appeared to be an effort to halt the Taliban raids.

According to an earlier description of the military action Wednesday given by a Taliban commander and local residents, the latest attack was aimed at three houses in the village of Jala Khel in the Angoor Adda area of South Waziristan, near a known stronghold of the Taliban and Al Qaeda and less than a mile from the border with Afghanistan.

The governor of the North-West Frontier Province, Owais Ahmed Ghani, said the helicopter attack had occurred at about 3 a.m. and killed 20 people.

The governor, the most powerful civilian leader in the province, which abuts South Waziristan, condemned the attacks and called for retaliation by Pakistan.

A U.S. military spokesman at Bagram Air Base in Afghanistan declined to comment on the reports. The spokesman did not deny that the attack had occurred. Often, a statement of no comment by American and NATO spokesmen in Afghanistan, where NATO and U.S. forces are fighting militants from the Taliban and Al Qaeda, indicates that the coalition forces were involved in a cross-border attack.

Abbas said the Pakistani military was angered by the NATO raid because it had created trouble for the army in the region.

In a telephone interview, Abbas said the soldiers from NATO's International Security Assistance Force had created "new problems" for the Pakistani soldiers based along the border.

By killing civilians, Abbas said there was now a great risk of an uprising by the tribesmen who supported the Pakistani soldiers in the border area. These tribesmen, who were opposed to the Taliban and supportive of the Pakistani forces, would now be extremely angry, he said.

"Such action are completely counterproductive and can result in huge losses because it gives the civilians a cause to rise against the Pakistani military."

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Shots are fired at Pakistani prime minister's motorcade. **Page 4**

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THE PALINS ARRIVE — From left: Track; Senator John McCain; Piper; Willow holding Trig; Levi Johnston with Bristol; Todd with his wife, Governor Sarah Palin of Alaska, the presumptive Republican vice-presidential nominee; and Cindy McCain in St. Paul. Todd Palin, self-styled "first dude," has had to occupy many roles since his wife's election. **Page 7**

McCain woos and wins party conservatives

By David D. Kirkpatrick

ST. PAUL, Minnesota Moments after Senator John McCain announced his running mate — Governor Sarah Palin of Alaska, an outspoken abortion opponent — his campaign sprang into action to fan flames of enthusiasm among his party's demoralized conservative supporters.

At a lunch in Minneapolis, two of his top advisers — Charlie Black, a veteran political operative, and Dan Coates, a former senator from Indiana — were extolling Palin's virtues to about 150 influential evangelicals as evidence of McCain's ideological commitments.

That night, at a larger gathering of Christian conservatives, the campaign sent Frank Donatelli, vice chairman of

Stressing abortion, he shifts positions

the Republican National Committee, to reinforce the message: McCain would be a "pro-life" president, which could make a crucial difference, given that two Supreme Court justices are close to retirement. McCain has said that he would appoint conservative jurists and run a "pro-life" administration but that abortion would not be a "litmus test" for judicial nominees.

The crowd erupted into a standing ovation before Donatelli started talking and another when he finished. Several participants described the meetings, both of which were associated

with the conservative Council for National Policy, on condition of anonymity because the group bars its members from public discussion of its activities.

The McCain campaign's outreach was the culmination of months of effort by the senator and his staff members to shore up his support on the right, which has long viewed him as a nemesis.

McCain has met with small groups of Christian conservatives in pivotal states like Michigan and Ohio — even persuading one Ohio advocate to send a mass e-mail message announcing his switch from "no way" to "I can't wait" to support McCain.

Appearing recently with the Reverend Rick Warren at the Saddleback Church in California, he embraced op-

position to abortion more fully than President George W. Bush ever did. Asked when a fetus gains human rights, McCain said, "At the moment of conception."

And he has abandoned previous calls to moderate the Republican platform's support for a ban on abortion without exception. Instead, he allowed conservative organizers like Phyllis Schlafly to shape what many advocates say is the most conservative platform in the party's history. At her behest, the party approved an immigration plank calling for new laws that would facilitate wide-

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Republicans and Democrats battle to shape Palin's image. **Page 6**

EU preparing sharp cuts in fees for text messages

By Kevin J. O'Brien

BERLIN The European Union's telecommunications minister plans to propose a new set of price controls that would sharply cut the roaming fees charged by mobile operators to send short text messages while also reducing the cost of surfing the Internet on a cellphone.

Details of the proposal, obtained by the International Herald Tribune on Wednesday, show that the minister, Viviane Reding, will seek to cap retail roaming fees for short text messages, or SMS, within the European Union at 11 euro cents, or 16 U.S. cents, a message.

That would be a 62 percent reduction from the current average of 29 cents, according to the European Commission, the executive arm of the EU.

Reding also intends to recommend a cap on the wholesale cost of using mobile phones to access the Internet — that would halve the average cost to €1 a megabyte from €2.

SMS roaming prices range from 6 cents in Estonia to 80 cents in Belgium, according to the European Regulators Group, a panel of the European Union's 27 national telecommunications regulators.

"SMS prices are really too high so bringing them down is best thing that can happen for consumers," said Monique Goyens, the director general of the European Consumers' Organization, a Brussels group representing 41 consumer organizations in Europe.

In 2007, Europeans spent €800 million on SMS roaming charges and €560 million on data roaming services, according to the commission. They also spent €5.2 billion in voice roaming charges that year. Over all, €300 billion was spent on telecommunications in Europe, the European Information Technology Observatory said.

Reding devised the EU's limits on charges for voice roaming, which took effect a year ago and have, according to her, saved European consumers an average of 60 percent for the service. Her new proposal cleared an intern-

al commission economic assessment panel last week and has been circulating for comment among the commission's 27 ministries. The full commission could vote on the proposal as early as Sept. 15.

Approval of the commission is considered likely, given the support of France, which holds the rotating EU

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Kazbek Vakhayev/European Pressphoto Agency

Remembering slain hostages in the Caucasus

Weeping relatives in Beslan, North Ossetia, marked on Wednesday the fourth anniversary of the school hostage shootout in which 331 people were killed.

Turkey and Armenia try soccer diplomacy

In a major diplomatic step, President Abdullah Gul of Turkey will visit Armenia for a soccer match. The countries have no diplomatic relations and their border has been closed for years. The national teams of Armenia and Turkey will play in the Armenian capital on Saturday. **Page 2**

American Airlines presses BA alliance

American Airlines rejected charges by Virgin Atlantic that its proposed alliance with British Airways would create a monopoly in trans-Atlantic flights from London Heathrow Airport.

American's response was filed Wednesday with the U.S. Transportation Department, which is reviewing a request by American and British Airways for immunity from antitrust prosecution. The founder of Virgin Atlantic, Richard Branson, has attacked the proposed merger as a "monster monopoly." **Page 10**

Beijing finances in a bind

The lending of enormous sums to the United States, through purchases of U.S. debt securities, has become so costly that it is straining the finances of China's central bank. **Page 11**

Coca-Cola offers to acquire the beverage maker China Huiyuan Juice for about \$2.5 billion. **Page 11**

A feud threatened the governing coalition in Ukraine on the eve of visit by the U.S. vice president. **Page 3**

CURRENCIES	New York	Previous
Wednesday, 2 p.m.		
€1=	\$1.4463	\$1.4513
£1=	\$1.7764	\$1.7843
¥1=	¥108.290	¥108.990
₱1=	SF1.1082	SF1.1086

Full currency rates | **Page 15**

OIL	New York, Wednesday, 2 p.m.
Light sweet crude	\$108.87 ▼ \$128

STOCK INDEXES	Wednesday
The Dow 2 p.m.	11,479.96 ▼ 0.32%
FTSE 100 close	5,499.70 ▼ 2.15%
Nikkei 225 close	12,689.59 ▲ 0.64%

U.S. offers \$1 billion to bolster Georgia

Cheney visits nations at Russia's frontier to demonstrate support

By Steven Lee Myers

BAKU, Azerbaijan President George W. Bush proposed \$1 billion in humanitarian and economic assistance Wednesday to help rebuild Georgia after its short, disastrous war with Russia last month, but he stopped short of committing the United States to re-equipping its battered military.

Bush announced the infusion of aid as Vice President Dick Cheney arrived in the region in what he described as a demonstration that the United States had "a deep and abiding interest" in keeping Georgia and other neighboring states free from a new era of Russian domination.

The aid, along with Cheney's high-profile visit to a region that the Russians call "the near abroad," is sure to inflame tensions further. Russian leaders have openly accused the United States of having provoked the conflict by providing Georgia with weapons and training for its armed forces, while encouraging its aspirations to join NATO.

The new package of aid, which requires the support of Congress, significantly deepens assistance to a country that has been ardently pro-American, though at the cost of the worst relations between the United States and Russia since the end of the Cold War.

In a statement released while he traveled in Louisiana, Bush said that "more than half" of the new aid — at least \$500 million — would be made available "in the near term."

The initial money would be used to help Georgians displaced during the fighting that began on the night of Aug. 7, when Georgia tried to establish control over a breakaway region, South Ossetia, only to be driven back by Russian forces.

The figure would dwarf the \$63 million the United States provided to Georgia last year, roughly a third of it for training its soldiers, police officers and border guards, and make Georgia one of the largest recipients of American aid. The United States has provided about \$1.8 billion of aid overall since Georgia gained independence from the collapsing Soviet Union in 1991.

The Russian president, Dmitri Medvedev, and the prime minister, Vladimir Putin, have complained that humanitarian supplies delivered by the American Navy and Air Force since Russian forces occupied parts of the country were a disguise for delivering new weapons — accusations that ad-

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Western business leaders may have second thoughts about investing in Russia after Georgia war. **Page 10**

Attacks on reporters flare in the north Caucasus. **Page 7**

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