

DEVELOPMENTS IN BURMA

JOINT HEARING
BEFORE THE
SUBCOMMITTEE ON ASIA AND THE PACIFIC
AND THE
SUBCOMMITTEE ON
INTERNATIONAL TERRORISM, NONPROLIFERATION
AND HUMAN RIGHTS
OF THE
COMMITTEE ON
INTERNATIONAL RELATIONS
HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTH CONGRESS
SECOND SESSION

MARCH 25, 2004

Serial No. 108-123

Printed for the use of the Committee on International Relations



Available via the World Wide Web: http://www.house.gov/international_relations

U.S. GOVERNMENT PRINTING OFFICE

92-745PDF

WASHINGTON : 2004

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2250 Mail: Stop SSOP, Washington, DC 20402-0001

COMMITTEE ON INTERNATIONAL RELATIONS

HENRY J. HYDE, Illinois, *Chairman*

JAMES A. LEACH, Iowa
DOUG BEREUTER, Nebraska
CHRISTOPHER H. SMITH, New Jersey,
Vice Chairman
DAN BURTON, Indiana
ELTON GALLEGLY, California
ILEANA ROS-LEHTINEN, Florida
CASS BALENGER, North Carolina
DANA ROHRABACHER, California
EDWARD R. ROYCE, California
PETER T. KING, New York
STEVE CHABOT, Ohio
AMO HOUGHTON, New York
JOHN M. McHUGH, New York
ROY BLUNT, Missouri
THOMAS G. TANCREDO, Colorado
RON PAUL, Texas
NICK SMITH, Michigan
JOSEPH R. PITTS, Pennsylvania
JEFF FLAKE, Arizona
JO ANN DAVIS, Virginia
MARK GREEN, Wisconsin
JERRY WELLER, Illinois
MIKE PENCE, Indiana
THADDEUS G. McCOTTER, Michigan
KATHERINE HARRIS, Florida

TOM LANTOS, California
HOWARD L. BERMAN, California
GARY L. ACKERMAN, New York
ENI F.H. FALEOMAVAEGA, American
Samoa
DONALD M. PAYNE, New Jersey
ROBERT MENENDEZ, New Jersey
SHERROD BROWN, Ohio
BRAD SHERMAN, California
ROBERT WEXLER, Florida
ELIOT L. ENGEL, New York
WILLIAM D. DELAHUNT, Massachusetts
GREGORY W. MEEKS, New York
BARBARA LEE, California
JOSEPH CROWLEY, New York
JOSEPH M. HOEFFEL, Pennsylvania
EARL BLUMENAUER, Oregon
SHELLEY BERKLEY, Nevada
GRACE F. NAPOLITANO, California
ADAM B. SCHIFF, California
DIANE E. WATSON, California
ADAM SMITH, Washington
BETTY MCCOLLUM, Minnesota
CHRIS BELL, Texas

THOMAS E. MOONEY, SR., *Staff Director/General Counsel*
ROBERT R. KING, *Democratic Staff Director*

SUBCOMMITTEE ON ASIA AND THE PACIFIC

JAMES A. LEACH, Iowa, *Chairman*

DAN BURTON, Indiana	ENI F. H. FALEOMAVAEGA, American Samoa
DOUG BEREUTER, Nebraska	SHERROD BROWN, Ohio
CHRISTOPHER H. SMITH, New Jersey	EARL BLUMENAUER, Oregon
DANA ROHRABACHER, California	DIANE E. WATSON, California
EDWARD R. ROYCE, California	ADAM SMITH, Washington
STEVE CHABOT, Ohio	GARY L. ACKERMAN, New York
RON PAUL, Texas	BRAD SHERMAN, California
JEFF FLAKE, Arizona	ROBERT WEXLER, Florida
JERRY WELLER, Illinois	GREGORY W. MEEKS, New York
THOMAS G. TANCREDO, Colorado	

JAMES W. MCCORMICK, *Subcommittee Staff Director*

LISA M. WILLIAMS, *Democratic Professional Staff Member*

DOUGLAS ANDERSON, *Professional Staff Member & Counsel*

TIERNEN MILLER, *Staff Associate*

SUBCOMMITTEE ON INTERNATIONAL TERRORISM, NONPROLIFERATION
AND HUMAN RIGHTS

ELTON GALLEGLY, California, *Chairman*

CHRISTOPHER H. SMITH, New Jersey	BRAD SHERMAN, California
DANA ROHRABACHER, California	JOSEPH CROWLEY, New York
PETER T. KING, New York	SHELLEY BERKLEY, Nevada
JOSEPH R. PITTS, Pennsylvania	GRACE NAPOLITANO, California
MARK GREEN, Wisconsin	ADAM B. SCHIFF, California
CASS BALENGER, North Carolina	DIANE E. WATSON, California
THOMAS G. TANCREDO, Colorado	CHRIS BELL, Texas
NICK SMITH, Michigan	BETTY MCCOLLUM, Minnesota
MIKE PENCE, Indiana	

RICHARD MEREU, *Subcommittee Staff Director*

DONALD MACDONALD, *Democratic Professional Staff Member*

RENEE AUSTELL, *Professional Staff Member*

JOSEPH WINDREM, *Staff Associate*

CONTENTS

	Page
WITNESSES	
The Honorable Lorne W. Craner, Assistant Secretary, Bureau of Democracy, Human Rights and Labor, U.S. Department of State	10
Matthew P. Daley, Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs, U.S. Department of State	16
The Honorable Daw San San, Member-Elect of Parliament, National League for Democracy, Burma	33
Tom Malinowski, Washington Advocacy Director, Human Rights Watch	40
Veronika A. Martin, Policy Analyst for East Asia and the Pacific, U.S. Committee for Refugees	48
David I. Steinberg, Ph.D., Distinguished Professor and Director of Asian Studies, Walsh School of Foreign Service, Georgetown University	56
Morten B. Pedersen, Senior Analyst, International Crisis Group	62
LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING	
The Honorable James A. Leach, a Representative in Congress from the State of Iowa, and Chairman, Subcommittee on Asia and the Pacific: Prepared statement	2
The Honorable Lorne W. Craner: Prepared statement	13
Matthew P. Daley: Prepared statement	18
The Honorable Daw San San: Prepared statement	35
Tom Malinowski: Prepared statement	42
Veronika A. Martin: Prepared statement	51
David I. Steinberg, Ph.D.: Prepared statement	58
Morten B. Pedersen: Prepared statement	65
APPENDIX	
The Honorable Elton Gallegly, a Representative in Congress from the State of California, and Chairman, Subcommittee on International Terrorism, Nonproliferation and Human Rights: Prepared statement	89
The Honorable Joseph R. Pitts, a Representative in Congress from the Commonwealth of Pennsylvania: Prepared statement	89
The Honorable Joseph R. Pitts: Material submitted for the record	91
Responses from the Honorable Lorne W. Craner to questions submitted for the record by the Honorable James A. Leach	93
Responses from the Honorable Lorne W. Craner to questions submitted for the record by the Honorable Joseph R. Pitts	94
Responses from Matthew P. Daley to questions submitted for the record by the Honorable James A. Leach	96
Responses from Matthew P. Daley to questions submitted for the record by the Honorable Dana Rohrabacher, a Representative in Congress from the State of California	98
Response from Tom Malinowski to question submitted for the record by the Honorable Joseph R. Pitts	100
Responses from Veronika A. Martin to questions submitted for the record by the Honorable Joseph R. Pitts	100

DEVELOPMENTS IN BURMA

THURSDAY, MARCH 25, 2004

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIA AND THE PACIFIC, AND
SUBCOMMITTEE ON INTERNATIONAL TERRORISM,
NONPROLIFERATION AND HUMAN RIGHTS,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 1:10 p.m. in Room 2172, Rayburn House Office Building, Hon. James A. Leach presiding.

Mr. LEACH. The Committee will come to order. On behalf of the Committee, I would like to welcome our witnesses to this joint hearing of the Subcommittee on Asia and the Pacific and International Terrorism, Nonproliferation and Human Rights regarding the situation in Burma.

At the outset, I would like to express my appreciation to Chairman Gallegly, Mr. Pitts, Mr. Bereuter, and Mr. Rohrabacher for their ongoing leadership on this issue. I would notice well the leadership on the Democratic side from Tom Lantos, Eni Faleomavaega, and Brad Sherman. There are, to my knowledge, no partisan differences on Burma and no great distinctions between administrations on Burmese matters.

It is in this context that I would also like to now welcome two Administration witnesses, Assistant Secretary Craner and Deputy Assistant Secretary Daley, both of whom are well known to this Committee.

Let me also extend a warm welcome to our other witnesses today, most particularly, Daw San San, who was never allowed to take her place as a member of the Parliament, and was ultimately forced to flee Burma because of the repressive policies of the regime. We honor your leadership and those of more than 20 other exiled parliamentarians and ethnic representatives who are with us today. We stand with you in the common determination to see decent democratic governance and a national reconciliation in Burma.

Burma presents one of the most complicated and vexing foreign policy challenges in Asia for the United States and the world community. Numerous political prisoners remain in detention, including one of the most remarkable and courageous leaders of our time, Aung San Suu Kyi. The issue is how can the United States best secure their release and help start a meaningful political dialogue in Burma while also endeavoring to advance a panoply of other priorities, including stable democratic governance, human rights,

counternarcotics, regional stability, combating the HIV/AIDS pandemic, as well as economic and human development more broadly.

As we all understand, in response to repeated efforts by the ruling military to thwart the democratic aspirations of the Burmese people, as well as ongoing serious human rights violations, the United States has been compelled to utilize sanctions and coercive diplomacy as the centerpiece of our policy. I fully expect current sanctions to be renewed later this year.

In this context, it should be self-evident that the United States is confronted by multiple dilemmas in pursuing our objectives in Burma. For illustrative purposes, I will note just a few: The strongly nationalistic, self-centered outlook of the ruling regime; the reliance by the military elite on an illicit, underground economy for power and survival; the inability of major industrial countries to agree on comprehensive sanctions as a basis for a common strategy; competition for geopolitical influence in Burma between China and India; and the ongoing humanitarian crisis for the people of Burma, including for many ethnic minority groups along that country's borders that calls out for a more robust and humane international response.

This afternoon, the Committee will probe whether current United States policy is properly calibrated to advance the best interests of the Burmese people and achieve as best we can our many and varied interests in Burma.

Without objection, I have a number of questions that I have as part of my opening statement that I will submit to the record, and, fortunately, we have an outstanding group of witnesses here to help us through a number of issues.

[The prepared statement of Mr. Leach follows:]

PREPARED STATEMENT OF THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA, AND CHAIRMAN, SUBCOMMITTEE ON ASIA AND THE PACIFIC

On behalf of the Committee, I would like to welcome our witnesses to this joint hearing of the Subcommittees on Asia and the Pacific and International Terrorism, Nonproliferation and Human Rights regarding the situation in Burma.

At the outset, I would like to express my appreciation to Chairman Gallegly, Mr. Pitts, and Dana Rohrabacher for their ongoing leadership on this issue. I would note as well the leadership on the democratic side from Tom Lantos, Eni Faleomavaega, and Brad Sherman. There are to my knowledge no partisan differences on Burma, and no great distinctions between Administrations on Burmese matters. It is in this context that I would also like to acknowledge our two Administration witnesses, Assistant Secretary Craner and Deputy Assistant Secretary Daley, both of whom are well known to this Committee.

Let me also extend a warm welcome to our other witnesses today, most particularly Daw San San, who was never allowed to take her place as a Member of Parliament and was ultimately forced to flee Burma because of the repressive policies of the military regime. We honor your leadership, and those of more than twenty other exiled parliamentarians and ethnic representatives who are with us here today. We stand with you in a common determination to see decent democratic governance and national reconciliation in Burma.

Burma presents one of the most complicated and vexing foreign policy challenges in Asia for the United States and the world community. Numerous political prisoners remain in detention, including one of the most remarkable and courageous leaders of our time, Aung San Suu Kyi. The issue is how can the U.S. best secure their release and help start a meaningful political dialogue in Burma, while also endeavoring to advance a panoply of other priorities, including stable democratic governance, human rights, counternarcotics, regional stability, combating the HIV/AIDS pandemic, as well as economic and human development more broadly.

As we all understand, in response to repeated efforts by the ruling military to thwart the democratic aspirations of the Burmese people as well as to ongoing serious human rights violations, the U.S. has been compelled to utilize sanctions and coercive diplomacy as the centerpiece of our policy. I fully expect current sanctions to be renewed later this year.

In this context, it should be self-evident that the U.S. is confronted by multiple dilemmas in pursuing our objectives in Burma. For illustrative purposes, I would note just a few: the strongly nationalistic, self-centered outlook of the ruling regime; the reliance by the military elite on an illicit, underground economy for power and survival; the inability of major industrial countries to agree on comprehensive sanctions as the basis for a common strategy; competition for geopolitical influence in Burma between China and India; and the ongoing humanitarian crisis for the people of Burma—including for many ethnic minority groups along the country's borders—that calls out for a more robust and humane international response.

This afternoon the Committee will probe whether current U.S. policy is properly calibrated to advance the best interests of the Burmese people and achieve, as best we can, our many and varied interests in Burma. In this regard, the Committee intends to pursue the following lines of inquiry:

- What is the prospect for building greater international support behind additional sanctions against Burma? Are there any looming developments, such as Burmese cooperation with North Korea on trade in illicit narcotics or nuclear and missile technologies, which might galvanize a more comprehensive international response?
- Should the United Nations be taking more vigorous action to protect the people of Burma from acute misgovernment and ongoing human rights abuses?
- Burma takes the ASEAN chair in 2006. Would the U.S. at senior levels attend an ASEAN meeting chaired by Burma if Aung San Suu Kyi is not freed and the country has not made substantial progress toward a progressive political transition? What are the implications for the cohesion and effectiveness of ASEAN if Rangoon rejects genuine reconciliation with the opposition?
- Alternatively, what is the likelihood that the “Bangkok process” for encouraging Burma to follow through on its vague “road map” will lead to an inclusive and transparent political dialogue between the regime, the opposition, and the ethnic minority groups?
- Is it the judgment of the United States government that the military regime is determined to crush the democratic opposition, as well as isolate and marginalize Aung San Suu Kyi, so that she and her colleagues can never come to power?
- Is the U.S. providing effective and sufficient assistance to Burma's democratic opposition? Are there political or other limitations on the support we can provide to Burmese exiles in Thailand? If the center of gravity for the struggle for Burma's future is within the country itself, shouldn't we be thinking creatively about ways to educate young Burmese and help support the development of a viable civil society? Conversely, given the history of Burmese nationalism, can some forms of U.S. democracy assistance be counterproductive?
- Likewise, are we and the international community doing enough to address the pressing humanitarian needs of the people of Burma, including providing food and medicine to hundreds of thousands of internally displaced Burmese, as well as Burmese refugees in Thailand and Bangladesh? Similarly, have the U.S. and the UN High Commissioner for Refugees thought through the implications of possible large-scale refugee repatriations from Thailand to Burma in the months ahead?

Fortunately, we have an outstanding group of witnesses here to help us work through these issues. We look forward to your testimony and the discussion to follow.

Mr. LEACH. At this point, I would like to ask if Mr. Lantos has an opening statement.

Mr. LANTOS. Yes, Mr. Chairman.

[Discussion off the record.]

Mr. LANTOS. Mr. Chairman?

Mr. LEACH. Yes, Mr. Lantos.

Mr. LANTOS. To accelerate things, I have a statement which I would like to read, and I have a transcript, then, to submit for the record so as not to waste time.

Mr. LEACH. Let me just make sure the court reporter notes this. I want to make sure. Is that fine with you, ma'am? Fine. Mr. Lantos, you are recognized.

Mr. LANTOS. Thank you, Mr. Chairman.

Mr. Chairman, I would first like to thank you for calling today's hearing on Burma and for affording me the opportunity to make a brief statement.

Mr. Chairman, just 10 months ago, the Burmese regime launched a brutal crackdown on Burmese Opposition Leader Aung San Suu Kyi and other members of the National League for Democracy. Burma's ruling thugs simply could not accept the fact that Aung San Suu Kyi remains enormously popular a dozen years after the government nullified the elections she so clearly and resoundingly one. And just 7 months ago, Mr. Chairman, President Bush signed into law legislation I authored imposing comprehensive sanctions on Burma. This legislation, as you know, was approved overwhelmingly by our House of Representatives, 418 ayes to two noes.

Sadly, the case for a tough approach to Burma, including import sanctions, is even stronger today than last July. Countless National League for Democracy leaders remain behind bars. Aung San Suu Kyi is locked inside her house, and there is little prospect that the Burmese junta will engage in a meaningful dialogue with the NLD and other democratic leaders.

For that reason, Mr. Chairman, I am pleased to announce that we will move forward expeditiously with legislation to renew Burma sanctions. Burma's ruling thugs, who have direct financial ties to most enterprises in Burma, must understand that they will be unable to enrich themselves off of the American consumer until true democratic change comes to that nation.

To those who argue that sanctions have not worked, I have two responses. First, when Congress imposed import sanctions on Burma, we fully understood that sanctions might take years, if not decades, to bring change to Burma, certainly not 10 months. If 10 months were the standard duration for American import sanctions, South Africans would still be governed by the brutal Apartheid regime, and Libya would have developed and deployed nuclear weapons.

Second, the United States must make it a top priority to convince our key allies in Europe and in Asia to adopt import sanctions on the Burmese regime. Unfortunately, the Executive Branch has made little or no effort to accomplish this important task. If sanctions fail to quickly bring change to Burma, it is not because they represent the wrong approach; it is because some high-level American officials have not picked up the phone to demand that the European Union adopt targeted import sanctions on Burma.

Mr. Chairman, Burma's ruling thugs have launched yet another charm offensive, promising a seven-point roadmap toward national reconciliation, including free and fair elections and the drafting of a new constitution. They have even dangled the prospect that Aung San Suu Kyi could be freed from house arrest next month. While

we would all like to see a negotiated solution to Burma's political crisis, we cannot be naive enough to believe that Burma's leaders have changed their stripes. They have no intention of allowing Aung San Suu Kyi, a woman they tried to kill just a few months ago, to participate meaningfully in free and fair elections, let alone transfer power to the opposition.

If I am proven wrong, Mr. Chairman, and Burma's ruling thugs win the Nobel Peace Prize in 2005 for faithfully carrying out the seven-point roadmap, we will have plenty of time to express our congratulations and to lift sanctions at that point. Until then, we must ratchet up pressure on the Burmese thugocracy and ensure that our allies do so as well.

Mr. Chairman, I again want to thank you for calling today's hearing, and I look forward to working with all of my colleagues across the political aisle in the months ahead to renew our Burma sanctions.

Mr. LEACH. Thank you, Mr. Lantos. Thank you for your leadership on this issue.

Mr. Pitts?

Mr. PITTS. Thank you, Mr. Chairman, for holding this important hearing on developments in Burma.

First, Mr. Chairman, I would like to enter into the record two statements and share them with my colleagues. One is from Vaclav Havel, the great anticommunist leader who led the Czech people to freedom, and the other is from Desmond Tutu, the pillar of morality from South Africa who helped to tear down that country's system of Apartheid.

Mr. LEACH. Without objection, both statements will be submitted.

Mr. PITTS. Both of these leaders called for sanctions against Burma.

Numerous reports from human rights organizations and other international bodies clearly show that the violations perpetrated by the military dictatorship against the people of Burma continue unabated. Rape, forced labor, forced military service, destruction of villages, destruction of food sources, and murder are commonly used by the dictatorship to severely oppress people throughout the country. And while the world sits around debating whether or not Burma is important or whether or not pressure should be increased to urge the regime to continue the tripartite dialogue, people in Burma are dying. Little children are deliberately being raped and murdered by the Burmese military. How many brutal rapes and murders will it take to force us to act?

I am a firm believer in free trade and in engagement with other nations. In relation to Burma, however, I fully support the sanctions we have in place and the urgent need for increased pressure on the SPDC to relinquish its hold on power and to allow the democratically elected government to take its rightful place in Rangoon. I am concerned by statements that Burma's democracy movement and the United States Government have been inflexible and unreasonable in dealing with Burma's military regime. How can anyone be more inflexible and unreasonable than the SPDC, except perhaps the tyrant running North Korea?

The demands of the democracy movement, led by Aung San Suu Kyi and the National League for Democracy, and the demands by

the United States have been very clear and simple. These demands have been reiterated in consecutive U.N. General Assembly resolutions: A tripartite dialogue which leads to a transition to democracy. Simply put, this means that the military regime, the democracy movement, and Burma's ethnic groups must all sit down together and devise a plan that solves the conflict and brings stability to Burma's political situation. That is a very reasonable and measured demand.

Further, I am concerned by discussions regarding sending humanitarian aid to be distributed by the dictatorship of Burma. I fully support humanitarian aid to the people of Burma, but the government of Burma cannot be trusted to distribute the aid. Any aid provisions to the military regime or its network of government NGOs will not reach the people of Burma and could easily free up monies for the regime to use on weapons and their ever-increasing intelligence apparatus. Any assistance monies from the U.S. and the international community must go through reliable organizations and not to the dictatorship.

Despite statements to the contrary, it is difficult to find reports that substantiate a plethora of good guys in the Burma junta. The so-called "lead reformer" is the head of military intelligence, which is responsible for jailing and torturing political prisoners. And, the general that led last year's attack against Aung San Suu Kyi and her NLD supporters was not pushed out of office; he was promoted. As the old saying goes, "actions speak louder than words." Our government should not give assistance in any form whatsoever to the Burmese junta.

I look forward to hearing today's witnesses. I would especially like to commend the courage and bravery of our fellow elected representative, Daw San San, who has come all the way from Southeast Asia to join us today. As an elected member of Parliament, we applaud and support you for refusing to abandon your principles. Thank you for being here today to speak on behalf of the people of Burma. In addition, I would like to commend and thank Ms. Veronika Martin and Refugees International for their tremendous work on Burma issues. With that, I will yield back.

Mr. LEACH. Thank you, Mr. Pitts.

Mr. Sherman?

Mr. SHERMAN. Thank you, Chairman Leach, for recognizing me and, of course, for holding these hearings on the situation in Burma and also for having our Subcommittee on Human Rights involved in these hearings. I only want to make a brief opening statement and make a few points about our need to maintain U.S. pressure on the military junta and to convince our allies to adopt similar policies, not just with regard to Burma but on other problematic regimes as well.

The witnesses here today will describe the horrors of that junta and the terrors faced by the Burmese people. They will describe in depth the degree to which this terrible regime relies on narcotics trafficking for its revenues. While the regime continues to crack down on the democratic opposition and on ethnic minorities, it has been robbing its people of the nation's resources and further impoverishing the Burmese people.

Our sanctions should seek to accomplish a number of goals. First, when we use sanctions, we should seek to deny a hostile regime the resources it needs to conduct a wrongful behavior, and our sanctions on Burma do just that. Unfortunately, the goal of these sanctions is partially undermined by the unwillingness of our friends in Europe and Asia to join with us in similar sanctions.

Notwithstanding the recent revelations that the President's own reelection committee has somehow procured and made available for sale to its supporters, for about \$50 a piece, fleece jackets made in Burma. Aside from that notable and regrettable exception, the United States trade embargo seems to be effective and is having a significant impact on the Burmese military regime. In this case, by weakening the regime, we strengthen the opposition's hands. This is the type of noninterventionist and, we hope, relatively peaceful regime-change methodology that can be used elsewhere.

Short of regime change, the U.S. seeks to at least change the behavior of the regime and to moderate its terrible conduct. While some argue that our sanctions policy is, in fact, counterproductive because it does hurt the economy of Burma and may hurt the people of Burma themselves, we need to realize that the behavior of the regime may be changed if the sanctions are imposed and enforced on a comprehensive and a multilateral basis. Libya is the very best example where we have caused a dramatic change in the most-offensive behavior of that regime.

The Burmese Freedom and Democracy Act provides that the import restrictions in its legislation will expire 1 year from enactment. Absent congressional action, the trade embargo provisions will expire at the end of July. Congress must pass a resolution to renew these sanctions, and I urge all of our colleagues to support that extension.

Burma is, unfortunately, only one example of a disturbing tendency in international relations. It seems that only the United States has the stomach to consistently put its money where its mouth is and to impose sanctions, real sanctions like trade embargoes, investment bans, asset seizures on the worst regime. I note sadly that this is a similar scenario to the one being imposed on Iran.

Let us step back from Burma and look at how our behavior toward Burma can be put in context. On the one hand, we should not commit a major portion of our military force to invade a country solely because of its human rights position. We should, before deploying a large portion of our military force, only do so if it is necessary for our own security. At the same time, we should not hesitate to use nonmilitary means to achieve our objectives.

But when we look at Iran, we see not only are the Europeans doing more and more trade, that the Clinton Administration opened our markets to Iranian imports of a nonenergy nature, and the current Administration has continued that at a time when Iran has given us nothing in return. Iran has a human rights record every bit as deplorable as Burma, and it is a threat to our national security, and it is the number-one state sponsor of terrorism, and, by the way, it is developing nuclear weapons that can be smuggled into American cities. Yet in spite of that, while we have an embargo on Burma, we do not have one on Iran, and, of course, we do

nothing when the World Bank decides to loan them a quarter of a billion dollars over a few months' period.

Likewise, when it comes to North Korea, we have an embargo, but we have not even hinted at the possible use of a partial secondary embargo to inspire our Chinese friends to apply the economic pressure necessary to change that regime's behavior. So, on the one hand, we should be loathe to invade, especially when such an invasion requires a major portion of our military force; on the other hand, we should recognize that sanctions are effective. They were effective with regard to Libya. They are being effective with regard to Burma. They need to be expanded with regard to Burma, and we should not be importing from Iran, when that country has just as bad a human rights record as the human rights record we are going to hear about today from our distinguished witnesses. I yield back.

Mr. LEACH. Mr. Bereuter? Mr. Rohrabacher?

Mr. ROHRABACHER. Thank you very much. Mr. Chairman, the time has long since passed that our permanent bureaucracy at the State Department quit finding excuses for the Burmese junta and trying to put the best possible face on that regime. At one hearing, we were led to believe that Burmese women go into the sex trade because of United States economic sanctions. At another hearing, we were told that opium production is down—I believe that was what Mr. Daley was suggesting to us the last time he was with us—because the thugs in Burma are now cooperating with our drug enforcement agency.

Let me be very blunt. Any United States official that tries to blame sanctions on the desperate plight of Burmese women should go looking for another job, and I suggest that bending over backwards to give the benefit of every doubt to this evil entity is not fitting of anyone who works for the people of the United States of America.

The same holds true for the drop in the level of opium production, which I decided to go back and check on after Mr. Daley was with us the last time, and I found that the United States drug control program report on opium production does, indeed, back up the claim that opium production is down in Burma, only the report from the United Nations program suggests it is the weather that has been the significant factor in this decline and not any decision on the part of this terrorist regime in Burma, and I say "terrorist," in that they terrorize their own people in order to maintain power.

But some folks at our State Department would have us believe, and we have heard testimony here, that the junta has seen some kind of light and decided to become a better part of the civilized community by bringing down production of opium. While that same suggestion was being made, let me note that I also investigated further into that suggestion and found that while opium production is down because of weather, there has been an enormous increase in the production of methamphetamines, which no one doubts that the military junta knows everything about. So why are we bending over backwards to make statements that are positive statements about the nature of the regime that controls Burma?

I think that we need to prove to the people of the world that we mean what we say. I believe in what we are doing in Iraq, and I

believe it is motivated because the American people and the United States of America is going to try to create a new, democratic alternative there. Well, we could prove to the people of the world we really believe in democracy, and they perhaps would not doubt us as much in operations like Iraq, if we were a little bit more consistent and tried to make sure we were 100 percent on the side of those people in Burma and other such regimes who are struggling for their freedom.

Any suggestion by people who represent our government that the sanctions should be weakened instead of strengthened does nothing but give credence to those who say the United States really does not believe in this democracy pitch that we are giving the world, and it is a facade so our businessmen can go in and make a profit. Well, I would suggest that we get serious and the State Department quit apologizing for this type of regime. Thank you very much.

Mr. LEACH. Does anyone else wish? Please, you are recognized.

Mr. CROWLEY. Thank you, Mr. Chairman. I would like to thank the Chairman and the Ranking Member of the Subcommittee for holding this important joint hearing today. I would also like to thank our esteemed guests for testifying before the Committee this afternoon.

Let me just start by saying I strongly support the Burmese Freedom and Democracy Act. I believe it should be reauthorized this year.

The United States must keep up the pressure on the military regime and junta and work with our allies in ensuring multilateral pressure continues to increase, not decrease. The European Union has been a partner in pressuring the regime, but I am concerned about their participation in the Bangkok process. The Bangkok process, like the military regime's Roadmap to Democracy and the regime's promised national convention, are nothing but empty promises. We have all heard these promises over a decade, but we still see no movement to bring freedom and democracy to Burma.

The United States should not change our position on Burma unless we see real results instead of the regime's empty promises. The U.S. cannot weaken the sanctions, even though some have said that these sanctions are only hurting the people and not the military junta. We are right to stand firm and continue sanctioning Burma's military junta. Burma's regime spends 45 percent of its national budget on its military, more than any other country in the world, including the country of North Korea. I have heard talk that we should start providing large-scale humanitarian aid to Burma. I do not believe we should be providing humanitarian aid directly to the SPDC because I believe it will go to the military, much like we have seen take place in North Korea.

What is needed is for the military regime to stop burning down villages and rice barns. In some exceptional cases, some small-scale aid may be appropriate on a case-by-case basis as long as it is done in consultation to the democratically elected government of Aung San Suu Kyi and NLD. Aung San Suu Kyi and the democracy movement in Burma are making reasonable demands. They have sought democracy through nonviolence and dialogue. They have

tried their best to work through the U.N. system in consecutive U.N. General Assembly resolutions.

I support their efforts and support the United States continuing to pressure the military regime through the Burmese Freedom and Democracy Act, and not only working with our allies but nonallied states as well in bringing pressure to bear upon the Burmese junta, and I yield back the balance of my time.

Mr. LEACH. Thank you, Mr. Crowley.

Mr. Tancredo?

Mr. TANCREDO. Only to say that I cannot agree more fully with my colleague, Mr. Rohrabacher's statements, and I am going to associate myself with them. That is all.

Mr. LEACH. Thank you.

Our two Administration witnesses, to begin the hearing, are Lorne W. Craner. Secretary Craner is assistant Secretary of State for democracy, human rights, and labor. Prior to this position, he was president of the International Republican Institute, and prior to that, Director of Asian Affairs for the National Security Council. He has served on the Hill for a number of—members, House and Senate.

Mr. Matthew P. Daley has a background in the United States military, as well as the United States Secret Service, and as a Foreign Service officer. His languages include French, Turkish, and Thai.

Secretary Craner, we will begin with you.

STATEMENT OF THE HONORABLE LORNE W. CRANER, ASSISTANT SECRETARY, BUREAU OF DEMOCRACY, HUMAN RIGHTS AND LABOR, U.S. DEPARTMENT OF STATE

Mr. CRANER. Thank you very much, Mr. Chairman and Members of the Committee.

Mr. LEACH. And if I could interrupt, if you have a larger statement,—

Mr. CRANER. I do.

Mr. LEACH [continuing]. Without objection, it will be considered as read, and the same will apply to Mr. Daley. Please proceed.

Mr. CRANER. I want to begin by expressing a special thanks to both Committees for holding this hearing. My remarks here remain quite similar to the testimony I gave to you in September 2003. I wish I could say differently, but, unfortunately, for all of the hype about a "roadmap for democracy," nothing has changed for the better for democracy or human rights in Burma since I last spoke to you. As Secretary Powell stated recently:

"I have seen no improvement in the situation. Aung San Suu Kyi remains unable to participate in public life in Burma . . ."

and the Secretary continued,

"we will not ignore that. We will not shrink back from the strong position we have taken."

Not only is Nobel Laureate Aung San Suu Kyi still restricted under house arrest but several key National League for Democracy leaders also remain detained. In addition, over a thousand political prisoners continue to languish in Burma's jails.

This Administration will maintain its unwavering commitment to support the long-suffering people of Burma until each one is free to participate fully in the governance of their country by once again electing their leadership through a free, fair, and democratic process, just like they did in 1990. We will not end the pressure until every political prisoner is free, offices of political parties are open and active and ethnic groups are at peace and represented in any discussion of Burma's political future.

I am very pleased that you have invited a very brave Burmese woman to speak to you on the next panel. Daw San San is a stellar example of the strength and courage of the Burmese democracy movement. She is a true Burmese democrat. After being freely elected by the Burmese people in 1990, she served two prison sentences, totaling over 6 years. After the May 30th incident, she boldly wrote a letter urging the release of Aung San Suu Kyi and all political prisoners, and for this, she was threatened and forced to flee last summer.

Daw San San and others like her have risked their lives and suffered for the cause of democracy in Burma. It is these Burmese democrats themselves who have the authority to comment on what is needed to bring democracy to Burma. We must continue to listen to them and to support them.

After 16 years of intense, targeted aggression by the junta, the democratic movement has survived and remained standing. It has persevered through overwhelming challenges. I am always amazed at how quickly the Burmese people exercise their rights and stand for democracy when even the smallest amount of space opens.

If you have not seen the video broadcast by the BBC of some of Aung San Suu Kyi's travels around the country before she was attacked last May 30th, I recommend it to you. It clearly shows how deeply the Burmese people feel about freedom and democracy. This groundswell of support broke free due to ongoing support for democracy from outside. We must continue to feed and nurture those networks until space once again opens.

The orchestration of the ambush of Aung San Suu Kyi on May 30th, her imprisonment, and the junta's continued refusal to account fully for what happened leaves no room for debate. The government has not investigated or even admitted any role in the attack.

I stated here 6 months ago that the SPDC's disregard for human rights and democracy extends to almost every conceivable category of violation, and that, again, has not changed. In fact, the State Department's recently released 2003 *Country Reports on Human Rights Practices* states that in 2003, the government's "extremely poor" record "worsened." The junta suppresses political dissent through persecution, censorship, imprisonment, beatings, and disappearances. Security forces continue to commit extrajudicial killings and rape. They forcibly relocate entire villages, use forced labor, and recruit child soldiers. They also sharply curtail religious freedom, and security forces systematically monitor citizens' movements and communications.

The abuses inflicted upon civilians in ethnic-minority regions persist. NGOs continue to report that the Burmese military uses rape against ethnic Shan, Karen, Mon, Karenni, Chin, and

Tavoyan women in an extensive pattern of abuse. We continue to receive reports of widespread and brutal sexual abuse of women by security forces, including in areas where cease-fire agreements have been signed between the SPDC and ethnic groups.

Our report, *Trafficking in Persons*, sheds further light on the problem of forced labor and the Burmese regime's insufficient response. Burma remains a Tier III country in the 2003 report issued under the Trafficking Victims Protection Act, and on September 9th, the President imposed sanctions pursuant to that law.

I am very proud that the United States Government has stood by Burmese democrats over the years in their struggle, both inside and outside of the country. With specific funding from Congress, we support many Burmese democracy groups. U.S. Government funded programs focus on democracy and capacity-building and the collection and dissemination of information. Unfortunately, under current conditions, the prospects for real democracy-promotion activities inside Burma are once again extremely limited.

Mr. Chairman, as you noted, I have a long history with democracy-promotion programs. Some would argue that we should be doing whatever we can inside of Burma including using humanitarian assistance to gradually build civil society. When I was President of the International Republican Institute, we did use civil-society-building approaches in a number of countries to expand the space in which people could advance democratic principles in various sectors of society. But in Burma, we are being asked to do something different.

In Burma, it is extremely difficult to use humanitarian assistance to address real democratic concerns, including civil-society issues. Instead, humanitarian assistance that is not closely monitored serves only to bolster the regime that controls all aspects of society. The only way to create space in which democracy inside Burma can flourish is with sustained international pressure. We must keep up that pressure. Without our continued support, the movement and marginalized ethnic-minority groups will face even greater challenges.

The problem with promoting democracy in Burma has never been with a weak Burmese democracy movement; it has been with a recalcitrant junta that refuses to give up power.

In closing I want to emphasize that when President Bush signed the Burmese Freedom and Democracy Act, he acknowledged that the act was the result of close cooperation between the Congress, both sides of the aisle, and the Administration. We appreciate congressional resolutions, statements, and legislation that call for democratic change in Burma. We want to continue speaking with a unified voice so that there can be no doubt about U.S. policy. The generals must immediately and unconditionally release Aung San Suu Kyi and all political prisoners languishing in Burma's jails. They must also begin to take concrete steps toward true democracy and improve their human rights record. We expect nothing less than an irreversible transition to the democracy so cherished by the Burmese people. Thank you.

[The prepared statement of Mr. Craner follows:]

PREPARED STATEMENT OF THE HONORABLE LORNE W. CRANER, ASSISTANT SECRETARY, BUREAU OF DEMOCRACY, HUMAN RIGHTS AND LABOR, U.S. DEPARTMENT OF STATE

Mr. Chairman and Members of the Committee, I want to begin by expressing a special thanks to both Committees for holding this hearing. It is timely as we are in the midst of the U.N. Commission on Human Rights where, once again, the international community will express its outrage at the deplorable human rights situation of the Burmese regime. We intend to co-sponsor the EU resolution on Burma and maintain strong language condemning the worsened human rights situation in Burma since last year's session of the UNCHR.

My remarks here remain quite similar to the testimony I gave to you in September 2003. I wish I could say differently, but unfortunately, for all the hype about a "roadmap for democracy," nothing has changed for the better for democracy or human rights in Burma since I last spoke to you. Secretary Powell stated recently, "I have seen no improvement in the situation. Aung San Suu Kyi remains unable to participate in public political life in Burma, and we will not ignore that. We will not shrink back from the strong position we have taken." Not only is Nobel Laureate Aung San Suu Kyi still restricted under house arrest but several key National League for Democracy leaders also remain detained. In addition, over a thousand political prisoners continue to languish in Burma's jails and we will not forget them.

This Administration will maintain its unwavering commitment to support the long-suffering people of Burma until each is free to participate fully in the governance of their country by once again electing their leadership through a free, fair and democratic process as they did in 1990. We will not end the pressure until every political prisoner is free, offices of political parties are open and active and ethnic groups are at peace and represented in any discussions of Burma's political future.

There has been unprecedented agreement within both the executive and legislative branches of the U.S. Government to intensify pressure on the regime, and we cannot back down until the pressure yields results. To quote another Nobel Laureate familiar with the struggle for freedom, Archbishop Desmond Tutu, "If the people of South Africa had compromised the struggle against apartheid, we may never have gained our freedom. In Burma, to settle for anything less than freedom and justice, for the democratic participation of all people, would be to accept the presence of oppression and to dishonour our brave brothers and sisters who have dedicated themselves to the future of a democratic Burma." It took concentrated and coordinated sanctions and other international pressure to move the South African regime toward change and we need to work harder to convince other concerned nations, especially our European allies and Burma's Asian neighbors to increase their pressure on the regime as well.

We will not abandon our brave brothers and sisters of the Burmese democracy movement—working both inside and outside of Burma—to the persistent empty promises of the junta and their attempts to whitewash their despicable human rights record for the international community. I am pleased that you have invited one of these brave people to speak to you on the next panel. Daw San San is a stellar example of the strength and courage of the Burmese democracy movement. She is a true Burmese democrat. After being freely elected by the Burmese people in 1990, she served two prison sentences totaling six years. The regime has debarred her and many other elected members of parliament from standing in any future elections. After the May 30 incident, she boldly wrote a letter urging the release of Aung San Suu Kyi and all political prisoners—for this she was threatened and forced to flee last summer.

Daw San San, and others like her, have risked their lives and suffered for the cause of democracy in Burma. It is these Burmese democrats themselves who have the authority to comment on what is needed to bring democracy to Burma—we must continue to listen to them and support them. With U.S. support via our democracy promotion programs, Daw San San carries on the struggle from exile. Mr. Chairman, the struggle has been long and hard, people are getting older, and the regime remains in power. This can be frustrating for those of us who care about this traumatized country and its people. But if Burma's democrats can persevere—and they are—then we must stand with them.

After 16 years of intense targeted aggression by the junta, the democratic movement has survived and remains standing. It has persevered through overwhelming challenges. I am always amazed at how quickly the Burmese people exercise their rights and stand for democracy when any space opens. If you have not seen the video of some of Aung San Suu Kyi's travels around the country before the May 30 incident, I recommend it to you. The video shows clearly how deeply the Burmese people love freedom and democracy and the risks they will take to support it. This

groundswell of support broke free due to ongoing support for democracy from the outside. We must continue to feed and nurture these networks until space once again opens.

The orchestration of the ambush of Aung San Suu Kyi and her supporters on May 30, her imprisonment, and the junta's continued refusal to account fully for what happened that day leaves no room for debate. The Government has not investigated or admitted any role in the attack. It subsequently banned all NLD political activities, closed down approximately 100 recently reopened NLD offices, detained the entire nine-member NLD Central Executive Committee, and closely monitored the activities of other political parties throughout the country. The junta continues to rule through fear and brutality with complete disregard for the rule of law, human rights and fundamental freedoms.

The SPDC's renewed campaign of violence and repression against the NLD and Aung San Suu Kyi shows the junta's blatant disregard for the basic rights of the Burmese people and the desire of the international community to see those rights protected. The most recent crackdown is just one link in a long chain of appalling behavior toward the people and the nation that the military regime claims to be protecting.

I stated here six months ago that the SPDC's disregard for human rights and democracy extends to almost every conceivable category of violation, and unfortunately, that has not changed. In fact, the State Department's recently released 2003 Country Reports on Human Rights Practices states that in 2003 "the Government's extremely poor human rights record *worsened*." The junta suppresses political dissent through persecution, censorship, imprisonment, beatings and disappearances. Security forces continue to commit extrajudicial killings and rape. They forcibly relocate entire villages, use forced labor and recruit child soldiers. The junta sharply curtails religious freedom, and security forces systematically monitor citizens' movements and communications.

The abuses inflicted upon civilians in ethnic minority regions persist. NGOs continue to report that the Burmese military uses rape against ethnic Shan, Karen, Mon, Karenni, Chin and Tavoyan women in an extensive pattern of abuse. We continue to receive reports of widespread and brutal sexual abuse of women by security forces, including in areas where ceasefire agreements have been signed between the SPDC and ethnic groups.

We remain deeply concerned by ongoing torture, murders, forced relocations, forced labor, confiscation of property, and suppression of religious freedom in ethnic minority regions. For example, 2,000 Karennis reportedly were driven from their homes in January. Their villages and rice barns were burned and their cattle seized.

The Burmese regime systematically represses religious freedom. Across Burma, the secret police infiltrate virtually all religious groups and repress the rights of religious freedom for believers of many faiths. Religious persecution is especially harsh for Muslim communities and for Christian communities in Chin and Kachin ceasefire areas of Burma where the SPDC has supported forced conversions to Buddhism. In these states, restrictions are placed on minority religions, including the arrest of clergy, prohibition of constructing new places of worship, destruction of churches and forced labor. Recent NGO reports based on first-hand accounts from refugees in India cite continued widespread use of forced labor in Chin State for public infrastructure projects and portering for the military.

The widespread use of forced labor by the SPDC is an ongoing concern to the United States and the International Labor Organization. Forced labor is one of the most egregious violations of worker rights. Since the ILO's request to its constituents in December 2000 that they review their relations with Burma in light of the system of forced labor, the ILO has been trying to work with the SPDC to eliminate forced labor. But it continues to be a serious problem especially in border areas where the Burmese military has a large presence.

The SPDC has tried to appease the international community through slow increases in the level of cooperation with the ILO, but this has yet to lead to any serious action to combat the problem. The International Labor Conference decided in June last year that the climate of uncertainty and intimidation created by the events of May 30 did not provide an environment in which an agreed Plan of Action to eliminate forced labor could be implemented in a credible manner. After reviewing the situation again last November, the ILO Governing Body came to the same conclusion. This week, the Governing Body has evaluated the situation once more in light of disturbing new evidence that a Burmese court has convicted three people of high treason and sentenced them to death in part because they had contacts with the ILO. As a senior ILO official wrote to Burma's Minister of Labor on March 12, "It would indeed seem impossible to reconcile the commitment of your Government

to eradicate forced labor in cooperation with the ILO with the notion that contacts with the ILO could constitute an act of high treason.”

Our report on Trafficking in Persons sheds further light on the problem of forced labor and the Burmese regime’s insufficient response. Burma is a Tier 3 country in the 2003 Report issued under the Trafficking Victims Protection Act of 2000. On September 9, the President imposed sanctions pursuant to that law.

The State Department will continue to report honestly and accurately on the abuses of the SPDC in our reports on human rights, religious freedom and trafficking in persons. The truth will not be hidden. The oppression of an entire nation must not stand.

I am proud that the U.S. government has stood by Burmese democrats over the years in their struggle both inside and outside the country. With specific funding from Congress, we support many Burmese democracy groups. U.S. Government-funded programs focus on democracy and capacity-building activities and the collection and dissemination of information on democracy and human rights. In fact, most of the information that we have on human rights violations inside Burma comes from first-hand victim accounts collected by organizations that have received U.S. support.

Organizations like the Assistance Association for Political Prisoners in Burma have increased their professionalism and credibility in documenting and presenting information. Run by former political prisoners, AAPPB has earned a strong reputation for quality information on the numbers of political prisoners in Burma and the conditions they face in prison. They follow closely cases of political prisoners like student leader Min Ko Naing and Ko Htay Kywe (Ko Tay Jway) who have both had their sentences extended and are reportedly very ill. Ko Htay Kywe recently was treated at Insein Hospital but then returned to prison even though his health has not improved—his family worries for his life and still the regime holds him in prison.

We also provide scholarships to send Burmese students to Thailand or the United States to study law and governance. All these U.S. Government funds are used to promote democracy in Burma and prepare many of Burma’s future leaders for good governance after transition.

Unfortunately, under current conditions, the prospects for real democracy promotion activities inside Burma are once again extremely limited. Mr. Chairman, I have a long history with democracy promotion programs and feel that I can comment on the efficacy of different approaches. Some would argue that we should be doing whatever we can inside Burma including using humanitarian assistance to gradually build civil society. When I was President of the International Republican Institute, we used the civil society building approach in China to expand the space within which people could advance democratic principles in various sectors of society. But the Burmese context is different. In Burma, it is extremely difficult to use humanitarian assistance to address real democratic concerns. Instead, humanitarian assistance that is not closely monitored serves only to bolster the regime that controls all aspects of society. The only way to create space in which democracy inside Burma can flourish is with sustained international pressure—it is the only thing that works with this repressive junta. We must keep up the pressure.

We should also continue our support for the democracy movement in every way we can, inside the country when possible and within the exile community. It was the consistent U.S. support of democracy promotion, capacity building, improved human rights documentation and political party development that prepared the democracy movement to respond when space briefly opened up last year. Without our continued support, the movement and the marginalized ethnic minority groups will face even greater challenges. The problem with promoting democracy in Burma has never been with a weak Burmese democracy movement, it has been with a recalcitrant junta that refuses to give up power.

In closing I want to emphasize that when President Bush signed the *Burmese Freedom and Democracy Act*, he acknowledged that the act was the result of close cooperation between Members of Congress on both sides of the aisle and the Administration. We appreciate Congressional resolutions and statements that call for democratic change and human rights in Burma. We want to continue speaking with a unified voice so that there can be no doubt about U.S. policy. The generals must release immediately and unconditionally Aung San Suu Kyi and all political prisoners languishing in Burma’s jails. They also must begin to take concrete steps toward true democracy and improve their human rights record. We expect nothing less than an irreversible transition to the democracy so cherished by the Burmese people.

Mr. LEACH. Mr. Daley, do you have a statement?

STATEMENT OF MATTHEW P. DALEY, DEPUTY ASSISTANT SECRETARY, BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. DALEY. Thank you again, Mr. Chairman, for the opportunity to testify on Burma. I appreciate having the full text put in the record. I will try to avoid overlap with the observations of my colleague, Secretary Craner, to which I subscribe fully.

Mr. Chairman, the last year has seen considerable change in Burma, much of tragically wrongheaded and sad, especially as progress toward democracy is concerned. Last fall, when Prime Minister Khin Nyunt announced a "roadmap" for the future, we remarked that to be successful, such a process must involve the various parties, both the democratic political opposition and ethnic groups, and it must have a time frame that is both realistic and concrete. We understand that democracy will not be achieved overnight in Burma, but we will persevere and support those who want freedom. To quote Secretary Powell's remarks 3 weeks ago:

"Let me now tell all true Burmese patriots that we are with you still . . . Burma's day of democracy will come."

Mr. Chairman, I am aware of the Committee's interest in the impact of sanctions that the United States imposed on Burma last year. I am also mindful that the Executive Branch will have to report formally to the Congress in April on this topic.

Two weeks ago, Secretary Powell told the House Appropriations Committee:

"I have seen no improvement in the situation. . . . We will not shrink back from the strong position we have taken . . . and we will continue to apply pressure."

The sanctions, Mr. Chairman, I think, represent a clear and powerful expression of American dismay at developments in Burma over the past year. Sanctions are a key component in our policy of bringing democracy to Burma and have been a key source of support for the morale of many democracy activists. We also have reason to believe that these sanctions have the endorsement of the NLD. Unfortunately, no other country has adopted similar economic sanctions to those we took following the tragic attack of May 30th.

I think, Mr. Chairman, all of us share a sense of frustration at the opportunities that were lost in 2003, but there is much to be said for persistence, and some glimmers suggest that Burma may be slowly open to new departures. For example, Amnesty International was able to visit Burma for the first time ever in February of last year without specific conditions attached to their visas and were allowed to use their own interpreter. And despite issuing a report that was rather candid, Amnesty International was able to make a second, 17-day visit in December. I would note that the International Committee of the Red Cross has been able to continue its presence and its operations in Burma.

Mr. Chairman, there has been a lot of discussion in the past few months about the relationships between the various ethnic groups and the regime. There has also been a lot of attention paid to the

circumstances, and the plight of displaced populations along the Bangladesh-Burma border and the Thai-Burma border.

Assuming that some of these groups reach understandings with Rangoon, and there have been some discussions, we expect there will be considerable interest in repatriation to Burma. In that connection, we are encouraged that the SPDC has reached an understanding with UNHCR to begin operations in Burma in areas where internally displaced persons are suffering.

We applaud efforts that bring greater transparency and assistance to these internally displaced persons, and we think it is important, indeed, imperative, that any repatriation of persons under the protection of UNHCR take place with the full participation of organizations, such as UNHCR itself and the International Organization for Migration.

Mr. Chairman, the United States has also recently reached an understanding with the government of Thailand that will permit us to resettle a population known as the "urban Burmese refugee population." We have begun resettlement interviews and if things proceed according to schedule, my expectations are that we will begin to see refugees resettled in the United States as early as May. This population, I think, will eventually reach about 4,000 individuals, and we are prepared to take all who qualify for our program.

Finally, Mr. Chairman, a comment on Burma-North Korea relations, a subject I know the Committee is interested in. Burma and North Korea do have a significant military and trade relationship. Of particular concern, we have reason to believe that the DPRK has offered surface-to-surface missiles to Burma. We have raised this issue of possible missile transfers with senior Burmese officials and registered our concerns in unambiguous language. Although Burmese officials have indicated that they have not accepted offers of such weapons systems, we will continue to monitor the situation, and we will deal with it vigorously and rapidly.

Similarly, while we know that the Burmese remain interested in acquiring a nuclear research reactor, we believe that the news reports of construction activities are not well founded. We also note that some press reports that have suggested Burma has provided heroin as compensation for military or nuclear technology or equipment. The evidence available to us simply does not support such a conclusion.

Mr. Chairman, I would ask your indulgence to address one point that is not on the agenda of today's hearing, but it is an issue that is of concern to all of us, and that is the fate of the Hmong, also known as "remote people" who have remained in the jungles of Laos, often in resistance to the LPDR. We have frequently urged the LPDR to resolve this issue in a humanitarian manner. We hope that all concerned understand the United States does not support or encourage insurgent activity against the LPDR.

The question has taken on greater urgency over just the past month. Starting in February, there have been a number of reports that several hundred remote Hmong have emerged from mountain areas and requested resettlement from the Lao government in Luang Phrabang and Xieng Khouang provinces.

It would be premature to say why these people have decided to seek assistance at this time. We have not seen credible reports that

the Lao government has used violent force against such people after they have emerged from the jungle. We understand that the Lao government has an amnesty program for groups that come out of the forest peacefully and resettle; however, there are few details available about this program, and certainly we have no confidence that it has sufficient resources to deal with a sudden influx of people.

Consequently, we have offered basic humanitarian assistance items, through international organizations or nongovernmental organizations, that are acceptable to both parties to help ease the burden of resettling this population. Unfortunately, the Lao government has not yet responded positively to this offer, but we are prepared to assist.

Finally, Mr. Chairman, I suspect I should note that my testimony today, like my testimony in previous remarks before this Committee on other occasions, is not simply the product of the State Department but is cleared by an interagency process. Thank you, sir.

[The prepared statement of Mr. Daley follows:]

PREPARED STATEMENT OF MATTHEW P. DALEY, DEPUTY ASSISTANT SECRETARY,
BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. Chairman,

I wish to thank you for the opportunity to testify once again on Burma. By way of noting a division of labor, my remarks will not go into detail on our programmatic efforts to support democracy in Burma as that topic has been covered by Assistant Secretary Craner.

The past year has seen considerable change in Burma, much of it tragically wrong-headed and sad, especially as progress toward to democracy is concerned. Following the totally unjustifiable violent attack on Aung San Suu Kyi's motorcade on May 30, the SPDC detained a number of NLD supporters. Over the succeeding months, the SPDC has released most of these people, but they are not really free. Aung San Suu Kyi and three other members of the National League for Democracy Central Executive Committee remain under house arrest. The NLD offices remain shuttered and party members are not allowed to organize. There has been no compensation offered to the victims of the May 30, attack nor has there been a public investigation into the incident. However, the representatives of the democratic opposition remain prepared for their role in the reconciliation process. They are not bowed by the restrictions they face, nor are they dismayed by the SPDC's continued intransigence. Internally, on the democracy front, the situation inside Burma has yet to return to even the admittedly low, but hopeful status it had achieved prior to May 30. International access across the board, whether to members of government or to the opposition has been difficult. The SPDC has not cooperated with UN Special Rapporteur Pinheiro in his efforts to organize an international investigation of the incident.

Last fall Prime Minister Khin Nyunt announced a "road map" for the future. To be successful, such a process must involve the various parties, both democratic political opposition and ethnic groups, and it must have a timeframe that is both realistic and concrete. We understand that democracy will not be achieved overnight in Burma. But we will persevere and support those who want freedom. To quote Secretary Powell's remarks three weeks ago, "Let me now tell all true Burmese patriots that we are with you still. . .Burma's day of democracy will come."

International attention to Burma has several focal points. The United States has been engaged in multilateral fora such as the General Assembly, the UN Commission on Human Rights, the International Labor Organization and the Association of Southeast Asian Nations. We also have an active dialogue with the European Union and individual states in Europe and Asia to maintain pressure and urge the SPDC towards an inclusive, political dialogue that will lead to democracy. The international community is in substantial agreement on desired outcomes in Burma, but sharply divided on the use of tactics and strategy. At the "Bangkok process" that was inaugurated in mid-December 2003, diplomats from twelve nations, including China, Japan, India, Indonesia and several European Union members addressed

their concerns to the SPDC and to encourage reform. Burma's Foreign Minister, Win Aung, heard a chorus of calls for Aung San Suu Kyi's release and her inclusion in the national reconciliation process. The United States was not invited to participate in the December meeting, nor did we request to do so. We will follow the Bangkok process, continue to work with those who want to see democracy take root in Burma, and the Prime Minister's road map closely, but thus far, we have seen no concrete progress.

Mr. Chairman, I am aware of the Committee's interest in the impact of sanctions that the United States imposed on Burma last year. I am also mindful that the executive branch will have to report formally to the Congress in April on this topic. Two weeks ago, Secretary Powell told the House Appropriations Committee, "I have seen no improvement in the situation. . . . We will not shrink back from the strong position we have taken. . . . and we will continue to apply pressure." For the moment, the immediate impact of our economic sanctions that include an import ban, asset seizure and a ban on financial services, has centered on the Burmese economy. The Treasury Department reports that it has blocked \$13.3 million worth of transactions. Of that amount, \$1.7 million has been subsequently licensed by the US. By July 30, 2003, U.S. banks maintaining correspondent accounts with Burmese banks had blocked the balances in those accounts, an amount that exceeds \$320,000.

In response to the financial services ban Burma's banks have shifted from U.S. dollar to Euro-denominated letters of credit and remittances. Many traders have turned to unofficial channels to conduct dollar transactions. International trade financing has since rebounded, such financing has not reached pre-sanctions levels. In addition to the economic sanctions, since July 28, 2003, seven applicants for visas have been turned down because of their connections with the SPDC or closely related enterprises. Because the provisions of the visa ban are widely known, there are undoubtedly many others who have dissuaded from applying.

Mr. Chairman, our sanctions represent a clear and powerful expression of American dismay at the developments in Burma last year. Sanctions are a key component of our policy in bringing democracy to Burma and have been a key source of support for the morale of many democracy activists. We have reason to believe that these sanctions also have the endorsement of the NLD. No other country has taken like measures. In our diplomatic efforts, however, we have continued to raise the question of sanctions similar to ours or targeted approaches to dealing with Burma at all levels in many countries. We have found that many in the international community have a different view on how best to achieve our shared goals in Burma.

Unrelated to the May 30 events, the international Financial Action Task Force on Money Laundering prompted governments to consider measures against Burma. The United States also imposed measures in conjunction with the USA PATRIOT Act that essentially duplicated steps we had taken previously. Subsequent to the steps taken by the international Financial Action Task Force, the SPDC initiated an investigation into two named financial institutions and published money laundering legislation. The FATF will continue its dialogue with the SPDC on this global issue.

Mr. Chairman, in the case of Burma, I think it is also useful to address issues of human rights, specifically minority rights. Democracy without firm assurances of minority rights will ring hollow to those who fear domination by the majority. The history of the relations between ethnic Burmans and other ethnic groups of the last five decades, let alone the colonial and pre-colonial period is too complex to do justice in brief testimony. Suffice to say, following the post-independence uprising of the Communist Party of Burma, many ethnic groups joined the hostilities in an effort to secure sovereignty or autonomy as well as protection of minority rights. At one point, Rangoon's writ did not extend much beyond the outskirts of the capital itself. Much was lost in the decades of fighting that followed, and the indirect consequences of the combat spilled over into Thailand and even reached the United States as some minority groups yielded to the temptation of the narcotics trade. Yet during the past decade, there has been a real increase in tentative understandings between Rangoon and some ethnic groups. We do not take a position on the specific content of the various cease-fire accords, but we do note that these accords have had some durability and associated with them has been a diminution of violence in some areas. Ethnic groups have complained that benefits from resource development that once accrued to them now accrue to the central authorities. Most notable among the recent developments in relations between Rangoon and the ethnic groups are the discussions now underway between the SPDC and representatives of the Karen National Union. A temporary cease-fire is in place and meetings have been held with a focus on demarcation of territory and the return of internally displaced persons. The first visit by General Bo Mya to Rangoon in January was dramatic. We doubt that he would have gone to Rangoon unless he thought that there was some real

chance of success. However, there have been reports that the discussions have stalled and it may take time for the parties to reach an agreement. Future historians will have to judge whether his trip represents a historic turning point on the path to national reconciliation or a sentimental journey by an aging leader. If a permanent agreement is reached, it would represent an end to over fifty years of conflict. There are also indications that other groups, including the Karenni National Progressive Party, are reportedly interested in talks with the government. Needless to say, we support the peaceful resolution of these conflicts.

All of us share a sense of frustration at the opportunities lost in 2003. But there is much to be said for persistence and some glimmers that suggest Burma may be open to new departures. For example, Amnesty International was able to visit Burma for the first time ever in February 2003 without specific conditions attached to their visas and to use their own interpreter. Despite issuing a report that was rather candid, Amnesty International was able to make a second 17-day visit in December. I would also note that the International Committee of the Red Cross has been able to continue its presence and operations in Burma.

Humanitarian concerns loom increasingly large in Burma and on its borders, fueled by inept economic policies over the years, diversion of scarce resources from the health and education sectors, human rights abuses and armed conflicts. More than a third of Burmese children under age five are malnourished according to UNICEF. The school system is under-funded and universities are no longer the respected institutions of the past. Given the nature of the Burmese government, we are limited in what we will do to provide assistance in this area. However, the Administration is providing \$1,000,000 of assistance directly to international NGOs to combat HIV/AIDS in Burma. On Burma's borders and beyond, between one to two million persons have sought a better life. One hundred and sixty thousand of these Burmese citizens are living in camps along the Thai-Burma and Bangladesh-Burma borders. The U.S. provides significant humanitarian assistance to this population. Beyond that, the Congress has appropriated \$13 million dollars for FY-04 that will be disbursed in large part to the population on the Thai-Burma border and to the groups that support this population and the cause of democracy.

Assuming that these groups reach understandings with Rangoon, we expect that there will be considerable interest in repatriation to Burma. In that connection, we are encouraged that the SPDC has reached an understanding with the UNHCR to begin operations in Burma in areas where internally displaced persons are suffering. We applaud efforts that bring greater transparency and assistance to these IDPs and think it important, indeed imperative, that any repatriation of persons under the protection of the UNHCR take place with the full participation of organizations such as the UNHCR itself and the International Organization for Migration. We also hope that measures will be put in place to prevent the inadvertent return to Burma of persons entitled to refugee status. In this connection, I would like to underscore the support and cooperation that we have received from Thailand over the decades. The issue of expatriate Burmese in Thailand is complicated. Clearly, some are refugees as that term is understood in international law, including those who are temporarily fleeing fighting and human rights abuses. These individuals could be receptive to returning to their homes as soon as conditions are safe. Others are economic migrants. Distinguishing between these various populations is a task for the UNHCR and the Royal Thai Government. The UN High Commission for Refugees and the RTG have conducted discussions on status determination and criteria and procedures. I understand that UNHCR has resumed status determination activity. Moreover, the RTG has allowed us to undertake resettlement for the Burmese refugee population that have been provided letters of concern by UNHCR. This population, sometimes known as the urban Burmese refugees, numbers nearly 4,000. We have already begun interviews and movements to the U.S. are scheduled to begin in May.

Finally, a comment on Burma-North Korea relations, a subject that has attracted considerable press interest. Burma and North Korea do have a military and trade relationship. Of particular concern, we also have reason to believe that the DPRK has offered surface-to-surface missiles. We have raised this issue of possible missile transfers with senior Burmese officials and registered our concerns in unambiguous language. Although Burmese officials have indicated that they have not accepted offers of such weapons systems, we will continue to monitor the situation and will deal with it vigorously and rapidly. Similarly, while we know that the Burmese remain interested in acquiring a nuclear research reactor, we believe that news reports of construction activities are not well founded. We also note that some press reports have suggested that Burma has provided heroin as compensation for transfers of military or nuclear technology or equipment. Available evidence simply does not support such a conclusion.

Mr. Chairman, I would ask your indulgence to address one point not on the agenda of today's session but relevant to the concerns of all of us: the fate of Hmong, also known as "remote people" who have remained in the jungles of Laos in resistance to the LPDR. We have frequently urged the Lao government to resolve this issue in a humanitarian manner. We hope that all concerned understand clearly that the United States does not support or encourage insurgent activity against the LPDR. The question has taken on greater urgency in just the past month. Starting in late February, there have been a number of reports that several hundred remote Hmong have emerged from mountain areas and requested resettlement assistance from the Lao Government in Luang Phrabang and Xieng Khouang provinces. It would be premature to say why these people have decided to seek assistance at this time. We have not seen credible reports that the Lao government has used violent force against such people after they emerged from the jungle. We understand that the Lao Government has an amnesty program for groups to come out of the forest peacefully and resettle. However, there are few details available about this program and whether it has sufficient resources to deal with this sudden influx of people.

Consequently, we have offered to provide basic humanitarian assistance items through international organizations or nongovernmental organizations that are acceptable to the LPDR in an effort to help ease the burden of resettling this population in Laos. Unfortunately, the Lao government has not yet responded positively to our offer, but we are prepared to assist. This is a signal opportunity to resolve one of the lasting legacies of the Indochina War and we hope the Lao government will take it.

Mr. LEACH. Thank you, Mr. Daley and Mr. Craner.

I have been informed that Mr. Pitts may have to leave early, and so I would like to offer Joe—

Mr. PITTS. Thank you very much, Mr. Chairman. I do have a series of questions for Secretary Craner that I would like to ask. Please pardon me as I shuttle between two meetings. If I miss part of your answer, I will read the transcript.

Secretary Craner, first of all, I would like to thank you and your office for your excellent work on the *Country Report* on Burma this year.

Would you please explain whether or not there has been a comprehensive, detailed study regarding the impact of United States sanctions on those working in the sex trade, as compiled by the U.S. Embassy in Rangoon? In addition, could you address claims that 25,000, mostly women, garment workers, were laid off as a result of the sanctions? What numbers does the U.S. Government have related to the numbers of people who may be out of work?

Secondly, the Burmese Freedom and Democracy Act of 2003 stated that Burma's region is participating in ethnic cleansing against the Karen and other peoples in Burma. At the same time, your office has documented the use of rape as a weapon of war by the Burmese dictatorship. These are prosecutable war crimes, and, at some point, we ought to think about going after this military regime on these points. What would you recommend as the next steps regarding proceeding to initiate war crimes prosecution against the regime, and what is your assessment of whether or not the sanctions are helpful for the democratic movement?

What is your perspective regarding the dictatorship's roadmap?

Based on Embassy personnel's observations, the practice of the regime of forcing children to serve as child soldiers appears less frequent than in the past. I would like to know your assessment of other available information or sources on child soldiers.

And, with regard to ethnic minorities, what do we know about the regime's treatment of ethnic-minority groups in the cease-fire areas?

Mr. CRANER. Let me run through those very quickly.

We do not have a comprehensive, detailed study on the sex trade in Burma. There have been charges that because of the sanctions, women have been driven out of the garment industry and, therefore, are going into the sex trade. I think a more important point to make is that it is the regime's mismanagement of the economy that leaves them nowhere to go, if, indeed, they are going into the sex trade.

Burma is naturally one of Southeast Asia's most wealthy countries in terms of minerals and other natural resources, but for a variety of reasons, including mismanagement of the economy, a drove of American and other companies have left Burma over the years, not because of our sanctions but because the economy is so mismanaged and because of the human rights record in Burma.

Just to cite a few: Ames Department Stores, Burlington Coat Factory, Costco, Ikea, Hanes, Joseph Banks, Kenneth Cole, Phillips, Van Heusen all left before we imposed sanctions last year. Ten years ago, Reebok, Walt Disney, Levis and Liz Claiborne all left. They do not find this is a country in which they want to do business, for a variety of reasons. The reason people do not have a job to go to in Burma is because of the Burmese regime.

On the issue of sanctions, helpful or unhelpful, when I look to Burma, I look to the people who were elected by the Burmese people for their opinion. Their opinion is that sanctions are needed to help bring about change in Burma.

On the issue of child soldiers, our Embassy personnel who have traveled have seen fewer than they have in the past, but we continue to receive reports from NGOs of a large number. As important as I think it is that our Embassy people get around and see as much as they can, it has not always been possible in the past. We have not always been able to see everything that is going on in a particular countries.

On the issue of ethnic cleansing, going after the regime on those counts, my own personal opinion is that if there were to be trials someday, they should be done by the Burmese people. They are more than capable of doing that. We continue to collect the kind of information that would be useful to them, just as we have in other countries like Iraq, where it has been useful to those people.

I think I covered the questions.

Mr. LEACH. Let me suggest to the Committee, we have a vote on the Floor. Mr. Rohrabacher departed early so he can return to have the Committee meet in near-coterminous session, but I think, unless Mr. Crowley only wants to take a minute,—

Mr. CROWLEY. Do you mind if I just take a minute, Mr. Chairman?

Mr. LEACH. I would recognize you, Mr. Crowley.

Mr. CROWLEY. Thank you, Chairman Leach.

Mr. Craner, I recognize that your office has been engaged in the issue of human rights and democracy in Burma. We have all heard recently about the Burmese junta's promise of a transition to democracy. Would you say this is a new development, or has the junta in Burma been promising democracy and human rights in the past for a very long time?

Mr. CRANER. The roadmap itself, we have said, has a huge problem, and that is that it is formulated without the participation of members of the democracy movement, and it does not appear at the moment that they are to be involved. This is very similar to an occurrence in the mid-1990s, where it became clear that the regime was not interested in having the opposition's involvement.

Mr. CROWLEY. Do you think it is fair to say this is a bit of a song-and-dance routine, as we say?

Mr. CRANER. I think it is fair to say we just have not seen the substance to it that we would expect. If you are going to reconcile a country and bring people together, you cannot leave out a good part of the country.

Mr. CROWLEY. So it is saying the right things but not necessarily acting upon them.

So you would not describe this as an irreversible path to democracy, would you?

Mr. CRANER. No. It will be irreversible when it involves in a sincere way the opposition.

Mr. CROWLEY. And, just finally, Mr. Chairman, if you would bear for the moment, what was the Burmese junta's reaction to the United States human rights report? Did they have any reaction?

Mr. CRANER. The typical condemnation, saying that we were interfering in their internal affairs, et cetera. I invite all countries that have problems with the report to submit a detailed critique of the report, but I never see anything from the Burmese.

Mr. CROWLEY. Thank you. I yield back, Mr. Chairman.

Mr. LEACH. At this point, the Subcommittee will be in recess. It may be brought back to order by Mr. Rohrabacher, but that should be in a few minutes.

[Whereupon, at 2:05 p.m., a brief recess was taken.]

Mr. BEREUTER [presiding]. The Subcommittee's question period will come to order. To make maximum use of our time, I recognize myself under the 5-minute rule.

Secretaries, I appreciate very much your testimony. I have a question in two areas. First of all, Secretary Daley, in your statement, when you speak about the Bangkok process, you say the United States was not invited to participate in the December meeting, nor did we request to do so. Perhaps you could explain that in a minute or 2.

Then with respect to Burma, I would like to ask questions about ASEAN, Thailand, and European Union, and this could be addressed by either or both of you. ASEAN is a very diverse group of countries that have at most in common their geographic proximity and not much else in other respects. Is there a credible prospect that the ASEAN approach may succeed in altering regime behavior and encouraging a progressive political transition in Burma?

Second, with respect to Thailand, what is your assessment of the policies by Thailand toward Burma, including Burmese refugees and political activists? Is the Thai policy evolving in a way that would reduce the ability of pro-democracy advocates to operate inside Thailand? We have heard that the Thai government recently announced resumption of its decision to bar UNHCR from conducting refugee status determinations inside Thailand. Is that report correct?

And, finally, with respect to the European Union, is the United States actively engaged with the EU on Burma policy? Do we seek new EU sanctions?

So if you gentlemen could address those issues, I would be grateful, and I will turn the chair back to the Chairman.

Mr. DALEY. First, with respect to Thailand, there was, indeed, a 1-to-2-month pause in the refugee-status-determination process. It is my understanding that that pause is over and that UNHCR has resumed making refugee-status determinations in Thailand. And as I mentioned in my testimony, the United States, with the agreement of the Thai government, has begun processing Burmese refugees for resettlement in this country. We expect the first individuals to begin arriving in May.

Thailand has, very broadly speaking, changed its fundamental approach to Burma. For at least 3 decades, the Thai approach to Burma was quite confrontational in a number of different respects. That approach has changed profoundly, and one consequence of that was the role that Thailand played in trying to organize the so-called "Bangkok process," which, I think, is fair to describe as an opportunity for the international community to make their views known directly and at a fairly high level to Burmese officials.

The state of our relationship with the Burmese government is such that we were not welcome at that meeting. The state of our skepticism regarding the intentions of the Burmese government to move on a serious path toward democracy was such that we did not seek to attend either. We were not prepared to associate ourselves with it. To put it gently, we are maintaining a position of detailed skepticism toward this process. I guess the expression, "I am from Missouri, show me," might be relevant. We will make our judgments based upon concrete actions that we see emerge rather than declaratory statements, no matter how seemingly forthcoming.

Mr. BEREUTER. ASEAN and the European Union.

Mr. DALEY. We have raised our concerns about Burma in these venues, from the highest levels to the very lowest. This was the top item on Secretary Powell's agenda when he went to the ASEAN meetings last July. Our Ambassadors in the field have followed up, our diplomats in Brussels have followed up and in other European capitals. I have to tell you that the results have been disappointing, as I mentioned in my testimony.

Other countries have not joined us in the kinds of economic sanctions that we imposed following the May 30th attack on Aung San Suu Kyi's motorcade. Although many of these countries share fully and without reservation our goals and objectives with regard to Burma, they have a difference in approach on strategy and tactics. Perhaps Secretary Craner would like to comment on that.

Mr. TANCREDO. And do you include in your comments not only ASEAN but the European Union?

Mr. DALEY. The European Union as well, sir, yes.

Mr. TANCREDO. Secretary Craner, do you have any comment on any of these subjects?

Mr. CRANER. Nothing.

Mr. TANCREDO. Thank you very much, Secretary Daley?

Mr. Chairman, I will return it to you. Thank you.

Mr. LEACH [presiding]. Mr. Rohrabacher?

Mr. ROHRABACHER. First, let me suggest that I leveled some pretty serious charges against Mr. Daley in my opening statement, and I would be happy to give him time to comment on them for my time.

So, Mr. Daley, if you would like to refute some of the things that I suggested about the last time we talked in this exact forum when I suggested that you had indicated that it was some sort of positive action on the part of the Burmese government that brought down the opium production in Burma and that my reading since then of the United Nations report indicates that it is weather, and why would we want to give the benefit of the doubt between the two options to the Burmese dictatorship?

Mr. DALEY. Mr. Rohrabacher, I think your "serious charges," as you call them, deserve a serious, written reply by the Administration, one that is cleared on an interagency basis, and we will endeavor to do that.

Mr. ROHRABACHER. All right. Your testimony today; would that mean that at any time that you testify before us, and we come up with some very serious questions, that you would then, instead of answering the questions, refer back to the committee that approved your statements?

Mr. DALEY. Not necessarily, but I think, in this circumstance, to avoid any possible misinterpretation about what was said and when and by whom and whether the statements represented personal views or department views or Administration views, it is my judgment that it is advisable to give you the respect that can only be conveyed by a formal, written answer.

Mr. ROHRABACHER. All right. And, Mr. Chairman, I would like to submit for the record part of the article that appears in today's *National Journal* dealing with the Burmese. Mr. Daley's testimony before us the last time also indicated that there is no evidence to suggest that the Burmese government was directly involved with the production and growth of this opium in Burma. There is an article, and, Mr. Chairman, if I could submit this for the record, that says, "Army Encourages Opium, Farmers Say." Have you seen this article, Mr. Daley?

Mr. DALEY. No, sir.

Mr. ROHRABACHER. It indicates that four Burmese farmers recently crossed the border into Thailand, and, of course, if they faced with forced repatriation, they may not be as open about coming forth with such information in the future, and these farmers went into great detail about how the Burmese Army is deeply involved in the drug trade and encouraging them to grow opium and, in fact, threatening them if they did not grow opium and involved with the distribution of opium. So I would recommend this reading to you as well as submitting it for the record, Mr. Chairman.

Mr. LEACH. Without objection, that article will be placed in the record.

[The information referred to follows:]

FOREIGN AFFAIRS—BURMESE DAZE ARMY ENCOURAGES OPIUM, FARMERS SAY

Excerpt from the *National Journal*
03-20-2004
By STEVE HIRSCH

Four Burmese farmers who crossed the border into northern Thailand in recent months said that local Burmese army units are involved in the opium trade.

The farmers told National Journal that Burmese army units impose a tax on the farmers' land and encourage locals to grow opium to pay the tax. The taxation forces villagers to grow opium because it is the only crop that raises enough cash to pay the taxes. The army, according to some of those interviews, has bought the opium at bargain prices, presumably to resell at a profit.

These farmers, all interviewed through the same translator, came from Burma's Shan state, which borders Thailand, Laos, and China. The Shan are ethnically related to Thais, and they have a rebel group that has long fought the Burmese government.

All four farmers said that the military had encouraged them to grow opium, with one saying that although the higher-ranking officers at the army garrison told farmers not to grow opium, the local patrols, made up of lower-ranking soldiers, encouraged them to do so.

Mr. ROHRABACHER. Thank you.

I am concerned about the tone that I hear, and let me give you an example. You stated in your testimony that, Mr. Daley, evidence does not support the conclusion that opium was used in exchange for weapons between Burma and North Korea. Is there evidence that supports the opposite conclusion? Is there evidence that suggests that the Burmese are not doing this, meaning they have World Bank credit that they draw upon or made huge sales of some commodity, like teakwood, which they used to purchase their weapons? Is there some other evidence indicating that they did not use drug money to buy weapons from North Korea?

Mr. DALEY. We can probably make available to the Committee additional economic analysis with respect to Burma's dealings with North Korea on the subject of weapons. My testimony represents the outer limit of what the intelligence communities were prepared to declassify. We are prepared to offer the Committee a classified briefing on that subject.

Mr. ROHRABACHER. What concerns me is that it seems to me that, when dealing with Burma and other dictatorships where there seem to be interest groups who want to make a profit in dealing with Burma or just have various ideas of why they do not want us to confront this dictatorship, it seems to me we are always bending over backwards to find something that we will not be involved in portraying the Burmese action in a negative way. If evidence does not support the conclusion that opium is being used for weapons, my question is, then, is there evidence on the opposite? Why, then, are we not saying, evidence does not support the conclusion that opium was not used to buy weapons? Why are we giving the positive spin toward a regime like that in Burma?

And I would suggest that this same sort of leaning over backwards by the permanent State Department officials is an ongoing phenomenon that just leaves me very frustrated, and I do not think we should ever be giving the benefit of the doubt to regimes that are so openly and monstrously dictatorial and repressive and terrorists toward their own people. We should not be talking about repatriation, for example.

We discussed that today, Mr. Chairman, and the word "repatriation," to a dictatorship, is an evil thing because we are throwing people into the hands of their torturers. That did not seem to be part of the testimony, just repatriation is just something to be analyzed in a very sanitary approach from a distance.

I believe that it should be the United States' position that we, with Thailand and others, and not characterizing Thailand's former opposition to the dictatorship as quite confrontational; these are spins that are positive spins toward a dictatorship. We do not need to do that in the United States of America. Our government should not be doing that, and although it is hard to pin down when we get down to who approved what and where the policy lies, I think a clarion call for support for those who stand for freedom and democracy instead of these types of implications within the testimony of our officials is what we need. So thank you very much, Mr. Chairman.

Mr. LEACH. Thank you.

Mr. Tancredo?

Mr. TANCREDO. Thank you, Mr. Chairman.

Mr. Craner, there are situations that we face on this Committee, as well as the Congress and the President faces, where we find ourselves dealing with countries and with individuals who lead those countries, individuals of an unsavory nature, let us say, in this case, a pure dictatorship and a thug who is in charge. But we find ourselves placed in the position of having to be sort of deferential sometimes to them because, for one reason or another, it accrues to our benefit, because the United States is receiving some sort of intelligence information, we are relying on them to help us prosecute the war on terror. For a variety of reasons, we have a tendency to go softly and to avoid it.

What in the world do we have here? What purpose could possibly be served by being even remotely deferential to the regime in Burma? How could we possibly benefit? And especially if you look at what is in the balance, there is something to be gained almost always, it seems to me, by being in opposition to dictatorships, but sometimes I understand we cannot. But it is not just the political thing that we should do here; it is the moral thing we should do here, and not doing it puts us, I think, in a very peculiar position that is extremely difficult to understand or certainly defend.

So I am just wondering, do you have any idea what would press us to actually be anything and do anything but take the hardest possible stance or road?

Mr. CRANER. Well, let me, first of all, say we are taking a tough stance. The President, the Secretary of State, and the National Security Adviser have all expressed themselves on this subject.

Mr. TANCREDO. Let me interrupt for just a second. I am not accusing you of not doing so. I am just saying, you know, is there any reason why we would not?

Mr. CRANER. Why would not we?

Mr. TANCREDO. Yes.

Mr. CRANER. There have been innumerable examples over the years where the United States did not stand with the people of a country who wanted democracy or wanted a change in their system of government, and in those cases, when revolution has come, the people remember that. They remember who their friends were not.

There have been many cases over the last 2 decades when we adopted a different policy where we helped the people, where we helped the democrats, where we helped human rights activists and journalists and others before the time came that the country be-

came democratic. They remembered that. I have met with them for the last 2 decades.

They are now helping us in other countries to bring democracy to those countries. In other words, the Polish people who were democrats and believed in human rights are now helping us in a place like Belarus. I cannot think of a single reason in this case not to be helping the Burmese people.

Mr. TANCREDO. Agreed. Thank you very much, Mr. Craner. You put it very well.

Unless my colleague wants any more time, I would yield back mine.

Mr. ROHRABACHER. No, thank you.

Mr. TANCREDO. I yield my time.

Mr. ROHRABACHER. One question.

Mr. TANCREDO. I yield my time to my colleague from California.

Mr. ROHRABACHER. I guess, Mr. Craner, do you believe that American sanctions, that we placed economic sanctions on Burma, have contributed to the number of women, encouraging women to go into the sex trade?

Mr. CRANER. I covered this a little bit before. My answer is that if there was any other place in the economy to go, maybe they would go there. We do not have evidence as to the number of women that might be involved in the sex trade in Burma. What we do know is that so many companies have left before sanctions were imposed and that the economic mismanagement in Burma is so bad that there are not any other companies to go to, so it may be that people are unemployed.

Mr. ROHRABACHER. But even a hint that it is the economic embargo or the economic sanctions that is causing this horrible situation is, again, bending over backwards not to hold the regime accountable for the outcome and the results of their own policy, is it not? Is it not the Burmese government that is bringing on the sanctions and all of the other types of restrictions that are being placed on them because of the very nature of their regime? To place, then, the responsibility on the civilized world for trying its best to put sanctions on this is, I think, again, bending over backwards to put a positive spin for the regime.

Mr. CRANER. Let me just read you something that David Steinberg, another witness here today, had to say in an interview:

“I have been against sanctions from the beginning in Burma or almost anywhere else. That does not mean Burma would become prosperous without sanctions. The climate for foreign investment and business is very poor. There is the obvious corruption. There is no independent arbitration mechanism. The judiciary is not independent. There is no predictability. The rules change all of the time. Infrastructure is inadequate. There is government intervention, all levels, and interministerial coordination is minimal, at best.

“Not only would Burma not prosper in spite of increased foreign exchange earnings; the country now cannot absorb increases in foreign humanitarian assistance because of regulations and bureaucratic incapacities. That is the problem with Burma.”

Mr. ROHRABACHER. Mr. Chairman, if you would indulge me one more question.

Mr. LEACH. I would, but there is an aspect that I do not want to go too far on only because Mr. Craner, in an earlier question, was very definitive in saying that sanctions were not responsible for causing the sex trade. You might not have been here when he said that—

Mr. ROHRABACHER. I rushed off for a vote, so—

Mr. LEACH [continuing]. Because I think you might be attacking him on that point.

Mr. ROHRABACHER. No, no. That is not the point.

Mr. LEACH. Fair enough, but I would be happy to yield you an additional several minutes, but I want to be clear that Mr. Craner had indicated in very definitive terms that that would be an unacceptable conclusion for anyone to reach, but please.

Mr. ROHRABACHER. That is not the point I was going to make, and I thank you, Mr. Chairman, for protecting me from that, had that been my point.

Mr. Craner, there are people in the United States Congress and there are American citizens who totally side with the people of Burma in this confrontation with the dictatorship that holds them in its iron fist. I would suggest today, and I would like your comment on this, that there are many people in the United States who would applaud those people in the Burmese military to take a look at what is going on in their country and decide that they are with the people rather than the corrupt dictatorship which is destroying and robbing their country, and perhaps the younger officers in the military should turn their guns on that corrupt government and help Aung San Suu Kyi institute a democracy in that country. If that happened, would the United States Government be supportive of the younger officers of the military in their attempts to support the democratic movement and restore democracy to Burma?

Mr. CRANER. I, frankly, see no signs of that happening.

Two things. Number one, we prefer to see a nonviolent solution in Burma, a nonviolent way to democracy. Number two, you already see some of what you are talking about. You certainly see it with a number of defectors, especially at the lower levels, and especially given that many of these people at the lower levels are actually pressed into military service or into serving as porters. You already see a high degree of dissension within the ranks.

Mr. ROHRABACHER. There is a great deal of support in the United States for the people of Burma who would fight for their freedom, including those in the military, and we want to send that message today. Thank you.

Mr. LEACH. Thank you. The Chair will recognize himself for several questions.

Let me begin by saying, there is one aspect of the introductory testimony that I want to applaud the Administration on, and that relates to refugee resettlement in the United States. As much as we want to exert change within Burma, I think the United States Congress has great sympathy for those that have been forced out and that we should play a role in the resettlement effort, and, if anything, these numbers appear small rather than large. I think

there is a great deal of empathy here, and I want to register that on behalf of the Committee.

Secondly, as we look at analogies in human history, and in the modern world there are not a lot of analogies that are one-to-one in almost anything in international affairs, but there are analogies that are credible and reasonable, and the one that I think, from an American perspective, seems the closest probably is South Africa. And as we look at the South African analogy of Mandela and the ANC, it is important to note that when we considered sanctions in the United States Congress, and this was a very serious debate, Mandela and the ANC very strongly supported the notion of sanctions.

With sanctions, there is a potential for counterproductivity. Certainly, in the short term, it can be unhelpful to lots of parts of a society, but we, as a Congress, made a decision to support sanctions, in partial measure and possibly the largest measure, because the people of South Africa asked that sanctions be placed on them. And so the fact that the democratic opposition in Burma is supporting sanctions is of significance.

The second aspect of the South African analogy, and here is where we have the troubling leadership circumstance, is that the United States was supported by a number of countries in Western Europe. In fact, if anything, our traditional western European allies were stronger supporters of sanctions than we were. Although we became the critical country, several European countries that had long-term relations with South Africa were ahead of the United States and very supportive.

It is in this regard, from a leadership perspective, that there is some discomfort that the rest of the world is not going along with this, not only in Asia but very strongly in western Europe. There are several western European leaders that have made very strong statements on the necessity for drawing a line in the sand.

Now, as a general proposition in international affairs, and we are seeing this with regard to the Middle East, Europe is looking at America as too much line drawing and not enough nuances in some aspects of foreign policy. I think they have some truth in some areas, but I think Burma is one where they are wrong, that this is a line-in-the-sand place, and this is a place that we should be expecting far more from Europe.

In this regard, I do not have a great sense, even though you have articulated that at the highest and lowest levels we have expressed concern in various capacities diplomatically, I do not have a sense that this is the highest priority in Washington, and I do not have the sense that America is being followed. The sanctions issue works when there is general support. When there are leaks, it obviously does not work, and when there are breaches that are of tremendous significance, it does not work very well at all, and we are really in the third category of breaches with tremendous significance. And I would suggest that it is our obligation to raise the stature of the Burma issue with the very countries that were so supportive on South Africa.

That brings me to the issue of culture at hand because South Africa was a little closer tied than Burma is, but you have what appears to be, partly for competitive reasons, partly for other reasons,

positions of India and China which are of significance. Would you like to go into a little bit the Chinese perspective and then the Indian perspective?

Mr. DALEY. Mr. Chairman, I would say that China has, over the last decade, seen and sees an opportunity to extend its influence in a country where it previously was not warmly welcomed, and this influence has become economic, cultural, and it involves significant levels of assistance, weapons sales, and a degree of what I would call "political understanding."

In response to that evolution, India, which had previously had a policy much like our own, began to reconsider its perspective, and I would suggest that the Indians were concerned at, actually, a lack of alarm in other quarters regarding the change in the degree of Chinese influence in Burma, and that concern was added to a judgment that, for the sake of controlling their borders, dealing with insurgent groups that had sought sanctuary in Burma, and suppressing of narcotics trafficking, India itself changed from an approach that was largely similar to ours to one that is more on the ASEAN model.

India has not, in any way, disavowed its unwavering support for democracy. It is one of the great democracies of the world itself. India continues to offer asylum to very large numbers of Burmese refugees and has bestowed some of the nation's highest honors on Aung San Suu Kyi. But they, too, have come to a different appreciation of both how to pursue their interest in democracy and how to pursue their other national interests in their relationship with Burma.

I have no doubt that India would warmly welcome a democratic evolution in Burma. There is no question in my mind about that whatsoever.

Mr. LEACH. I would like to return to the North Korea issue for a second because several things were said today of profound significance, and the most important came from you, Mr. Daley, when you warned that there would be the highest kinds of repercussions if certain missiles were sold or transferred to Burma. Do you want to go further than just leaving it at that?

Mr. DALEY. I wish I could, Mr. Chairman. In the initial draft of this testimony, I did, but those portions were deemed to be classified, and for that reason, in combination with the interest we know that exists on the Hill in North Korea's dealings with Burma, we are making available a classified briefing on this topic. That is ready to go now, and I think dates have been proposed.

Mr. LEACH. May I ask, have the North Koreans transferred any military hardware to Burma?

Mr. DALEY. Yes, they have.

Mr. LEACH. And to the degree that the government gets some resources in the illicit and to the degree that there is fungibility of money, is it logically consistent that it is inconceivable that drug money went into the purchase of anything?

Mr. DALEY. Our impression is that the trading arrangements with North Korea have involved a combination of cash and barter. The combination varies perhaps from one transaction to another.

We do not have good data on the extent to which money flows into the control of the government of Burma of the drug trade, but

certainly to the extent that such money does flow to the government of Burma and that money is fungible, it stands to reason, I think, that the proceeds of the drug proceed could be involved in financing Burma's purchases. But my testimony, again, dealt with the specific accusation that Burma had provided heroin as compensation for transfers of military or nuclear technology or equipment.

Mr. LEACH. Fair enough. Let me thank you both, and thank you for that clarification, for your testimony, and we appreciate very much your service.

We will now move on to the second panel. Thank you.

[Pause.]

Mr. LEACH. Our second panel consists of the Honorable Daw San San. Ms. San was elected to Parliament in 1990 as a member of the National League for Democracy. When the ruling government refused to recognize the election results, she was imprisoned twice, serving a total of 6 years. While living inside Burma, she served as Vice President of the NLD Rangoon Organizing Committee and was President of the Women's Affairs Committee.

After the May 2003 Depeyin massacre inside Burma, during which scores of NLD members were beaten to death by the regime, Daw San San was detained and interrogated for 2 days, particularly in connection with letters of hers appealing for assistance from the United Nations.

She currently serves as the General Secretary of the National League for Democracy Liberated Area.

Tom Malinowski has been the Washington Advocacy Director for Human Rights Watch since April 2001. Prior to joining Human Rights Watch, he was a special assistant to the President of the United States, Mr. Clinton, and Senior Director for Foreign Policy Speechwriting at the NSC.

Veronika Martin is a policy analyst for the U.S. Committee for Refugees with a focus on East Asia and the Pacific. Ms. Martin has been an advocate for refugee rights for over a decade.

David Steinberg is currently the Distinguished Professor and Director of Asian Studies at Georgetown University and previously was represented the Asia Foundation in Korea.

Our final witness, Mr. Pedersen, is a research scholar in the Department of Political and Social Change at the Australian National University and currently works as senior analyst for the International Crisis Group in Rangoon. He is a co-editor and author of the book, *Burma Myanmar: Strong Machine, Weak State*, and the author of a number of reports on contemporary Burmese politics and international policy toward Burma.

We thank you very much, and if there is no objection, we will begin with Daw San San. You are welcome, and your full testimony will be submitted for the record, if you prefer to summarize, but you may proceed in any manner that you see fit. Daw San San. And if I could ask you to pull your microphone quite close and press the button, I think it would be helpful to the audience behind.

STATEMENT OF THE HONORABLE DAW SAN SAN, MEMBER-ELECT OF PARLIAMENT, NATIONAL LEAGUE FOR DEMOCRACY, BURMA

Ms. SAN. Mr. Chairman, I would like to thank you and other Committee Members for inviting me to testify about the situation in my homeland. I am here to testify to the visible effects, critical effects, all the truth, nothing but the truth.

It is with great honor that I am elected a member of Parliament who has never been in Parliament before who can sit here with you, elected representatives of the American people, to discuss a war being waged by Burma's ruling military junta as a counter against my democratically colleagues and the Burmese people whom we have here with me today. On behalf of my colleagues and the Burmese people, I want to thank each and every one of you for passage of the Burma Freedom and Democracy Act and the President signing this bill into law.

This piece of legislation has been critical to supporting the democracy movement inside the country while cutting off the junta's ability to fund their instrument of oppression: Their intelligence service, their military, their informants and thugs. I urge you to once again pass this bill when it comes up for renewal. I also ask other countries, especially in Europe and within the region, to follow your lead. This Congress must know the reality, the true brutality of the military regime and how it struggles to crush the democracy movement and how, with your help, it will fail.

I was forced to leave Burma last year after the Depeyin massacre on May 30th. I learned in Rangoon of the regime's horrific attack against my NLD colleagues and Daw Aung San Suu that killed scores of people, wounded many more, and resulted in the imprisonment of Daw Aung San Suu and many others of the NLD. I feared that I would be rearrested for my actions, and, at age 73, I believe that if I were forced to return to the junta's prison, I would be killed.

Why did the regime feel that they could stop our movement with this crackdown? Because Daw Aung San Suu was traveling throughout the country, and hundreds of thousands of people were allied to her calls for freedom and democracy.

I would now like to direct your attention to the TV screens for a short video.

[A videotape was shown.]

Ms. SAN. Mr. Chairman, I feel like crying now. I think we should all consider about the long-term benefit of 50 million people. In his last press conference, General Khin Nyunt said only that 35,000 workers are affected. With their families, there over 50,000. So on behalf of 50 million people, I am here to testify.

Mr. Chairman, as you can see, those who say the people do not support Aung San Suu or the NLD are engaged in peddling false hopes simply do not understand the political force at work in our country and the strength of our desire to be free. We want to stay in peace, and at the age of 73, I want to stay in peace and rest in peace.

The ban on exports to the U.S. hits the regime and its cronies where it hurts them the most: In the pocket book. As I said, it denies the regime precious dollars to fund the military and intel-

ligence operators that are used to oppress the people. I want to make one point perfectly clear to you. It is the generals who have destroyed Burma, not sanctions, not sanctions. If other countries imposed the same sanctions as the U.S., it would degrade further the apparatus of the regime to control the country, thus strengthening the democracy movement.

I want to quote the eloquent words of South African Bishop Desmond Tutu:

“Sadly, tyrants choose not to understand the language of diplomacy or constructive engagement. . . . Governments and international institutions must move past symbolic gestures and cut the lifelines to Burma’s military regime through well-implemented sanctions . . .”

through well-implemented sanctions.

I would like to respond to those who criticized Daw Aung San Suu and the NLD for being stubborn and uncompromising. Mr. Chairman, we won the election. We have won election, and I refuse to apologize for standing up for freedom, democracy, and human rights. Daw Aung San Suu and NLD have called for political dialogue with the military regime to solve Burma’s problems peacefully. We have never, and will never, advocate violence. We are calling for tripartite dialogue among the military, NLD, and the ethnic nationalities. The military regime is the one who is continually rejecting this call for peace, unity, and transition. Please tell me, sir, how can they say that we are stubborn?

I would like to describe the NLD position on humanitarian assistance. The NLD believes that the international community can play a positive role in helping the people of Burma. What we demand is that the NLD be consulted on projects and they be conducted in absolute transparency outside the control of the regime. People die for lack of clean water while the regime spends \$150 million on Russian military jets and \$50 million on tanks. Where are the calls from international observers to reverse this priority?

With discussions on roadmaps to democracy, I would like to highlight the actions of the NLD with regard to the national convention proposed by the military regime. We were expelled from the national convention in 1996 when we questioned the lack of freedom of speech, the lack of freedom of speech. There are many—inside Burma who stand against this latest roadmap. The United Nationalities League for Democracy, the largest alliance of 23 ethnic political parties and other democratically elected representatives, have refused to participate in the general’s seven-point roadmap plan.

The democratic movement, including the ethnic political parties and those from exile, have supported the NLD’s call for immediate holding of a tripartite dialogue that also has U.N. support through successive U.N. GA resolutions.

A fundamental question is, what has changed this time? We are not interested in participating in a political exercise that serves to cement the military’s role in power. The NLD will participate in a process that can bring freedom and democracy to the people. It will not participate in a public relations scheme that serves to create an illusion of democracy to displace the military’s brutal rule.

I would like to make some recommendations. First, reauthorize the Burma Freedom and Democracy Act with all of its sanctions against the regime.

Second, we thank President Bush and Secretary of State Powell for their efforts. I urge you to use your offices to encourage the Administration to maintain pressure against the regime and coax and cajole those states in Europe and within the region, especially Japan, to impose sanctions against the regime.

Third, the U.N. special envoy has yet to bring any results. Please increase your efforts to ask U.N. Secretary General Kofi Annan to put Burma on the agenda of the U.N. Secretary Council immediately. This action was recommended by the prestigious New York-based Council on Foreign Relations. International political intervention with serious consequences is essential for Burma to save my unfortunate people.

Fourth, continue to work through organizations, such as the National Endowment for Democracy, to assist Burmese in strengthening our movement.

Fifth, I thank the President and Secretary of State for their recent comments supporting Daw Suu and the NLD. I ask you to use your offices to speak out on the importance of democracy in Burma.

Mr. Chairman, I am here to answer the questions. To be or not to be is the question. I want my people not to be victims of the state's initiative of terrorism. I do want my grandchildren not to be drug addicts because we can get the drugs anywhere inside Burma.

Mr. Chairman, I look forward to the day when I can return to Burma and tell my colleagues about how during our darkest hours when democracy was on the line, our success in doubt, a victory far from certain, the American people stood by our side and helped light our path to freedom. Thank you, sir.

[The prepared statement of Ms. San follows:]

PREPARED STATEMENT OF THE HONORABLE DAW SAN SAN, MEMBER-ELECT OF
PARLIAMENT, NATIONAL LEAGUE FOR DEMOCRACY, BURMA

Mr. Chairman,

I would like to thank you and other Committee Members for inviting me to testify today about the situation in my homeland. It is with great honor that I, an elected member of Parliament, can sit here with you, elected Representatives of the American people, to discuss the war being waged by Burma's ruling military junta against my democratically elected colleagues and the Burmese people. As you know, the military junta has refused to acknowledge the result of the 1990 election that overwhelmingly selected the National League for Democracy, and our leader, Daw Aung San Suu Kyi, to govern Burma.

On behalf of my colleagues and the Burmese people, I want to thank each and every one of you for passage of the Burma Freedom and Democracy Act and the President signing this bill into law. This piece of legislation has been critical to supporting the democracy movement inside the country while cutting off the junta's ability to fund their instrument of oppression—their intelligence service, their military, their informants and thugs. Your vote demonstrated Congress's commitment to stand on the side of Burmese freedom fighters. I urge you to once again to pass this bill when it comes up for renewal. I also ask other countries, especially in Europe and within the region, to follow your lead.

The legislation passed last year included prohibiting imports from Burma, freezing assets of the regime, prohibited the regime's leaders from travel to the U.S., and reinforcing the mandate that the U.S. use its voice within International financial institutions to vote against projects in Burma—projects that would only serve to enrich the junta and strengthen their rule. These are deeply appreciated policy steps.

I am testifying before you today because the world, and this Congress, must know the reality, the true brutality, of the military regime and how it struggles to crush Burma's democracy movement, and how, with your help, it will fail. I was forced to leave Burma last year after the Depeyin Massacre on May 30th. I learned in Rangoon of the regime's horrific attack against my NLD colleagues and Daw Aung San Suu Kyi that killed scores of people, wounded many more, and resulted in the imprisonment of Daw Aung San Suu Kyi and many members of the NLD. I feared that I would be re-arrested for my actions, and at age 73, believe that if I were forced to return to the junta's prison, I would be killed.

I was jailed twice after being elected. In 1991, I was arrested and sentenced to life in prison for my calls that the regime respect the will of the people and sit the democratically elected parliament. I was released in May 1992, according to penal code section 401, which is a temporary suspension of the remaining sentence. My interrogators warned me that I would have to serve the remaining term if I continued my participation in politics. I was arrested again in October 1997 for having an interview with BBC and was released again in August 2001 for health reasons. Again, I was threatened with a life sentence if I resumed my political work.

After May 30th, I organized the drafting of a letter to the United Nations and Senior General Than Shwe, Burma's chief military ruler, calling for the release of Daw Aung San Suu Kyi and all those arrested. I was detained for interrogation and it was made clear that I would be returning to jail. It was a difficult choice, one that still tears at me, but I decided to escape from the regime and continue my country's fight for freedom in exile.

Recently the UN Special Rapporteur Sergio Pinheiro issued a comprehensive report to the UN Commission on Human Rights in which he stated that human rights in Burma suffered a setback in 2003, and that "political transition to a civilian regime must be accompanied by real and tangible changes on the ground towards a genuinely free, transparent and inclusive process involving all political parties, ethnic nationalities and members of civil society." Notably, Mr. Pinheiro was denied a visa to re-enter Burma. Without question, all reports—from the U.N., U.S. and NGOs such as Amnesty International and Human Rights Watch—all point to the indisputable fact that the political and human rights situation in my country continues to deteriorate.

It is important for us to remember exactly what kind of people make up the ruling Burmese military junta. These individuals are responsible for making Burma one of the worst violators of human rights in the world. Congressmen, they have turned our country into a prison of 50 million people. Let me quote from the Department of State's Human Rights Report:

"Security forces continued to commit extrajudicial killings and rape, forcibly relocate persons, use forced labor, conscript child soldiers and reestablished forced conscription of the civilian population into militia units."

I believe that the regime uses rape as a tool of terror to brutalize women, especially women who are part of our ethnic nationalities. The junta is also responsible for creating the world's largest army of child soldiers—over 70,000 children, some as young as nine years old, are conscripted into the military and forced to take part in horrible abuses.

I am often asked about effect of sanctions on the Burmese people. First, it is important to understand that all major industries are dominated by the military. It is very difficult to get a job in a military run factory or business unless you are a part of the junta's military or political apparatus. They take care of their own. They also demand kickbacks for employment opportunities. It is impossible to start a business unless you have the express approval of the regime, foreign joint-ventures are instructed to partner with specific military officers. Drug barons are able to wash their money through real estate purchases and businesses. The informal sector consists of agriculture, cash cropping and in urban areas, it takes the form of small door front stores centered on the extended family and not technologically sophisticated.

The prohibition of exports to the U.S. hits the regime and its cronies where it hurts them the most—in the pocketbook. As I said, it denies the regime precious dollars to fund the military and intelligence apparatus that is used to oppress the people. The regime knew beforehand that the U.S. was weighting sanctions against their country. What did they do? Their response was the May 30th massacre and jailing of Daw Aung San Daw Aung San Suu Kyi.

I want to make one point perfectly clear to you. The military regime, through their economic mismanagement, graft, greed, and corruption is responsible for taking a country that should be one of the richest in Asia, to the level of a least developed country. It is the generals who have destroyed Burma, not sanctions. If other

countries imposed the same sanctions as the U.S., it would degrade further the apparatus of the regime to control the country, thus strengthening the democracy movement. I want to quote the eloquent words of South African Bishop Desmond Tutu:

“Sadly, tyrants choose not to understand the language of diplomacy or constructive engagement, but rather respond only to the action of intense pressure and sanctions. Governments and international institutions must move past symbolic gestures and cut the lifelines to Burma’s military regime through well-implemented sanctions.”

Also, the thought that sanctions are responsible for driving women into the sex trade is rubbish. I can attest that the one single factor most responsible for denigrating women and breaking apart our family structures is the regime. I saw this myself in Rangoon and my areas of Burma. Young girls without hope turning to sex to feed their families in a vain attempt to escape poverty under the rule of the military. Burma is classified as a Tier III country by the State Department precisely because the regime allows the trafficking of persons. In many instances, military officials are responsible for this form of modern-day slavery.

I think Assistant Secretary of State Lorne Craner had it right when he stated in a recent interview that “women are being driven into the sex trade in Burma because the Burmese regime has reduced the economy into shambles and one of SE Asia’s richest countries in terms of minerals and natural resources destroyed the economy When Burma is a democracy, when the people are allowed to begin developing the economy instead of being suppressed by the miserable regime there, Burma’s economy will begin to improve”

I would like to respond to those who criticize Daw Aung San Suu Kyi and the NLD for being stubborn and uncompromising. Mr. Chairman, **WE WON THE ELECTION**. I refuse to apologize for standing up for freedom, democracy, and human rights.

Since 1995 when she was released from first house arrest, Daw Aung San Suu Kyi and NLD have called for political dialogue with the military regime to solve Burma’s problems peacefully. We have never, and will never, advocate violence. We are not instigating any unrest. We are not asking the military to leave from power immediately. We are still calling for tripartite dialogue among the military, NLD and ethnic nationalities. The military regime is the one who continually rejecting this call for peace, unity and transition. It is the regime that continues to wage war against NLD members through imprisonment, torture and summary executions for voicing our desire for freedom. NLD party offices are being shut down. Our political party functions are banned. Please tell me, how can they say that we are stubborn?

In what I believe is a threat to the life of Daw Aung San Suu Kyi, this month Senior General Than Shwe stated once again:

“The three powers—legislative, executive and judicial, must be understood as sovereignty . . . we can not put them in the hands of any alien. . . Hence the Tatmadaw [Burma Army] must ensure perpetuation of sovereignty at the risk of lives.”

Daw Aung San Suu Kyi has always been characterized and vilified by the junta as an alien due to her marriage to a British citizen. What Than Shwe is saying is that he will use the army to prevent her from taking any role in government. Does this sound like a regime dedicated to a transition to democracy? I believe he has no intention of participating in political reconciliation and he is committed to the military junta’s rule.

I would like to describe the NLD position on humanitarian assistance. The NLD believes that the international community can play a positive role in helping the people of Burma. What we demand is that the NLD be consulted on projects and they be conducted in absolute transparency outside the control of the regime. In Burma, HIV/AIDS is rampant, the educational system has been destroyed, health care is virtually non-existent except for the ruling elites, civil society does not function. I know the suffering of the Burmese people. People die for lack of clean water while the regime spends \$150 million on Russian military jets and \$50 million on tanks. It is estimated that three-quarters of the state budget is spent on guns, military and its political and enforcement tentacles. Burma, despite all its poverty, and the collapse of its public education and health systems, spends proportionately more on the armed forces than any other country in the Asia-Pacific region including North Korea, which is acknowledged to be the most militarized country in the world. Where are the calls by the advocates of engagement for this priority to be reversed?

The only hope for helping the Burmese people is not foreign assistance or setting up an NGO for humanitarian work although those are noble goals—it is reaching

a political solution that recognizes the 1990 elections and the will of the Burmese people.

With discussion on roadmaps to democracy, I would like to highlight the actions of the NLD with regard to the national convention proposed by the military regime. We were expelled from the previous national convention in 1996. There was no freedom of speech, freedom of debate and discussion and freedom of expression. The military regime's main objective was also clear as demanded in their six-point objectives that only the Tamadaw (Armed Forces) be able to participate in the national political leadership role of the State. Only a total of 147 delegates from various political parties including 92 delegates from the NLD were allowed to participate. The rest of the delegates, 555 exactly, were hand picked by the regime. In 1994, one NLD MP and delegate, Dr. Aung Khin Sint was sentenced twenty years imprisonment for distributing a paper without prior scrutiny and permission. And the military regime issued a decree in 1996 that whoever criticized the national convention could be punishable with twenty years imprisonment.

Mr. Chairman, what would you have done? We walked out from that sham national convention. A fundamental question is what has changed this time? We are not interested in participating in a political exercise that serves to cement the military's role in power. I also want to caution that this latest overture from the regime does not appear to have the endorsement of Than Shwe. The NLD will participate in a process that can bring freedom and democracy to the people, it will not participate in a public relations scheme that serves to place a veneer of democracy on the military's brutal rule.

The junta has announced its plans to reconvene the National Convention as part of their roadmap to democracy. But you may not have heard that in February, six students received long prison sentences merely for criticizing the junta's plan to reconvene the National Convention. Does this sound like a regime dedicated to a transition to democracy?

We are not alone in standing against the latest Machiavellian measure of the generals to revive this next "national convention." The United Nationality League for Democracy, the largest alliance of twenty three ethnic political parties, and other democratically-elected representatives have also refused to participate in the generals' 7-point roadmap plan. The democratic movement including ethnic political parties and those from exile has supported the NLD's call for immediate holding of tri-partite dialogue, mandated by the whole world through successive UN General Assembly resolutions, to resolve the political deadlock.

I would also like to address the suggestion that this military regime is comprised of a "hard-line" faction and a "soft-line" faction. Mr. Chairman, this perception is an invention of academics and so-called "experts" from Western countries who give 100% credence to the propaganda of the regime. This latest "charm offensive," combined with helping hands from the regime's business partners within our region substitutes rhetoric for action and diverts attention away from the people who truly need your help—Daw Suu and her democratic followers.

We Burmese people who live under this military regime every single day have seen absolutely no evidence of this "soft-line" anywhere. In reality, the so-called "soft-liners", including Khin Nyunt, oversee the torture and imprisonment of all political prisoners. A more accurate description of the military regime is "good cop, bad cop". Like the interrogators I and my colleagues faced in prison, they are attempting to elicit information, aid, and support from the international community, while giving nothing in return. They give the appearance of change, while making no changes whatsoever.

I would like to confirm that we are closely working together with our brothers and sisters from ethnic nationalities. United Nationalities League for Democracy (UNLD), a coalition of 23 ethnic political parties are standing together with NLD. The NLD also expresses the importance of the participation of the ethnic nationalities in their process trying to talk with the regime. The NLD is committed to establish free and democratic federal union with the solidarity and unity of all our nationalities.

Make no mistake about it, our democracy movement is broad, it is deep, and every single day it works to erode the pillars of support that prop up this illegitimate regime. It is a tribute to our people that despite the full on brutal attacks by the regime against our freedom movement, they have failed to break our spirit or bend our will. Truth and justice are on our side. You can not see many of the activities that democracy activist undertake each day at the risk of death or long jail sentences because much goes on behind closed doors. However, democracy pamphlets are circulated, speeches of Daw Aung San Suu Kyi, and material on the steps each person can take to participate in what we call a non-violent political defiance campaign against the regime. The fact that the university system has been shut down

demonstrates the fear the military has of our student movement and crackdowns against Burmese monks is clear evidence that Burma's generals have no support among this key religious group.

Let me give you one electoral example of our strength. In 1990, the NLD won nearly every district vote in areas surrounding major military installations—where soldiers and their families live.

In the end, this regime will fall, just as totalitarian governments in East Germany, Hungary, the former Czechoslovakia and Yugoslavia, the Philippines, and most recently the people in Georgia stood against corruption and usurpation of their rights in the Rose Revolution and brought a new government to power. Such is the power of freedom and we will follow in their footsteps.

I would like to make some recommendations.

First, please reauthorize the Burma Freedom and Democracy Act with all of its sanctions against the regime. It cuts off the military's access to funds and strengthens the democracy movement inside Burma. U.S. economic sanctions are cutting effectively the lifeline of the military regime.

Second, we thank President Bush and Secretary of State Powell for their efforts. I ask you use your offices to encourage the administration to maintain pressure against the regime and coax and cajole those states in Europe and within the region—especially Japan—to impose sanctions against the regime. Recently, the European Parliament encouraged the imposition of targeted sanctions that will ban timber and gems import from Burma as part of revision of E.U. Common Position on Burma. Encourage their actions.

Third, the UN special envoy has failed to deliver any results. Please increase your effort to ask UN Secretary General Kofi Annan to put Burma on the agenda of the UN Security Council—*immediately*. This action was recommended by the prestigious New York based Council on Foreign Relations. International political intervention with serious consequences is essential for Burma to save my unfortunate people.

Fourth, continue to work through organizations such as the National Endowment for Democracy to assist Burmese in strengthening our movement. Other programs, such as those promoting scholarships to students are vitally important. However, they must be off-limits to members of the regime and their political apparatus. There are already time-tested programs in place and they should be expanded.

Fifth, I thank the President and Secretary of State for their recent comments supporting Daw Suu and the NLD. I urge you to use your offices to speak out on the importance of democracy in Burma. Also, please convey to Thai government officials the potential of a democratic Burma. Peace will finally come to our common border and economic development will provide jobs and growth to both our countries and the region as a whole. We thank the Thai people for their patience and support to those who have been forced to flee. We hope the Thai government, led by Prime Minister Thaksin Shinawatra, can move beyond the rhetoric of the Bangkok Process to meaningful steps that will build peace and democracy in Burma.

Mr. Chairman,

I was a small girl when over 65 years ago the Burmese people and our ethnic nationalities such as the Karen, Karenni, and Mon stood side by side with the people of the U.S. to defeat the forces of Japanese fascism. We lived together, we fought together, and we died together. In the Capitol above the doors to one of your conference rooms is written: "Whoever throughout the world fights for freedom fights for America." Those fighters carry many Burmese names. They are men and women, young and, as you can see, old.

Our movement shares the same values of freedom, democracy and human rights that has made America the lighthouse for freedom. That is why I know you will stand with us in this fight.

Mr. Chairman. I look forward to the day when I can return to Burma and tell my colleagues about how, during our darkest hours, when democracy was on the line, our success in doubt and victory far from certain, the American people stood by our side and helped light our path to freedom.

Thank you

Mr. LEACH. Thank you, Madam. On your sign in front of your name is the word "member-elect," and this Committee looks forward to the day that the word "elect" is taken off, and it is just simply "member."

Mr. Malinowski.

**STATEMENT OF TOM MALINOWSKI, WASHINGTON ADVOCACY
DIRECTOR, HUMAN RIGHTS WATCH**

Mr. MALINOWSKI. Thank you, Mr. Chairman. I have a longer statement for the record that I will try to summarize.

Mr. LEACH. Without objection, all statements will be presented for the record, and I apologize. This is a very active day on the House Floor, and so to the degree you can summarize, it would be helpful, but please proceed, Mr. Malinowski.

Mr. MALINOWSKI. Certainly. Thank you. And I just want to start by saying how honored I am to serve on this panel with Daw San San, who reminds us of the courage and the determination and really the humanity of the people of Burma as they have gone through this struggle for so many years. And as others have pointed out, she speaks to us with true authority as well as an elected representative of the Burmese people.

And I think we ought to just pause for a moment and think about the movement that she is here to represent. These folks have seen their efforts repeatedly met with the most brutal violence, and yet they have never fought fire with fire. They have been ruthlessly persecuted. Than Shwe's government tried to kill Aung San Suu Kyi last year, and yet they still preach peaceful dialogue and reconciliation with the government, and I think when these men and women ask us today to back their struggle and the strategy that they have chosen to pursue, we have to listen with a high degree of humility and respect, and we need to remember what they have been through over these years.

It is not just about that wonderfully courageous woman, Aung San Suu Kyi. The government holds more than 1,400 political prisoners today. It continues a policy of ethnic cleansing in minority areas, burning villages, hospitals, schools, executing civilians, terrorizing the population through rape.

Just in the last few weeks, the government sentenced to death a number of Burmese workers for the crime of having been in contact with representatives of the International Labor Organization, a U.N. agency in Rangoon, which is an extraordinarily important, cautionary tale, I think, for us as we consider the possibility of international agencies expanding their efforts inside Burma. It conscripts children, as others have mentioned, as young as seven to serve in the armed forces to carry out these terrible abuses, and these are all ongoing problems.

One of the most horrific aspects of this government's repression is the problem of forced labor, Mr. Chairman, which my organization has reported on many times before, and I wanted to mention this, in particular, because there are some people who watch Burma who try to excuse this problem and rationalize it as somehow a cultural tradition.

There is a report that was recently issued by a number of people who follow Burma which asserted that the Burmese people somehow appreciated the infrastructure that has been built by forced labor, and, in fact, has even blamed the United States for the problem of forced labor in Burma, insofar as the lack of United States military assistance to the Burmese Army has somehow led to the army's practice of conscripting Burmese civilians to carry weapons and ammunition for the military. And I think we should all agree

that these are preposterous claims. We ought to be focused on ending these abuses, not rationalizing them.

Others have mentioned this roadmap which has raised hopes in the international community that there might be some easing of repression. I certainly agree with the State Department that the roadmap is flawed. It offers no timetable for progress, no role for the Burmese opposition, while guaranteeing a dominant position for the military in Burma's future.

The one positive aspect of the roadmap is that it does show that the Burmese government recognizes on some level the need to satisfy international concerns, but that does not mean that our concerns should, indeed, be satisfied until promises are actually kept.

Now, what should we be doing to try to change this awful reality inside Burma? What can outsiders do? I believe the international strategy must be a twofold one, combining both sanctions and diplomatic engagement. Sanctions are more than just an expression of our dismay. The purpose of sanctions is to say to the Burmese leadership, you cannot expect to reconcile yourselves with the world until you reconcile yourselves with your people. You cannot make a separate piece with us. Reach a compromise with your opposition first, and then you can enjoy the benefits of trade and investment with the rest of the world. In this way, sanctions give domestic proponents of change in Burma something to bargain with. They increase their leverage in dialogue with the government.

Sanctions also have an important impact on Burma's neighbors in Southeast Asia. If Burma's partners in ASEAN have made any efforts to press Rangoon to change, it is only because they do not want to have an international pariah in their club, especially when Burma takes over the chairmanship of ASEAN in 2006.

There also, as I mentioned, needs to be a unified international diplomatic effort to back up a policy of sanctions, and I think this is one area we can discuss where we have not been as energetic and forceful as we need to be, particularly with Thailand, which Mr. Daley discussed.

Now, this approach, combining both sanctions and engagement, has been the chosen approach of the United States for a while. I think it is sound, but it has come under criticism, and I want to address some of the critiques today.

The first is that outside pressure has not yet eased repression in Burma; therefore, it is a failure. I think we could apply the same logic and argue that the policy of no sanctions against Burma, which we had for decades, was also a failure for the same reason. We might have applied that same logic to American policy toward Eastern Europe, Poland, Czechoslovakia, South Africa in the 1980s, arguing that outside pressure had not yet produced change and should, therefore, be abandoned. That would have been, of course, a terrible mistake.

I also think that pressure from the outside has made a difference in Burma. Without it, there is no question that Aung San Suu Kyi and her supporters would have been exiled, imprisoned, or even killed long ago. It was only when the International Labor Organization threatened sanctions against Burma that it was able to go into the country and engage the government on an end to forced labor. Without pressure of that kind, the Red Cross would not be

in Burma today visiting prisoners. The U.N. envoys would not have gotten in the door. The Burmese government would never have proposed the roadmap that opponents of sanctions say is so hopeful. This kind of pressure has kept hope alive in Burma. Without it, there would be very little hope.

The second argument the critics make is that sanctions somehow undermine so-called “moderates” within the Burmese government while strengthening the hand of hardliners. Virtually every authoritarian government, Mr. Chairman, has tried to convince the world that there are moderates within its ranks working quietly for change and that too much pressure somehow will hurt their chances. It is obviously in the interests of the Burmese government to convey the same message to foreigners, but we should not engage in wishful or sentimental thinking about these people. They are highly cynical, ruthless men. They are accustomed to playing hardball, and their fragile psyches are not going to be hurt if we are firm with them.

A third argument against sanctions is that they make it impossible to provide humanitarian aid to the Burmese people, and, again, that is simply not true. International aid agencies and NGOs are inside Burma working today. Sanctions do not stand in their way.

The cause of Burma’s problems is not the lack of aid; it is government policies that stunt development and impede the relief of suffering, and until that changes providing assistance to Burma will be like giving first aid to a victim of child abuse. It may be possible to ease temporarily the symptoms of violence and neglect, but the only real solution is to address the underlying causes.

Whatever the issue, Mr. Chairman, I think the best approach is to be steady and determined. If we give something for nothing, we will get nothing. If we are not willing to stick with a consistent strategy for more than a few months or years, the generals in Burma will sense the international community’s weakness and indecision, and they will wait us out. We have to be patient. We have to be determined. This is not for the faint of heart or for those with short attention spans. Thank you.

[The prepared statement of Mr. Malinowski follows:]

PREPARED STATEMENT OF TOM MALINOWSKI, WASHINGTON ADVOCACY DIRECTOR,
HUMAN RIGHTS WATCH

Mr. Chairman, thank you for your invitation to testify on the human rights situation in Burma and on U.S. policy towards that country.

I want to begin by telling you how deeply honored I am to share this panel with Daw San San, who is a woman of rare courage and determination. She reminds us that we are not speaking of abstractions today when we address Burma’s plight and its struggle for human rights. We are speaking about real people like Daw San San and the constituents she represents, people who have endured the most cruel repression and made the most painful personal sacrifices in pursuit of democracy. She speaks to us with authority and with legitimacy today, as an elected representative of the Burmese people, and the only member of this panel who can truly speak on their behalf.

I hope we will take a moment to think about the movement she represents. Its efforts have repeatedly been met with violence, yet it has never fought fire with fire—it has stuck steadfastly to a non-violent path. Its members have been ruthlessly persecuted, many killed, others imprisoned or forced into exile, yet still it preaches reconciliation with the military government of Burma. All it truly demands is dialogue—a solution to Burma’s problems that is negotiated calmly between its government and its people. It has been said by some that this movement is stubborn

and inflexible. It is unfathomable to me that any serious and objective person could say this. I cannot think of any opposition movement under similar circumstances that has been as patient and as willing to compromise as the Burmese democracy movement. When these men and women speak to us, Mr. Chairman, and when they ask us to back their struggle and the strategy they have chosen to pursue it, we need to listen with a high degree of humility and respect.

CONTINUING HUMAN RIGHTS ABUSES

Most discussions about Burma begin by mentioning the leader of the Burmese struggle for democracy, Aung San Suu Kyi, who remains today under house arrest following a brutal attack on her and her traveling party on May 30th of last year. Before the attack, Aung San Suu Kyi had been traveling through northern and central Burma gathering large crowds at every stop, urging dialogue with the government and a peaceful transition to democracy. This evidence of her popularity clearly unsettled a regime that is deeply insecure about its own survival. At many of these stops, her supporters were harassed by members of the Union Solidarity Development Association, a government-created organization that has increasingly taken on a paramilitary character (and which has aptly been described as the “Fedayeen of Burma”). Then, on the evening of May 30th, Suu Kyi’s party was assaulted by armed thugs associated with the USDA. According to eyewitnesses, police were present, as were common criminals released from prison for the purpose of taking part in the attack.

As the State Department has put it, this was a premeditated ambush. Given the Burmese military’s role in creating and guiding the USDA, it is fair to conclude that the country’s leadership ordered the attack, and to hold it accountable for the deaths of unarmed members of Suu Kyi’s party. There must be an impartial investigation of these events—something I hope will be called for in this year’s resolution on Burma at the U.N. Commission on Human Rights.

Now, almost ten months later, there are indications that Suu Kyi may be released from house arrest. That would certainly be welcome news. But there is a danger here, Mr. Chairman. For the Burmese government has played this game before. It arrests Suu Kyi. A crisis ensues. It releases her. The illusion of progress is achieved. Governments, particularly in the region, hail this progress and suggest that more is to come. But the people of Burma continue to suffer.

This struggle is about much, much more than freedom for Suu Kyi and her political party. In fact, that is not at all what Suu Kyi herself has been sacrificing for all these years. It is about establishing civilian government, pluralism, the rule of law and respect for human rights for all the people of Burma. Those rights were systematically denied before May 30th and continue to be denied today.

The government continues to hold more than 1,400 political prisoners, including elected members of parliament. Though some 500 have been released since intermittent talks between the government and the NLD began in 2000, Burmese citizens have continued to be arrested and sentenced to long prison terms for the peaceful expression of their views. Torture of detainees is common; last year, the State Department reported at least three deaths in custody of political prisoners.

The military continues to use forced labor on a large scale. Even a November 2002 study by “Collaborative for Development Action” commissioned by the French oil company Total confirmed the use of forced labor just outside the Total pipeline “corridor.” Villagers are compelled to work without pay, often under horrific conditions, on infrastructure and agricultural projects, as porters in army camps, and on the construction of temples. Children as young as seven are forced in many parts of the country to carry army supplies and to work on construction sites. In effect, Burma maintains the crudest form of command economy: When the military wants something built, it simply commands people to build it.

Remarkably, Mr. Chairman, there are apologists for the Burmese government who claim that this practice of forced labor in Burma is simply a cultural tradition (even though Burmese have to be forced at gunpoint to perform it!) A recent report on Burma by the National Bureau of Asian Research (NBR), for example, claims that forced labor in Burma is “crucial for nation building and economic development” and that the infrastructure built by forced labor is “broadly appreciated” in the country. These are preposterous claims. No serious economist, in this century at least, would argue that forced labor is a sound path to development. And ordinary Burmese despise the military for taking them from their homes to do this kind of work, as anyone will tell you who has bothered actually to speak to Burmese who have experienced the practice.

To the extent the NBR report finds any fault with forced labor in Burma, it blames the United States for it, claiming that it is the U.S. failure to provide eco-

conomic aid to the Burmese government that causes it to conscript its people to work without compensation. (In fact, the Burmese government engaged in this practice in the years when it was receiving outside assistance). Applying the same bizarre logic, the report argues that the "absence of military assistance" to the government in its wars against ethnic minority armies in Burma has "led to" the military's brutal practice of conscripting civilians to serve as porters in areas of armed conflict. Reasonable people can differ about the best approach to Burma, but I would seriously question the judgment of any analysts who associate themselves with such outrageous attempts to rationalize the military government's crimes.

Perhaps the most horrific of the military's abuses are committed against civilians living in the country's ethnic minority areas. In recent years, the military has pursued a strategy of forcibly relocating minority villages in areas where ethnic activists and rebels are active, and in areas targeted for economic development and tourism. In the Shan and Karen states in particular, these relocations clearly amount to a campaign of ethnic cleansing. They have produced hundreds of thousands of refugees and a million internally displaced persons. Burmese troops have burned villages, hospitals and schools in ethnic areas, conscripted villagers to perform forced labor, and executed suspected opponents of the regime. Shan human rights organizations have amply documented, and the State Department has confirmed, the systematic rape of women and girls in the Shan State by the Burmese military. Most of the documented rapes were committed by officers in front of their troops; a quarter resulted in death.

Last year, Human Rights Watch published a report on another tragic feature of this campaign of repression: the forced recruitment by the Burmese military of thousands of child soldiers, some as young as eleven. The Burmese military is believed to have a higher percentage of child soldiers than any military in the world—some 70,000 of its 350,000 person force may be children. These children are brutalized during training and forced to commit the worst abuses—including beatings, executions and massacres of civilians.

THE "ROAD MAP"

In recent months, the Burmese leadership has raised hopes among some international actors that it is contemplating a transition to a more democratic and humane form of government. In August of last year, a senior military leader, General Khin Nyunt, launched what he called a "road map" for a return to democracy in Burma, which has been welcomed by some international actors. But this "road map" is an extraordinarily vague document. It accords no place to Burma's political opposition or to the elected representatives of the Burmese people in the transition process. It offers no timetable for progress. It incorporates past declarations of the Burmese military authorities that guarantee a dominant role for the military in Burma's future. It does not promise freedom for a single political prisoner or any relief for Burmese suffering from the military's campaigns against ethnic minorities.

The "road map" is a positive development in so far as it shows that the Burmese government does recognize the need to satisfy international concerns about its repressive rule. But that does not mean our concerns should in fact be satisfied when the government's promises are vague and insufficient. The Burmese government has broken every significant promise of transition to democracy that it has made in the past. The international community should insist on concrete actions, not words.

And we should recognize that even as the Burmese government has been shopping its "road map" to international actors, it has continued its campaign of repression at home. In the last several weeks, for example, the Burmese army has intensified military operations in the Karen and Karenni States along Burma's border with Thailand. This campaign has been characterized by the abuses to which we have been accustomed: brutal attacks on internally displaced civilians, the forcible relocation of villages, and the conscription of civilians to carry supplies.

Meanwhile, the Burmese government has denied the U.N. Special Rapporteur on Human Rights in Burma, Paulo Pinheiro, a visa to visit the country.

The government has also continued to persecute Burmese for the peaceful expression of their political views. In perhaps the most shocking case, this month nine Burmese workers were sentenced to death, some of whom were charged with the "crime" of contacting the International Labor Organization. One worker received a death sentence merely for having been found in possession of a report by the ILO on forced labor in Burma along with the business card of an ILO official serving in Rangoon.

This is a profoundly chilling cautionary tale, Mr. Chairman, for anyone contemplating whether international aid agencies can play an expanded role inside Burma.

As much as we may want U.N. agencies like the ILO to do work inside Burma on behalf of the Burmese people, this is the reality we have to take into account.

U.S. POLICY AND SANCTIONS

What can outsiders do to change this reality, to encourage an end to human rights abuses and to promote meaningful political change in Burma?

I believe that the role of the United States and other nations concerned about democracy in Burma must be a two-fold one, combining both sanctions and diplomacy.

The purpose sanctions serve is to say to the Burmese leadership: "You cannot expect to reconcile yourselves with the international community until you reconcile yourselves with your own people. You cannot make a separate peace with us. Reach a compromise with your opposition first, if you want to enjoy the benefits of trade and investment with the rest of the world." Sanctions give domestic proponents of change in Burma something to bargain with. They give democratic dissidents some degree of leverage in negotiations with the government, because the government knows it has to go through them, and to satisfy some of their basic demands, including the release of political prisoners and relaxing political repression, to convince the world to ease its pressure.

The intense pressure applied by the United States and the European Union also has an important and positive impact on Burma's southeast Asian neighbors. If Burma's partners in ASEAN have made any efforts to promote change inside Burma, it is only because they do not want to have an international pariah in their club. They have been particularly keen on encouraging Burma to present a different face to the world before it takes over the chairmanship of ASEAN in 2006.

Second, the United States and its partners should press for a unified international diplomatic effort that offers the Burmese government a way out of its isolation if it embraces reform. That was the purpose of appointing United Nations envoy Ismail Razali to try to mediate a dialogue between the Burmese government and its opposition—to ensure that the Burmese government was hearing from one credible international interlocutor rather than a cacophony of voices each proposing different solutions to Burma's internal crisis. It is also vital for the United States to engage Burma's neighbors in ASEAN, to encourage them to deliver a principled and consistent message to Rangoon about the need for change.

The Bush administration has been steadfast in applying sanctions against Burma. It has been less consistent in its diplomatic efforts. Last year, after the attack on Aung San Suu Kyi, ASEAN criticized Burma for the first time, an unprecedented break from its tradition of non-interference in its members' affairs. But the diplomatic momentum in the region swiftly dissipated. Prime Minister Thaksin of Thailand, who has led his own country away from the democratic path it was on during the 1990's, has emerged as the leading regional figure on the Burma issue, and he has urged accommodation with Rangoon's generals. The administration has not sufficiently and consistently challenged Thaksin's efforts. Nor has it attempt to raise the profile of this issue in the U.N. Security Council, which might have had significant impact in Burma and within ASEAN. We desperately need more energetic U.S. diplomacy on Burma in the coming months.

The fundamental strategy the United States has followed on Burma for the last several years has nevertheless been sound—even if the execution is sometimes lacking. Yet some have called that strategy into question, particularly its emphasis on sanctions. They have made three broad arguments.

The *first* critique points out that pressure from the United States and other nations has not yet eased repression in Burma, and must therefore be considered a failure. While reasonable people can differ about some aspects of the sanctions debate, I think this is an extraordinarily shallow argument.

We could apply the same logic and argue that the policy of no sanctions against Burma, which existed for decades before the late 1990's, also produced no progress and was therefore a failure. We might have applied that logic to American policy towards Eastern Europe during the Cold War or South Africa in the 1980s. One can easily imagine saying in, say, 1987, that decades of international pressure (including sanctions) against Poland had not done a thing to move its Communist government to respect human rights, and that therefore we needed to accommodate ourselves to the status quo. And indeed, many people did say precisely that. And they were profoundly wrong.

I also think it is undeniable that pressure from the outside, including sanctions, has made a difference in Burma, even if it has not yet brought about democratic change. Without it, there is no question in my mind that Aung San Suu Kyi and her leading supporters would have been exiled, imprisoned, or killed years ago and her political movement shut down entirely. Indeed, analysts throughout Asia ac-

knowledge that Suu Kyi's original release from house arrest came about entirely in response to international pressure.

In the same vein, it was only when the International Labor Organization recommended sanctions against Burma that it was allowed to work in the country and engage the government on an end to forced labor. Without that kind of outside pressure from the U.S. and others, the International Committee for the Red Cross would not be in Burma today visiting prisoners. U.N. envoy Razali would never have gotten in the door to begin work on a political settlement. And the Burmese government would never have proposed the "road map" that opponents of sanctions say is so hopeful. In other words, international pressure has kept hope alive in Burma. Without it, there would be no hope.

Of course, the Burmese government must feel pressure from many countries, not just one, before it can be convinced to compromise. But experience shows that multilateral pressure can best be mobilized if the United States is willing to lead (indeed, following U.S. action, the E.U. is now considering stronger measures against Rangoon). That's why I applaud President Bush for acting swiftly following the attack on Suu Kyi last year to expand the visa ban against Burmese officials and to freeze their assets. It is why I hope the Congress will renew this year the ban on Burmese imports to the United States.

In the absence of significant progress inside Burma, a failure to renew sanctions would send a message to the Burmese government that it has already done enough to satisfy international concerns—that it does not have to go beyond unfulfilled promises. The military would have no incentive to release political prisoners or to end abuses against civilians in the countryside. At best, we would likely see a long, drawn out political process that would be a "transition to democracy" in name alone, with no participation by the political opposition, leading to the formal entrenchment of the military's role in political life. Burma's neighbors in ASEAN would breathe a sigh of relief and see no further reason to press the generals in Rangoon to embrace real reform.

A *second* argument made by critics of sanctions is that they undermine "moderates" within the Burmese military, and strengthen the hand of "hard liners." I believe this is tremendously naive.

Virtually every authoritarian government that has faced outside criticism has tried to convince the world that there were "moderates" within its ranks working quietly for change, and that "too much" pressure would hurt their chances. When I was a young Congressional aide in the late 1980s, the dying dictatorships of Eastern Europe would send highly articulate, reasonable sounding officials to talk to members of Congress and their staff, to assure us that they understood the need for change, and to beg us for aid and loans. "If you keep squeezing us, the hard liners will win" was their constant refrain.

It is obviously in the interest of the Burmese government to convey the same message to foreigners who visit Rangoon. But there is no tangible evidence that the so called moderates, like General Khin Nyunt, who engage with foreigners are in fact working to change the policies of their government in any fundamental way or, if they are, that they have made any progress. The strategy seems to be to offer intriguing but ultimately empty commitments to the international community, in the hope that this will be enough to end their government's isolation. If this is the case, we have no interest in helping the so called "moderates" succeed in this task.

In the meantime, we should not engage in wishful or sentimental thinking about the men who rule Burma. It is frankly silly to suggest, as the NBR report does, that Burma's generals "are instinctively pro-Western," or that if only their delicate psyches were not so offended by outside condemnation they might change their behavior. In fact, Burma is ruled by a highly cynical group of people who are accustomed to playing hardball.

A *third* argument against sanctions is that they make it impossible to provide humanitarian aid to the Burmese people.

Burma is indeed suffering a humanitarian crisis, including an uncontrolled HIV/AIDS epidemic, a deteriorating health care system, and growing malnourishment. There is a clear consensus that it needs help from the outside world to meet basic humanitarian needs. But sanctions do not stand in the way of that. Indeed, U.N. agencies like UNICEF and UNDP along with a number of non-governmental organizations are present in Burma. The United States and European governments have funded them. The only restriction they impose is that no aid can be channeled through the Burmese government.

It is not the international community's fault that aid does not reach all the needy people of Burma and that it is not "solving" Burma's problems. The cause of Burma's humanitarian emergency is not a lack of aid. It is a series of government policies that stunt development and impede the relief of suffering. For example:

- *Misallocation of Resources:* The WHO suggests that least developed countries put 5–8% of GDP into health at a minimum. In Burma, health expenditures fell from less than 0.38% of GDP in 1994 to 0.17% in 2000. Already minimal government spending on education has also declined in the last decade. Meanwhile, military spending has skyrocketed (including for a separate system of health care for leadership and military officers' families). The government spends 222% more on the military than on health and education combined.
- *Suppression of Civil Society:* Because of draconian laws that forbid Burmese from forming independent organizations or even from holding meetings of more than five people, private citizens and communities in Burma cannot organize self-help efforts of their own to compensate for the government's inaction. The absence of press freedom prevents Burmese from holding accountable government agencies that fail to respond to humanitarian needs.
- *Disastrous Agricultural Policies:* The government forces farmers to plant specific crops at specific times, and to sell them to the state at below-market rates—a policy that has impoverished the rural population and undermined food security.
- *Politicization of Humanitarian Aid:* The SPDC has sought to channel foreign humanitarian assistance through government-affiliated organizations such as the Union Solidarity Development Association (USDA) and the Myanmar Maternal and Child Welfare Association (directed by the wife of SPDC leader Gen. Khin Nyunt). These groups are a political arm of the state (the USDA, for example, has organized thugs to attack opposition activists). They are profoundly mistrusted by ordinary Burmese, a particular problem when they are used to deal with sensitive issues like AIDS and drug addiction.
- *Refusal to Meet International Standards:* When donors have tried to channel aid to competent government agencies in Burma, the SPDC has refused to meet their basic requirements. In 2002, the US Centers for Disease Control offered to help Burma's Ministry of Health set up an AIDS surveillance system. But the SPDC has not agreed to the CDC standard that AIDS testing be voluntary, that results be confidential, and that testing be coupled with counseling and education. Testing in Burma is still not confidential; as a result, few have agreed to be tested.
- *Fueling the Humanitarian Crisis:* Burma's brutal counterinsurgency policies have displaced hundreds of thousands of civilians, cutting them off from vital services and making them vulnerable to malaria and other infectious disease. Forced displacement is a major factor in pushing Burmese women into the sex trade, which helps fuel the AIDS epidemic—as does sexual violence by Burmese soldiers, and military tolerance of heroin trafficking. Humanitarian agencies are forbidden access to areas of conflict where the greatest needs exist.

The United States and other donors should continue to provide aid through U.N. agencies and NGO's working in Burma. Their work can save lives and create small pockets of hope inside Burma. But we should have no illusions: Showering Burma with aid will not end its humanitarian crisis. For that to happen, donors will need a partner in the Burmese government that is committed to diminishing human suffering rather than adding to it. Until then, providing assistance to Burma will be as frustrating as providing first aid to a victim of child abuse. It may be possible to ease, temporarily, the symptoms of violence and neglect. But the only real solution is to address the underlying causes.

Whatever the issue at hand, Mr. Chairman, I believe the best approach for dealing with the Burmese government is to be steady and determined. If we give something for nothing, we will get nothing. If we are not willing to stick with a consistent strategy for more than a few months or years, the generals will sense the international community's weakness and indecision and they will wait us out.

And we should take our lead from the Burmese people themselves.

This week, a very brave young man in Burma named Min Ko Naing marked his 15th year in prison. He was jailed for leading the peaceful student protests in 1988 that launched Burma's democracy movement. He has been brutally tortured and kept in solitary confinement for most of this time. He could have been released long ago, had he simply signed a statement promising not to work for democracy and to distance himself from Burma's democratic opposition. But he has refused to cut that deal.

And so, Mr. Chairman, should we. We should not accommodate ourselves to the status quo in Burma. We should keep working to change it.

Mr. LEACH. Thank you, sir.
Ms. Martin?

**STATEMENT OF VERONIKA A. MARTIN, POLICY ANALYST FOR
EAST ASIA AND THE PACIFIC, U.S. COMMITTEE FOR REFUGEEES**

Ms. MARTIN. Thank you, Mr. Chairman. I would like to thank you and the representatives from the Subcommittee on Asia and the Pacific and the Subcommittee on International Terrorism, Non-proliferation and Human Rights for organizing this hearing on developments in Burma.

I appreciate the opportunity to provide testimony on the situation of Myanmar's two million refugees and internally displaced persons. This massive displacement inside Myanmar and to its neighboring countries in the East and the West represents the largest displacement of people in Southeast Asia and is a clear indication of Myanmar's poor human rights record and gross mismanagement of its economy and, particularly, of its ethnic-minority peoples.

I have worked with Burmese refugees for over 10 years and spent the majority of this time living in Thailand working on human rights and humanitarian issues. This background, coupled with information gathered while accompanying a congressional fact-finding mission to the Thai-Myanmarese border in February are the foundation for this testimony.

I would like to focus on three issues. First, the increasing restrictions that Thailand is placing on Myanmarese refugees, activists, and NGOs, as well as the United Nations High Commissioner for Refugee, who I will refer to as the UNHCR. To this end, we call for increased involvement from the United States in working with Thailand to ensure that the rights of Myanmarese refugees and activists are protected.

The second issue I would like to discuss is UNHCR's increasingly limited role in protecting Myanmarese in Thailand, including UNHCR's decision to prepare for repatriations. To this end, we call for U.S. monitoring of UNHCR's protection role.

And, third, I will touch on the human rights violations that are ongoing and the root cause of displacement in the ethnic areas in Eastern Myanmar. To this end, we call for increased assistance to NGOs in Thailand that help to provide aid to some of the one million internally displaced persons surviving in Myanmar.

I would like to begin by reviewing the current situation of Myanmarese refugees and asylum seekers in Thailand. There have been significant changes, even in the last few days, regarding Thai policies toward refugees, activists, and toward the UNHCR. The Thai government has increased its restrictions and intimidation of Myanmarese NGOs, and local NGOs in Thailand that support refugees, IDPs, and democracy initiatives. These include the arrests and harassment of NGO staff. Such efforts contravene the intent of the Burmese Freedom and Democracy Act, which calls for support of democracy activists in their efforts to promote human rights.

Of further concern is the ability of Myanmarese NGOs based in Thailand to continue to function in light of UNHCR and the Thai

government's recent agreement. This agreement requires all Myanmarese refugees and activists living in urban areas to reside in remote refugee camps, and even though this does not sound like it might be a problem, what this does is it limits the work of those groups to be able to function. These groups and NGOs provide critical information to the international community about human rights abuses perpetrated by the SPDC, and they also provide support inside Myanmar.

So by forcing these people to live in isolated camps, they will no longer be able to fulfill this role. Thailand will effectively aid in destroying peaceful democracy initiatives and valuable humanitarian support efforts. This should not be sanctioned by the U.S. Government or the UNHCR.

Also, in line with this decision to move pro-democracy activists within a few miles of the Myanmar border, we have to consider that we are moving them close to SPDC intelligence and could place these individuals in direct danger. So it raises very serious protection concerns that UNHCR must also consider.

Another issue of concern regarding Thai policy toward Myanmarese is the increase in involuntary returns and so-called "deportations." These include forcing individuals back to Myanmar who have been defined as refugees by the 1951 convention. Although Thailand did not sign this convention, Thailand's actions are in violation of international law and the principle of—forcible return.

Mr. LEACH. Excuse me, Ms. Martin. If I could interject for a second, we have a vote on the House Floor, and I am going to have to recess the Committee. When we return, I would like you to, if you could, summarize in a minute or so. We are trying to get everyone under 5 or 6 minutes, if that is possible.

Ms. MARTIN. Okay.

Mr. LEACH. And your full statement will, of course, be in the record. But at this point, I am obligated to recess the Committee, and we will reconvene in about 15 minutes.

Ms. MARTIN. All right.

Mr. LEACH. The Committee is in recess.

[Whereupon, at 3:20 p.m., a brief recess was taken.]

Mr. TANCREDO [presiding]. The Committee will come back to order.

Ms. Martin, you, I believe, were in the middle of your testimony.

Ms. MARTIN. Thank you. Before I begin, I would like to clarify for the record that my use of the term "Myanmar" does not indicate any support for the Burmese government or the Myanmarese government, as it were, but rather, was an organizational decision.

Okay. Moving forward, I want to talk about really the most recent development regarding Thai policy toward Myanmarese and, in particular, toward UNHCR. About 3 days ago, Thailand decided to bar UNHCR from conducting refugee-status determinations, which raises very serious protection concerns for Myanmarese. This denial means that UNHCR cannot grant refugee status or protection documentation and, instead, is letting Thai authorities make those decisions.

Thailand, we know, will use criteria that are very narrow, and the result will be that people like Daw San San will no longer be

called refugees. If Thailand is in charge of this process, Daw San San will not be called a refugee. Furthermore, if you are an ethnic-Myanmarese person fleeing persecution, fleeing human rights abuses, if you have been tortured or raped, you will also no longer be called a refugee because Thailand's definition of a refugee is somebody fleeing active fighting.

So, in that sense, we recommend that the United States Government work with Thailand and the UNHCR to monitor these very disturbing developments regarding a lack of protection for future refugees.

I would like to take a moment, if I could, to discuss a very important development, which is the repatriation discussions that UNHCR is engaged in, and we are very deeply concerned about UNHCR's decision to create conditions conducive for repatriation. We are aware that Myanmar's human rights record is worsening, as confirmed by the State Department report. I have interviewed people who have been raped, tortured, forcibly relocated, witnessed extrajudicial killings, et cetera. We are all familiar with this in the Shan, Karenni, Karen, and Mon areas.

So in light of these persistent human rights abuses, any preparation for repatriation is premature and unwise and risks sending the wrong message to refugees who are already facing pressure from Thailand to return.

We also have to look at UNHCR's previous failures in protecting Myanmarese that were repatriated to Mon State in 1995 and to Arakan State in 1997 and again in 2003. UNHCR cannot guarantee security or prevent human rights abuses from occurring in Myanmar when working under the control of the SPDC. To highlight this control, I would like to point out that the local NGOs that the UNHCR is going to work with to prepare areas for return are, in fact, the Myanmar Red Cross and the Myanmar Maternal and Child Welfare Association, both of which have strong links to the military government.

So, therefore, we have made particular recommendations that I would like to refer to in the written record for detail.

Before I end, I want to briefly highlight the human rights situation in Eastern Myanmar. There are a million internally displaced people that live lives of extreme hardship. Thirty percent of the children have never seen a school. Medical care is provided sporadically. People have to move up to a dozen times a year, on the run from the military, and surveys done by mobile medical teams in these areas indicate that child mortality under 5 is at 30 percent, which is amongst the highest in the world. Neither Myanmar nor Thailand grant international NGOs the right to travel to IDP areas.

Referring to a question that was asked earlier today—what has been the situation during the cease fire—fighting has continued during the cease-fire talks. It has displaced 5,000 Karen and Karenni persons between December and February of this year. So human rights abuses are ongoing, even during cease-fire talks.

As a final recommendation, I would like to recommend that local NGOs in Thailand based along the Myanmarese border be provided with increased financial support from the United States Government to provide emergency assistance to IDPs.

USCR is in support of sanctions, and we do want to highlight that any assistance that is granted must be granted under the condition that NGOs operate independently of the SPDC and are given access to Myanmar's most vulnerable populations. I will end there. Thank you, Mr. Chairman, for the opportunity to share these thoughts.

[The prepared statement of Ms. Martin follows:]

PREPARED STATEMENT OF VERONIKA A. MARTIN, POLICY ANALYST FOR EAST ASIA
AND THE PACIFIC, U.S. COMMITTEE FOR REFUGEES

MYANMARESE REFUGEES IN THAILAND AND THE HUMAN RIGHTS SITUATION IN EASTERN
MYANMAR

I would like to thank Representative James Leach and Representative Eni Faleomavaega from the Subcommittee on Asia and the Pacific as well as Representative Elton Gallegly and Representative Brad Sherman from the Subcommittee on International Terrorism, Non-proliferation and Human Rights for organizing this hearing on developments in Burma. As a Policy Analyst for the US Committee for Refugees I appreciate the opportunity to provide testimony on the situation of Myanmar's two million refugees and internally displaced persons. This massive displacement inside Myanmar (also known as Burma) and to its neighboring countries represents the largest displacement of people in Southeast Asia. This is a clear indication of Myanmar's poor human rights record and gross mismanagement of its economy and particularly its ethnic minority peoples.

The majority of this testimony I gathered while accompanying a congressional fact-finding mission to the Thai-Myanmarese border in February of this year. Previously I have completed three fact-finding missions on Myanmarese refugees from eastern and western Myanmar in the last 15 months. Over the past twelve years of working on Myanmar issues, I have spent six years in Thailand working with Myanmarese refugees in both a humanitarian and human rights capacity. Generally, more attention has been paid to Myanmarese refugees from eastern Myanmar in Thailand, although refugees from western Myanmar in India and Bangladesh are also subject to ethnic persecution by Myanmar's Government, known as the State Peace and Development Council (SPDC.)

My testimony focuses on three issues:

- First, the increasing restrictions that Thailand is placing on Myanmarese refugees and activists as well as the United Nations High Commissioner for Refugee's (UNHCR's) ability to exercise its protection mandate. To this end we call for increased involvement from the United States in working with Thailand to ensure that the rights of Myanmarese refugees and activists are protected. We also ask that the UNHCR be allowed to conduct protection activities in Thailand;
- Second, UNHCR's increasingly limited role in protecting Myanmarese in Thailand, including UNHCR's decision to facilitate repatriations back to Myanmar. To this end we call for US monitoring of UNHCR's protection role.
- Third, the human rights violations that are on-going and the root causes of internal displacement in ethnic areas in eastern Myanmar. To this end we call for increased assistance to NGOs in Thailand that help to provide aid to the one million internally displaced persons surviving in Myanmar.

The Current Situation

I would like to begin by reviewing the current situation of Myanmarese refugees and asylum seekers in Thailand. There have been significant changes in Thai policy towards these groups as well as the UNHCR. The Thai Government has imposed restrictions on Myanmarese individuals and NGOs that severely limit the ability of Myanmarese NGOs to operate. This includes the recent decision to move all urban refugees to remote refugee camps near Myanmar, where they will be unable to run their NGOs. This decision also calls into question the protection of Myanmarese activists now located within a few miles of the SPDC. Furthermore, Thailand has increased its involuntary returns of Myanmarese, including those defined as refugees by the 1951 Convention. This is a violation of international law and the principle of non-*refoulement* or forcible return. Finally, Thailand's recent decision bar UNHCR from conducting refugee status determinations raises serious concerns about UNHCR's ability to protect Myanmarese.

Increased Restrictions on Myanmarese NGOs and Local NGOs Assisting Myanmarese

The Thai Government has increased its restrictions and intimidation of Myanmarese NGOs and local NGOs assisting Myanmarese refugees, IDPs and democracy initiatives. These include the arrest, intimidation and harassment of NGO staff. Such efforts contravene the intent of the Burmese Freedom and Democracy Act passed by Congress in 2003, which calls for support of democracy activists and their efforts to promote freedom and human rights in Myanmar. Despite this, US pressure on Thailand to allow these NGOs to function has been limited and the State Department's yearly human rights report on Thailand failed to mention the severity of the restrictions and crackdowns which took place during the year.

Movement of Urban (non-camp-based) Refugees to Refugee Camps

Of further concern is the ability of Myanmarese NGOs, including those assisting refugees and IDPs, to continue to function. In January 2004, the United Nations High Commissioner for Refugees (UNHCR) and the Thai Government made an agreement requiring all Myanmarese refugees living in towns and cities to reside in remote refugee camps on the Thai side of the Myanmar border. Many of the urban refugees are involved in running local NGOs whose work is critical to providing information to the international community on human rights abuses or to assisting those inside Myanmar. Once these individuals are confined to remote refugee camps, they and the NGOs they run will no longer have access to communications mechanisms or have the ability to meet with international or Thai allies to report findings, maintain funder relationships or provide assistance. By forcing these refugees to live in remote camps, Thailand will destroy a peaceful Myanmarese democracy movement and humanitarian support efforts. This should not be sanctioned by the UNHCR.

The agreement that these urban refugees live in camps near the border also raises serious concerns about UNHCR's ability to protect them from the SPDC. Many urban refugees received this "person of concern status" status because it was deemed that they are not safe in refugee camps. They are unsafe because they are not ethnic minority people, but Burman student activists; others are ethnic people who have faced persecution by their own people. The proposed refugee camp for these groups is in close proximity to Myanmar where Myanmarese army and intelligence have been known to cross the border into Thailand to attack refugee camps or target specific individuals. Placing Myanmarese democracy activists and others wanted by the SPDC within reach of its agents is placing them in direct danger and is unacceptable.

Increased Restrictions on UNHCR's Ability to Operate

The most recent indication that Thailand is seeking to limit refugees' rights is its decision, announced two days ago, to bar UNHCR from conducting refugee status determinations. This means that UNHCR is unable to perform its most basic duty of granting refugee status and protection. Instead, Thailand will now take control of the process, using criteria that are not in line with international norms. This means that refugee status will only be granted to those fleeing fighting and not a well-founded fear of persecution. This would screen out all political activists, including people like Daw San San, as well as ethnic minorities from areas where human rights abuses are occurring but where there is no fighting. The pending ceasefire agreement between the Karen National Union (KNU) and the SPDC would mean that virtually no one would be qualified to enter Thailand as a refugee. According to Thai authorities, those who are screened out will be considered illegal migrants and deported to Myanmar. Disappointingly, UNHCR is moving forward with this proposal, further abdicating its protection duties.

Recommendations:

- The US Government should encourage Thailand to assist in the protection of Myanmarese refugees and activists.
- The US Government should monitor the UNHCR in its ability to protect Burmese.
- UNHCR and the Thai Government grant protection and travel documents to Myanmarese NGO staff and those with protection claims in the refugee camps so that they can continue to live in urban centers without fear of deportation to Myanmar.
- The Thai Government allow Myanmarese NGOs to continue their non-violent democracy building and humanitarian activities.
- The Thai Government allow the UNHCR to exercise its protection mandate and reinstate its role in conducting refugee status determinations.

Without such measures, those Myanmarese most vulnerable to abuse by the Myanmar Government may also be forced to return to Myanmar, putting them at risk of imprisonment or death.

Refoulement-Forced Returns of Refugees as Defined by the 1951 Convention

The Thai Government reported that in the year 2003, it arrested 116,000 illegal Myanmarese migrants. It is estimated that most of these were informally sent back to Myanmar while an additional 400 per month were handed over to the SPDC through an official process. Although UNHCR is able to review lists of some of those about to be sent back to Myanmar, many of the deportations are unscreened. Camp-based refugees as well as urban pro-democracy activists and labor union organizers have been forcibly returned despite their well-founded fear of persecution.

In one such incident a Myanmarese defector and pro-democracy activist was forcibly handed over to SPDC agents two times. During the first attempt to send him back, he was able to jump out of the truck carrying him to the river. The second incident occurred in December 2003, when he was arrested for being an illegal migrant and kept in a detention center for twelve days. Despite calling UNHCR for assistance from the detention center, he was again sent to the borderline. At the river he was able to escape by running for his life. He says, "If I had not been able to escape, I am sure I would have been killed because the DKBA (Buddhist Karen group allied with the SPDC) usually checks the people who are deported for political dissidents." This gentleman was arrested six times over a period of two years while waiting for UNHCR to process his application. In most cases he was able to bribe his way out of jail, but when he had no money his life was put at risk. Even when he told police that UNHCR was considering him for refugee status, and provided his UNHCR identification number, they proceeded forcibly to send him back.

Refugees from the refugee camp are also forcibly sent back to Myanmar in violation of international law. In March of last year, I interviewed ten of 120 camp-based refugees who had been handed over to SPDC by Thai authorities. These Thai authorities knew that all 120 were from the refugee camp. The refugees, fearing association with the ethnic resistance army, pretended to be illegal migrants and did not face persecution; instead they were trucked deeper inside Myanmar from where they underwent a three week journey to return to Thailand. USCR has received unconfirmed reports of political activists being deported and killed.

Recommendations:

- UNHCR should have a presence at deportation sites to screen out individuals with persecution claims.
- The Thai Government should honor the principle of non-refoulement and allow Myanmarese claiming political persecution a stay of deportation.

UNHCR Facilitated Repatriation

USCR had deep concerns regarding United Nations High Commissioner for Refugee's (UNHCR) decision to initiate activities in the eastern region of Myanmar to "create conditions conducive for the repatriation of refugees or IDPs." In March of this year, UNHCR announced that it has entered into an agreement with the State Peace and Development Council (SPDC) to work with locally active NGOs to prepare for repatriation.

According to The U.S. State Department's Annual Human Rights Report, during 2003 "the Government's extremely poor human rights record worsened." I can confirm through first person interviews that extra-judicial killings, rape, forced labor and relocation, torture, and the conscription of child soldiers is on-going. In addition to our own research, reports of these abuses continue to be issued by credible sources from the Shan, Karenni, Karen, and Mon ethnic areas on a monthly basis. These are not isolated incidents, but a pattern of abuses against Myanmar's ethnic peoples. In light of the persistent human rights abuses and violence the Myanmar government has perpetrated against people in the eastern part of the country, any preparation for repatriation is premature and unwise.

Based on UNHCR's failure to protect Myanmarese repatriated to Mon State in 1995 and to Arakan State in 1997 and again in 2003, UNHCR cannot guarantee security or prevent human rights abuses from occurring in Myanmar when working under the control of the SPDC. In 1995 UNHCR assisted with repatriation to Myanmar's Mon State. Despite a ceasefire agreement, human rights abuses continued while militarization and the confiscation of land by the SPDC increased. This shows that a ceasefire is not a guarantee that there is peace nor is it a given that refugees can return will have security and protection from human rights abuses. A potential ceasefire between the Karen National Union (KNU) and the SPDC does not guarantee UNHCR and Thailand an end to this protracted refugee situation.

Nor can UNHCR assume that it can control the Myanmar military and ensure security for returnees.

The repatriation of Rohingya to Arakan State also provides further evidence of UNHCR's limited ability to guarantee protection for returnees. In May 2003, I conducted a mission to Bangladesh and received reports that UNHCR had only limited access to provide protection to religious minorities. The SPDC continued its persecution of Muslims in remote villages of western Myanmar's Arakan State. For its part, UNHCR has largely refused to share its monitoring data, making independent assessment of conditions in Arakan state impossible. UNHCR's limited ability to conduct protection activities and intervene effectively with authorities in western Myanmar is an indication of the challenges it will face in the east.

A ceasefire agreement offers no assurances that conditions are safe for repatriation. The Karen Women's Organization, documented four confirmed cases of rape since the ceasefire talks between the Karen National Union and the SPDC began in January of this year. This raises serious concerns that women would not be able to return to these areas in safety and dignity. Furthermore, villages in Myanmar are heavily mined; returnee areas do not meet UNHCR's minimum conditions for return; and most importantly, the legal system does not protect the physical safety or political rights of ethnic peoples.

We question UNHCR's ability to monitor repatriations to eastern Myanmar. Further, the actual behavior of the government of Myanmar clearly indicates that it is not interested in facilitating meaningful protection for ethnic minority peoples. The local NGO's that have been chosen as UNHCR partners are the Myanmar Red Cross and the Myanmar Maternal and Child Welfare Association, both of which have strong links to the military Government.

Recommendations:

- No activities should be initiated in eastern Myanmar until UNHCR is able to verify directly and report publicly that conditions are conducive to return, particularly in remote areas where returnees are most vulnerable. UNHCR should invite concerned governments and NGOs to participate in these preliminary assessment missions and any subsequent monitoring visits.
- UNHCR should base any work in eastern Myanmar on agreements with the SPDC to respect human rights, including the right to own property, freedom of movement and to reside in their place of origin, for all returnees, as well as to permit unhindered access by UNHCR personnel to returnees, including in remote areas. The agreement should be clear that violation of these standards will result in the immediate cessation of UNHCR's activities in the east.
- UNHCR should include refugees and Karen community-based organizations in all repatriation discussions in a significant and meaningful manner.

By initiating activities in eastern Myanmar before conditions improve, UNHCR will send a message that repatriation is a safe and legitimate option. Such an endorsement of return will jeopardize the safety of the thousands of ethnic minority Myanmar, including the Karen, Karenni and Shan who have sought refuge in Thailand. Protecting these refugees, not making premature arrangements for their repatriation, should be the paramount concern of UNHCR in Thailand.

Human Rights Abuses in Eastern Myanmar and Internally Displaced Persons

For decades, the army of Myanmar has committed gross violations of human rights in eastern Myanmar. Close to one million people are internally displaced, and hundreds of thousands of refugees have fled to neighboring Thailand, Bangladesh, India and Malaysia. Every month, at least 2,500 people flee into Thailand alone, frequently escaping violence and persecution in the form of forced labor, relocation, internment, arbitrary arrest, torture, rape and summary execution. The government's war against ethnic minority peoples in Myanmar continues unabated.

Forced Relocation and Internment of Internally Displaced Persons

Over the last eight years, the State Peace and Development Council (SPDC) has been engaged in a heavy forced relocation campaign that destroyed over 2,500 villages and forced over 350,000 ethnic Myanmar into nearly 200 internment centers. Relocation to these army-run detention centers is part of a counter insurgency strategy to control the resistance's access to information and assistance. The SPDC also uses those interred in the camps for forced labor. Conditions in relocation camps have been likened to concentration camps. Individuals I interviewed from these sites tell stories of terror and human rights abuses such as torture, rape and summary executions in addition to a lack of food and medical services.

Life in Hiding from the SPDC

Forty percent of those uprooted by the SPDC live in hiding, to avoid moving into these internment centers. The lives of internally displaced persons (IDPs) are characterized by extreme hardship. They must move as many as a dozen times a year to avoid being found by the Myanmar army. Thirty percent of IDP children have never seen a school. Medical care is provided sporadically by Thai-based NGOs that operate mobile medical teams who risk their lives to enter these conflict zones. According to surveys done by these teams, mortality for children under age five is 30%, amongst the highest in the world. Neither Myanmar nor Thailand grants international NGOs the right to travel to IDP areas to offer humanitarian assistance.

Continued Fighting and Displacement

Based on our recent field mission to the Thai-Myanmar border, we heard firsthand reports of continued human rights violations by the Myanmar government against its ethnic minority Karenni and Karen people. We interviewed eyewitnesses to actual attacks—including the use of machine-guns and rocket-propelled grenades—against unarmed civilians. SPDC perpetrated these attacks during ceasefire talks and displaced at least 5,000 Karenni and Karen persons from the end of December to early February of this year. An unknown number have been captured and forced into internment centers.

Free-Fire Zones

The SPDC has designated many areas that IDPs must cross to return home as “free-fire zones,” authorizing SPDC troops to shoot to kill people found in these areas. One villager interviewed by a mobile medical team while in hiding stated, “I can’t go back to the farm, we know if we go back the Myanmar Army will torture or shoot or use us as porters. Now I am afraid we are running out of food and if we go on much longer we will die.” As a result, this latest group of IDPs has not yet been able to return to their homes and has almost no access to medical supplies for life threatening illnesses such as malaria. Those who are in hiding are expected to run out of food any day. Fighting was still going on this month.

No Access

The SPDC has never granted the Office for the Coordination of Humanitarian Assistance (OCHA), NGOs, and human rights monitors access to villages in the eastern regions where there has been active conflict. In fact, by blocking the main transport routes, the SPDC is intentionally cutting off any emergency assistance that local groups are attempting to bring to these IDPs.

Rapes and Sexual Violence against Women and Girls

Furthermore, I have conducted dozens of interviews with women of various ethnicities who were raped by Myanmar officers in order to punish them, their families and their communities for alleged association with resistance groups. The use of rape as a weapon of war against ethnic populations continues.

It is these people who have fled rape, forced relocation, human rights abuses and ethnic persecution that eventually make their way to Thailand where they become refugees by virtue of crossing the border. Many IDPs only come to Thailand as a last resort, trying for years to survive in the harsh conditions of eastern Myanmar.

Recommendation:

- Myanmar’s one million internally displaced persons have been denied life-saving aid by the SPDC. Local NGOs in Thailand based along the Myanmar border have successfully provided independent assistance to IDPs and should be provided with increased financial support from the US Government.

Such assistance must be granted on the condition that the NGOs operate independent of the SPDC and are given access to Myanmar’s most vulnerable populations.

Western Myanmar

Finally, I would like to highlight that ethnic persecution is not limited to the eastern regions of Myanmar, but also occurs in western Myanmar. In Arakan State ethnic minority Rohingya are denied the right to citizenship and the legal rights this affords. Within the last year, I have interviewed Rohingya from Arakan state and recent arrivals from Chin state to India. I would like to stress that Myanmar’s ethnic minorities continue to face persecution at the hands of the SPDC on both its eastern and western borders. Because of these individual’s well-founded fear of persecution, USCR recommends that they should have a right to be considered for refugee status by the UNHCR and receive protection and assistance.

Sanctions

Finally, I would like to make clear USCR's position on sanctions. USCR applauds the overwhelming Congressional support shown in the passing of the Myanmar Freedom and Democracy Act in 2003. This sends a clear message to the Myanmar Government that their complete disregard for human rights is unacceptable and will bear consequences. The massive displacement of Myanmar's ethnic people is directly linked to the lack of human rights, democracy and self-determination in Myanmar. USCR believes the United States must continue to place pressure and economic sanctions on Myanmar until there is fundamental change and an end to the suffering of the Myanmar people.

Mr. LEACH. Thank you, Ms. Martin.
Mr. Steinberg?

**STATEMENT OF DAVID I. STEINBERG, PH.D., DISTINGUISHED
PROFESSOR AND DIRECTOR OF ASIAN STUDIES, WALSH
SCHOOL OF FOREIGN SERVICE, GEORGETOWN UNIVERSITY**

Mr. STEINBERG. Thank you very much, Mr. Chairman. It is an honor to be here and testify before the Subcommittee. I would like to first state that I recognize the deplorable human rights and economic conditions in that country, and my experience and writings on that country over 45 years and my remarks here are devoted to trying to find the most effective means through which positive changes can take place in that complex society so that the goal of everyone in this room—a peaceful, prosperous, democratic state—can be achieved. It is my view that the present policies of the United States will not achieve that goal and that, for all its immense power in the world, it has been effectively marginalized in effecting positive change in that society.

I would like to enter into the record and to quote from the volume, *Reconciling Burma/Myanmar*, published by the National Bureau for Asian Research and edited by John Badgley, and of which I am one of seven authors. Four of us are here today: Robert Taylor, Kyaw Yin Hlaing, Morten Pedersen, and John Badgley. We are a diverse group of scholars and represent a range of opinions and perspectives. We have, however, reached a general consensus that the sanctions approach will not be effective in achieving the ends for which it was designed.

And I append to this testimony the executive summary. I would like to quote one paragraph from that:

“If the United States wishes to advance democratic governance in Myanmar, it must use a different approach, one with more patience, more knowledge of the situation, more resources to foster Myanmar's development, and more respect for the capacity of the people to manage their evolution toward modernity. The institutional and personal changes needed can be more effectively dealt with through suasion rather than through bullying, coercion, and the threat that accompanies sanctions.”

This volume argues that sanctions have not worked, have been counterproductive in the short term, and will not work over the long run, and ignore fundamental issues in Burma's history and contemporary political and social dynamics. I also believe, in this process, the United States has been unnecessarily isolated in policy terms while ignoring other vital U.S. interests in that country and the region.

It has been impossible even to use the name of the country without inciting political controversy. It has been impossible in official circles to say anything the military has done has been right or appropriate. Conversely, it is also impossible to find fault with the opposition for its leadership. This Manichaeian approach retards effective policy debate, and I and my colleagues believe that this is detrimental to the long-term interests of the United States and the Burmese peoples.

An orthodoxy has penetrated the discourse on Burma, an orthodoxy equally previous among the military, among the opposition, and in official U.S. circles.

The United States, I would argue, has strategic economic, social, and humanitarian concerns in the country as well as moral interests. Since 1990, however, these national interests have been subordinated to human rights, which should be one important of our foreign policy but not the only element.

Achieving democracy through sanctions which are easy to impose and difficult to retract is clearly problematic. The U.S. policy has been designed to produce the product, the result of the May 1990 elections, which one might hope would somehow gain democracy by fear. But the critical process leading to democratic governance has been considered unnecessary and compromise avoided. This approach is attractive to those who equate elections with democracy. Tragically, it ignores Burmese history, the role of the military there since independence, and, indeed, the fact that elections are but one, albeit essential, element of democratic governance.

The Burmese military, with a strong sense of nationalism, has vowed to resist United States policy, as it must to maintain its own sense of legitimacy and self-esteem. Sanctions and travel restrictions on military are further isolating the government. They are having a negative social effect that has been discussed earlier in testimony today.

Moreover, sanctions reenforce extreme nationalism and, thus, the military's legitimacy, even though the sanctions were designed to deprive the military government of this very legitimacy.

The United States and some members of the EU have a single-strand policy, but we need to look at some other social aspects that spill over into Thailand, as my colleagues on this panel have discussed.

We also need to notice, as we have in the earlier panel, the question of China, which has loomed very important in considerations, and, effectively, the United States has abandoned Burma to Chinese influence, which I think is not in the long-range United States policy.

The reliance anywhere of United States foreign policy on a single person, no matter how talented or dedicated, creates dangers for U.S. foreign policy. I have known Aung San Suu Kyi since 1985. I was adviser to her son at Georgetown. I was a friend of her husband. I saw her on several occasions when she has been out of house arrest, and I have great admiration for her. But I think that if you put the foreign policy on President Putin or Tony Blair or President Fox of Mexico or any other single person, this is dangerous for United States policy interests over the long run.

Furthermore, the U.S. has not addressed the minority issue, which, in spite of overwhelming evidence, is the single most-important issue facing the country. It far exceeds in importance in the long term problems of immediate political significance.

Some governments may collapse because of economic sanctions, but Myanmar is already at such a low level of industrialization, it seems unlikely. I think regime change, which is what sanctions are, will fail. Regime transformation is something that we all want to see.

We need to think about one aspect of this, which is “face” or respect. It is needed in any path to negotiations. It is not an Asian thing; it is a universal thing, I would argue. And what the United States is asking of the Burmese military is unconditional surrender, and I think what we need to do is make sure that all parties to the negotiations—the military, the National League for Democracy, the minorities, and the United States Government, both the executive and legislative branches—come out of whatever happens with face and respect.

I think ASEAN has a very important role to play, and I think that it has begun to exert more influence than it had in the past. It has not been very effective on managing regional disputes, but it is moving better than it has before.

I think we need to work toward incremental change. I have been asked to comment on the Bangkok process, what I think will happen. I think by the time Burma chairs ASEAN, there is likely to be a new constitution approved by a referendum. The military’s role is likely to be paramount in it. Whether by that time we have a new election is problematic, but one, I think, eventually will be forthcoming. I think the lack of a time frame is a problem.

I think that we need to work towards, as I said, regime transformation, but the Burmese themselves must solve this problem. We can help. We should try and open up that leadership to more foreign influences, as we have tried to do in North Korea. On the one hand, we are trying to open North Korea, and, on the other hand, we are isolating both ourselves and Burma, and I think that is an error. Thank you very much, Mr. Chairman.

[The prepared statement of Mr. Steinberg follows:]

PREPARED STATEMENT OF DAVID I. STEINBERG, PH.D., DISTINGUISHED PROFESSOR AND DIRECTOR OF ASIAN STUDIES, WALSH SCHOOL OF FOREIGN SERVICE, GEORGETOWN UNIVERSITY

It is an honor to have been asked to testify before this subcommittee on issues related to Burma and United States policies toward that country. I would like first to state that I recognize the deplorable human rights and economic conditions in that country, and my experience and writings on that country over 45 years and my remarks here are devoted to trying to find the most effective means through which positive changes can take place in that complex society so that the goal of everyone in this room—that of a peaceful, prosperous, democratic state can be achieved. It is my view that the present policies of the United States will not achieve that goal, and that the United States, for all its immense power in the world, has effectively marginalized itself in affecting positive change in that society.

I would like to enter into the record and to quote from the volume *Reconciling Burma/Myanmar*, published by the National Bureau for Asian Research and edited by John Badgley, and of which I am one of seven authors. Four of the others, Robert Taylor, Kyaw Yin Hlaing, Morten Pedersen, and John Badgley are here today. We are a diverse group of scholars and represent a range of opinions and perspectives. We have, however, reached a general consensus that the sanctions approach will not be effective in achieving the ends for which it was designed. I have appended the

Executive Summary of that volume to this testimony, and would like to quote one paragraph from it:

If the United States wishes to advance democratic governance in Myanmar it must use a different approach, one with more patience, more knowledge of the situation on the ground, more resources to foster Myanmar's development, and more respect for the capacity of the people to manage their evolution toward modernity. There are no cultural impediments to political change in Myanmar. The institutional and personal changes needed can be more effectively dealt with through suasion rather than through bullying, coercion, or the threat that accompanies sanctions. Myanmar's generals are instinctively pro-Western, despite their years of contrary experience, and an understanding of their situation will reap rewards.

The volume argues that sanctions have not worked, have been counter-productive in the short term, will not work over the long run, and ignore fundamental issues in Burmese history and contemporary political and social dynamics. I also believe that in this process the United States has become unnecessarily isolated in policy terms, while ignoring other vital U.S. national interests in that country and in that region. On this issue, I would like to insert in the record my op-ed in the *Far Eastern Economic Review* (March 11, 2004), 5th Column, entitled "Burma; Who's Isolating Whom?"

Washington has become polarized over Burma. Even the name of the country is disputed, with the military rulers and other countries and the United Nations calling it Myanmar, but the U.S. and the opposition continue to use Burma. It has become impossible in official circles to say that anything the military has done has been right or appropriate; conversely, it is also impossible to find fault with the opposition or its leadership. This Manichaeian approach retards effective policy debate, and I and my colleagues believe this is detrimental to the longer term interests of the United States and the Burmese peoples. An orthodoxy has penetrated the discourse on Burma, an orthodoxy equally prevalent among the military, the opposition, and in official U.S. circles.

The United States has pressing global priorities and is dealing with inflamed crises in a number of regions around the world, so the perpetual and seemingly quiet crisis in Burma/Myanmar is but a blip in its policy radar. The United States has strategic, economic, social, and humanitarian, as well as moral interests in Myanmar. Since 1990, however, those national interests have been subordinated to human rights, which should be one important element of our foreign policy.

Successive U.S. administrations, both Republican and Democrat, formed a bond with Aung San Suu Kyi with the intent of gaining democracy (regime change) in Myanmar. The Clinton administration insisted that the May 1990 election be honored and that the military step down from power. To this end, future U.S. investments in Myanmar were banned in 1997. Achieving democracy through sanctions—easy to impose and difficult to retract—is clearly problematic. U.S. policy has been designed to produce the *product*—the result of the May 1990 elections—which one might hope would somehow gain democracy by fiat, but the critical *process* leading to democratic governance has been considered unnecessary and compromise avoided. This approach is attractive to those who equate elections with democracy. Tragically, it ignores Burmese history and the role of the military there since independence, and indeed the fact that elections are but one, albeit essential, element of democratic governance.

On entering office, the George W. Bush administration still sought pluralistic governance, but it quietly began relaxing the previous administration's rigidity in early 2002 when it began advocating a process of positive change, stressing the need for democratization and better human rights. It suggested a favorable response would follow if such changes came, and omitted mention of the May 1990 elections. It also started negotiations on drug certification because opium production was declining sharply, suggesting that Myanmar might be in compliance with new, less stringent anti-narcotics regulations (which had been softened to admit Mexico to the compliance group). These developments may have contributed to the release of Aung San Suu Kyi from house arrest on May 6, 2002.

The Bush administration hardened its position in late November 2002, as there seemed to be little dialogue between the junta and the NLD. But this change undercut the credibility of those moderates in Myanmar's military advocating reform and better relations with the United States. Lack of progress in the reconciliation process, supposedly begun in May 2002, crystallized in the deplorable May 30, 2003 incident, which led in August 2003 to U.S. sanctions on all imports from Myanmar and an executive order freezing Burmese assets in the United States.

The Burmese military with a strong sense of nationalism has vowed to resist U.S. policy, as it must to maintain its own sense of legitimacy and self-esteem. Sanctions and travel restrictions on military leaders are further isolating the government. The sanctions are having a negative effect—immediate and devastating—on the working poor by forcing closure of factories producing garments for export to the United States. This pauperization of tens of thousands of women, without recourse to other legal employment, often forces some of them into illicit occupations, the sex trade, and/or illegal migration to Thailand. The social consequences of sanctions may have a more profound effect than their political intention, and hurt the populace more than the government. Moreover, the sanctions reinforce extreme nationalism and thus the military's legitimacy, even though the sanctions were designed to deprive the military government of this very legitimacy.

The United States and some members of the EU have embraced a single-strand policy. By concentrating solely on human rights and related issues, other strategic concerns that should be included in any comprehensive longer-range approach toward Myanmar are ignored. As a result of this singular approach, the United States has relegated anti-narcotics issues to the margin, and refuses to consider transnational problems of poverty and violence within Myanmar that have forced more than one million unregistered and illegal workers into neighboring states. U.S. policy for some years did nothing to alleviate the spread of HIV/AIDS and such diseases as malaria, trafficking in women and children, and the flight of some 120,000 Mon and Karen refugees into Thailand, a treaty ally of the United States and recently elevated to a non-NATO treaty status. Concentration on human rights alone creates cynicism among Burmese who see comparable, and even more severe, problems being downplayed by the United States in its relations with Pakistan, Vietnam, China, and even North Korea.

Outstanding among these ignored issues is the role of a Myanmar heavily indebted to, militarily dependent on, and economically penetrated by China. In the context of Sino-Indian rivalry, this is bound to grow in importance. Illegal Chinese immigration into Myanmar is having a profound effect on society, threatening ethnic rivalry and violence. The SPDC, playing its "China card," argues that the U.S. interest in overthrowing the government in Rangoon stems from the U.S. view that Burma is the weakest link in the U.S. policy of containing China. The United States has effectively abandoned Myanmar to Chinese influence. Chinese accommodations with ASEAN and in Northeast Asia mean an increasing role for China throughout East Asia, in which Myanmar is the most obvious example. ASEAN and Japan have strong concerns about China's role in Burma.

The reliance anywhere of U.S. foreign policy on a single person, no matter how talented or dedicated, creates dangers for U.S. foreign policy. Aung San Suu Kyi has become the NLD, for without her it is an amorphous body of disparate interests bent only on removing the military from power. Her close associates in the party are aged (and are all former military men), and the minorities have not been included in any military-NLD dialogues to date. The United States has not addressed the minority issue, despite overwhelming evidence that Burman-minority relations and equitable power-sharing remain the most important and intractable problem facing the country. Indeed, the transitory and tactical political needs of the NLD often quite naturally diverge from U.S. long-range interests, even if the long-term goal is the same—a democratic state. One is reminded of the Chinese proverb of an estranged couple in the same bed with different dreams, but in the Burma case we are in different beds with the same dream.

Some governments may collapse because of economic sanctions, but Myanmar is already at such a low level of industrialization that this seems unlikely. Regime change, the goal of the sanctions, likely will fail. Whether dialogue could improve the chances for positive change is a moot point, but minimally it keeps open the possibility of compromise and transformation that sanctions preclude; such discourse could affect the mediation process if appropriately pursued. It is unfortunate that the orthodoxy that has characterized both the military government and its opposition in Burma should now be joined by a similar orthodoxy on the part of the United States. Concentration on the *product*—a pluralistic political system—while ignoring the *process* to reach that goal, vitiates attaining the goal itself.

"Face," or respect, is needed for all parties to any negotiations, an honorable means to accept compromise while gaining certain objectives and sacrificing others. Unconditional surrender, which is what much of the industrialized world has proposed for the military in Myanmar, destroys "face" for them. All parties, including the United States and the NLD, need to avoid losing "face." Thus, the military government, the NLD, and now the United States, each of which is committed to positions that seem antithetical, need to move toward a negotiated process to respect the legitimate interests of all Burmese: the people, the military, the opposition, and

the minorities, as well as the foreigners interested in human rights and good governance. The absolute authority of any one group—military, opposition, or a minority consortium—will not accomplish that goal.

Isolation has a negative impact or does not address the fundamental and institutional issues facing the society and its leadership. These issues and dilemmas include the following: equitable (in the Burmese context) center-periphery relations—the minority problem; the rebirth of civil society and institutional pluralism; the growth of alternative avenues of political and social mobility; improvement in human rights and the gradual widening of the distance between the state and individuals and their institutions; the rebuilding of educational and health institutions that have expanded in numbers but atrophied because of the lack of resources; rational economic policies; preservation of the rich, diverse cultures; the care of the environment; policies providing incentives for increased improvement in agriculture; the furtherance of impersonal and impersonally administered law and dispute settlement and adjudication by an independent judiciary; the need for unfettered intellectual inquiry, and the elimination of mandated orthodoxy through censorship and fear. All these remain unaffected. There is no silver bullet that will solve all the issues, but clearly engagement and dialogue, whatever their limitations and they are apparent, offer at least the possibility for change and absorption of ideas, while isolation cuts off such opportunities. U.S. policies only reinforce the rigidities which ignore these vital factors, thus vitiating the progress so earnestly sought. As one U.S. official put it, sanctions are “chicken soup diplomacy,” meaning that they make the advocate feel good but do nothing to resolve the disease.

It has become evident that the broad policy of foreign-induced isolation, of which sanctions are a part, simply exacerbates the tensions listed above. Enforced isolation encourages atavism and is destructive of economic progress. It pushes policy makers back onto themselves, and indirectly on to China, their principal supporter, which is a dubious model for political change no matter how economically successful. India, recognizing the danger of a Myanmar that is too close to the Chinese, changed its policy toward the military to ensure that it had influence in that society.

The Burmese leadership's limited experience bodes ill for future policies unless their foreign exposure broadens. Foreign isolation also discourages training for a younger group of technocrats who will be essential for any future government of any political persuasion.

The Myanmar scene has been a compendium of policy misjudgements. These have been committed by the military, the opposition, the minorities, and by many foreign states and institutions, including the multilateral aid agencies. The errors of commission and omission have resulted in an atmosphere of mistrust that pervades relationships, including those personal, institutional, ethnic and religious, and across national boundaries. This miasma of suspicion must be overturned, and reconciliation advanced. Yet one of the policies that in fact contributes to this mistrust is that of sanctions.

Other avenues to approach Burma/Myanmar exist. Although the United States bitterly fought Myanmar's admission into ASEAN, the role of ASEAN is important. To date its performance has been mixed, because for years it refused to criticize the internal affairs of its members, but after May 30, 2003, the ASEAN heads of state took an unprecedented step in calling for Aung San Suu Kyi's release. Nonetheless, when meeting in Bali in October 2003 they commented favorably on progress made by the appointment of General Khin Nyunt as Prime Minister. This bought time for Myanmar to deal with internal political problems before chairing the ASEAN meeting in 2006. ASEAN is critical to the process of change. Member states can quietly pressure the military in the interests of ASEAN unity without the charge of racial discrimination. Western condemnation of the government, by contrast, simply invites nationalistic responses; it appeals more to the foreign constituencies than it affects progress toward reform. Quiet pressure is more likely to produce the desired results than are strident cries for regime change. ASEAN, now led by Thailand after the fall of President Suharto and the retirement of Prime Minister Mahathir, is supportive of a modified regime for its security and economic reasons. U.S. policies should stress the need for better human rights and governance, but these pressures should be quiet and should also be conveyed through ASEAN.

Some have attempted to persuade the Chinese, whose influence in Myanmar may be greater than any other foreign power, that their national interests are better served by having a stable, prosperous state on its southern border than one wrought with conflict and uncertainly. Since any government in Rangoon must deal cautiously and amicably with its expansive giant neighbor, this approach should be continuously pursued.

The United States, one hopes temporarily, has abandoned attempts at incremental change in the country. Moreover, by ignoring the process of incremental im-

provement and concentrating on terrorism, an issue on which the Burmese military has been quietly cooperating with the United States, this obscures the potential losses to U.S. interests by a dominant China in the region

I personally believe that the Bangkok process will be partly productive. That is, before 2006 when Burma chairs ASEAN, there is likely to be a new constitution approved by a referendum. The military's role is likely to be paramount in it. Whether by that time there will have been a new election is problematic, but one eventually will be forthcoming. I have continuously felt that the military, as they have done since independence, will retain veto power over certain state issues, such as national unity in some form, whatever government is in power. They will be influential in any future government, even one completely civilian. We should be working toward the transformation of governance including the military—"regime transformation"—recognizing that such change will be incremental. This may not be part of the liberal democratic tradition as we know it, but if we are interested in the well being of the Burmese peoples, we need to consider how the military might be transformed over time to one respecting the people's rights and livelihood.

Although these issues must ultimately be resolved by the Burmese themselves, inflexible positions imposed from outside only exacerbate internal rigidities, reinforcing a stalemate that hurts the population as a whole. Even when broken or brokered (as must sometime happen), political stasis and economic decline will have inexcusably delayed the recovery so ardently sought and so urgently needed. Should not alternative approaches be explored?

The fundamental policy prescription is to encourage the opening up of the leadership and populace to new ideas and experiences that will enable them to cope more effectively with inevitable changes. This means the import of information through all the media, training for technicians and planners, travel abroad, tourism, and investment. This approach is one that concentrates not on the immediate goal of "democracy," a desirable concept of many interpretations, but first by building pluralism—those centers of influence and independence in all fields, the development of trust and social capital, and eventually a democratic state.

APPENDICES:

Executive Summary, *Reconciling Burma/Myanmar*. National Bureau for Asian Research. March 2004.

Far Eastern Economic Review. 5th Column, "Burma: Who's Isolating Whom?" March 11, 2004.

Reconciling Burma/Myanmar. National Bureau for Asian Research. March 2004.

Chapter Contents:

"Strategic Interests in Myanmar"

John H. Badgley

"Myanmar's Political Future: Is Waiting for the Perfect the Enemy of Doing the Possible?"

Robert H. Taylor

"Burma/Myanmar: A Guide for the Perplexed?"

David I. Steinberg

"King Solomon's Judgement"

Helen James

"The Role of the Minorities in the Transitional Process"

Seng Raw

"Will Western Sanctions Bring Down the House?"

Kyaw Yin Hlaing

"The Crisis in Burma/Myanmar: Foreign Aid as a Tool for Democratization"

Morten B. Pedersen

Mr. LEACH. Mr. Pedersen?

**STATEMENT OF MORTEN B. PEDERSEN, SENIOR ANALYST,
INTERNATIONAL CRISIS GROUP**

Mr. PEDERSEN. Thank you, Mr. Chairman.

I have worked as a senior analyst for the International Crisis Group in Rangoon the past 3 years, so my perspective on the situation is very much ground based and quite different, I might warn you, from much of what we have heard here today, except from Professor Steinberg, whose comments I fully agree with.

It has been 15 years now since the 1988 uprising when the first international sanctions on Burma were put in place, yet the military today is more entrenched than when it took power, the pro-democratic opposition has little leverage, and the socio-economic conditions for a majority of the population have deteriorated to such an extent that Burma now faces a serious humanitarian crisis.

Burma today is the poorest country in Asia. A recent U.N. survey shows that child-mortality rates are comparable to many places in sub-Saharan Africa, due, in large part, to widespread malnutrition. HIV infection rates are among the worst in Asia and rising rapidly. The situation is particularly serious in the mountainous areas along Burma's borders, which are inhabited by a large number of ethnic-minority groups and have long suffered from conflict and neglect. But conditions are also very bad and deteriorating among workers in Yan Gon who were hurt very badly last year, first by a serious banking crisis and after that by new U.S. sanctions.

Now, the responsibility for this crisis lies with the military government. This is obvious. With absolute power comes also absolute responsibility. But U.S. policy has not helped the situation and, in some important ways, has made it worse. Let me expand on that.

There is virtually no chance that sanctions are going to bring about a regime change in Burma. The leverage of western governments in that country is extremely limited, particularly in the context of rapidly growing, regional economic integration. The recent ban on Burmese exports to the United States, which was widely touted as a major blow to the military government, has had no significant impact on the will or the capacity of the generals to maintain power, and it is highly unlikely to be more successful in the long term.

On the contrary, it has caused a strong nationalistic backlash, particularly among the most conservative members of the regime who have been confirmed in their widely held belief that they are under attack from the U.S. and must defend the country at all costs. These are soldiers reacting to what they perceive as almost a military threat.

Sanctions have significant counterproductive effects. They undermine their own purpose. Most military officers are fiercely proud of Burma's historical record of resisting imperialism. No Burmese leader can be seen to give in to outside pressure. In fact, one of Aung San Suu Kyi's problems right now is that she is perceived by the generals to be controlled by the U.S. The sanctions have also given the generals a scapegoat for the economic crisis, and they have made it easier for the top leaders to insulate their supporters from the kind of critical dialogue that is needed to force them to question and eventually rethink their perceptions of political and economic realities.

In fact, sanctions may be helping to sustain military rule. The Burmese generals have learned to live with isolation, with internal dissent, and the economics of survival in a cruel, strife-torn country. The real threat to these reactionary leaders is the modernity and development that come from more involvement with the outside world.

Sanctions also have very serious social costs, the reason U.S. trade sanctions have cost tens of thousands of jobs, mainly for unskilled, young women in the garment sector and associated industries. Many of these women were the principal breadwinners in their families who now have nothing to eat, who have been forced to take their children out of school, and who have been forced to borrow from local money lenders at exorbitant rates, which pushes them further and further into poverty.

The ultimate tragedy of this is that the garment-export industry was actually one of the few expanding job markets for unskilled labor in Burma, prized for its better salaries benefits than any other comparable sector. The only alternative for many young women is prostitution and the high risk of attracting HIV/AIDS, and we have discussed this several times earlier today. There is absolutely firm evidence in Yan Gon, through several intense surveys showing that this is, in fact, happening as we speak.

There are, of course, those who argue that this suffering may help bring about another popular uprising, but for external actors to try to force such an outcome, at the expense of the weakest members of society, is likely only to lead to further bloodshed and instability.

The Burmese do not need any more punches from the international community. They are already lying down. What they need is carefully targeted assistance to help alleviate policy and build the basis for a future meaningful democracy.

First of all, Burma needs help for peace building. Half a century of armed conflict has broken down most channels of communication and left a legacy of distrust and enmity, not just between the military and society but between ethnic groups, between religious groups, and increasingly between rich and poor. These conflicts present a major threat to a possible future democracy.

Burma also needs support to strengthen institutions outside the military, including the civil service, civil society, and the private sector. The weakness of these institutions makes it much easier for the military to control both the state and society. It also greatly diminishes the prospects of democracy taking root and of a smooth transition from military rule.

Finally, Burma needs help to develop economically. The poverty of both the government and the people greatly contributes to conflict in effective governance, human rights abuses, and, of course, the deeper humanitarian crisis. This requires serious efforts to help reform the economy, to strengthen the poverty focus at all levels of the state, and to improve the capacity of local communities to help themselves.

Now, there are those here who say that none of this is possible, but that is simply not true. International aid agencies have begun this massive task, and they are making a real difference, although this may not appear on the political radar screen in Washington. But they need both political support and funding.

Now, I have no doubt that those who support sanctions and isolation in the U.S. Congress and elsewhere have good intentions, but, frankly, the Burmese people, they deserve more. They deserve a real commitment to help bring about change on the ground where it matters, and sanctions are not it.

I would, therefore, recommend, indeed, strongly recommend, that the U.S. review a policy that, to some degree, adds directly to suffering and certainly does very little to help alleviate it. Thank you. [The prepared statement of Mr. Pedersen follows:]

PREPARED STATEMENT OF MORTEN B. PEDERSEN, SENIOR ANALYST, INTERNATIONAL CRISIS GROUP

ASSESSING INTERNATIONAL POLICIES ON BURMA¹

Over the years, Burma has inspired often heated debates over the relative effectiveness of Western sanctions and the more cooperative stance of ASEAN nations. The proper question, however, is not which single approach is “right”, but what mix of measures has the best prospects of helping build a peaceful, democratic and prosperous country. This requires a frank assessment of the impact of existing policies on the ground, including their benefits, limitations and adverse effects.

SANCTIONS

The range and scope of sanctions on Burma has increased incrementally over the past fifteen years. Most Western governments have suspended non-humanitarian bilateral aid since 1988, imposed an arms embargo and deny tariff preferences to imports from Burma, as well as preferential financing for exports to and investments in the country. Washington has further banned all new investments by U.S. firms and nationals (1997) and blocked all imports and financial services (2003), making it one of the tightest unilateral U.S. sanctions regimes, similar to that on Cuba. Japan has significantly limited its official development assistance, which was a mainstay of the Burmese economy in the 1980s, as well as a major source of business for Japanese companies.

There are no multilateral sanctions, though Western governments use their influence in international organisations to limit multilateral economic assistance. The boards of the International Monetary Fund, the World Bank and the Asian Development Bank deny all assistance except minor technical support (1988). The UN maintains a minimal program in the country, but the UNDP works under a special mandate, which requires that all assistance “be targeted at programs having grassroots level impact in a sustainable manner in the areas of primary health care, the environment, HIV/AIDS, training and education, and food security” (1992). The lack of bilateral and multilateral funding greatly limits the presence of international INGOs as well.

These generalised measures have been supplemented by so-called smart sanctions, which target the military rulers and their main supporters more directly. The EU has imposed a visa ban on top officials and their families, designed among other things to deny opportunities for shopping trips or for their children to study in Europe (1996), and frozen their assets (2000). Both measures have recently been extended to encompass all who benefit from the military regime, including military-affiliated companies, banks and mass organisations (2003). The U.S. includes similar measures in its more comprehensive sanctions package.

Outside the machinery of government, human rights activists—including many Burmese exiles and often in cooperation with Western labour unions—have carried out extensive grassroots campaigns to stop all foreign trade, investments and tourism. Some have worked with sympathetic lawmakers in state and local governments—particularly in the U.S.—to introduce selective purchasing or divestment laws targeting companies that do business in Burma. Others have used consumer boycotts, shareholder resolutions and lawsuits aimed at specific companies. These activities have added significantly to the impact of formal trade and investment sanctions.

Burma’s neighbours and main trading partners in the region all reject the use of sanctions and have often defended the military government in international forums.

Benefits

Sanctions have provided additional legitimacy and important moral support for the pro-democracy forces; they have given bite to censure by emphasising how seriously many Western governments and international organisations regard the generals’ breach of international standards of behaviour, and they have created an implicit space for bargaining with the military government.

¹This paper includes excerpts from a forthcoming International Crisis Group report.

The actual impact on the political and human rights situation is hard to assess, but sanctions may have helped to protect the top leaders of the NLD and keep the party alive. They have probably also encouraged the military government to adopt the terminology, if not the practice, of democracy and human rights, as well as to invite institutions like the UN Special Envoy, the UN Human Rights Rapporteur, the International Committee of the Red Cross (ICRC) and, most recently, the International Labour Organisation (ILO) and Amnesty International into the country.

The latter types of gestures, however self-serving, could have some significance as early steps in a longer-term socialisation process leading to improvements in human rights. However, comparative research indicates that more substantial improvements depend on the emergence of domestic pressure groups as part of an overall strengthening of political and civil society,² something which sanctions may obstruct (see below). Also, even these minimal gestures may have been made as much because other governments and individuals, who had established a degree of dialogue with the military government, were urging it at the same time to demonstrate a modicum of cooperation with the international community in its own interest.³

Limitations

There is no doubt that sanctions affect the military government, both psychologically and economically. However, they have done little to change, its will or capacity to maintain power and continue its repressive policies. The direct psychological and economic impact of sanctions works through either of these dimensions, without having an autonomous value for democracy and human rights.

The sanctions have not significantly diminished the military elite's personal welfare. Most of the top leaders live relatively frugally, driven more by a taste for power and sense of patriotic duty than a lavish lifestyle. They are not avid travellers, and their families have access to everything they need in the region, including tertiary education. Contrary to their counterparts in many other military-ruled states, they remain hesitant to embrace foreign investment fully, although it is an extremely lucrative arena for rent-seeking.

The military rulers do smart under harsh criticism and would like to be treated as equal members of international society. However, they find solace in standing up to what they see as the unjustified bullying of the U.S. and Europe. The psychological impact of sanctions is greatly diminished because they are imposed mainly by Western governments and organisations, which the generals consider lack any understanding of or concern for conditions in the country.

Sanctions have placed some constraints on the economy, but economic development is secondary to the generals' security objectives (national unity and sovereignty), which they believe would be undermined by giving in to demands for democracy. In fact, the top leaders do not appear troubled by economic failures but instead are proud of what they have achieved in a hostile environment. Nor are they under internal pressure from groups hurt by the sanctions to give in to foreign demands for political reform.⁴

To the extent that sanctions have hurt the economy, they have contributed to the budgetary constraints that inhibit a fuller expansion and modernisation of the armed forces. There are signs that the inability of the ministry of defence to provide adequate salaries and living conditions is hurting morale among junior officers and the rank-and-file. However, while this weakens conventional defence capabilities, it does not much affect the generals' ability to suppress internal dissent, whether in the cities or the jungle.⁵

Over the years, many proponents of sanctions have pushed for a final straw that would cause an "economic collapse" and force the military government to compromise. However, this ignores crucial aspects of the link between power and economics in Burma. First, the country does not have a modern economy. Most people

²Thomas Risse, Stephen C. Ropp and Kathryn Sikkink (eds), *The Power of Human Rights: International Norms and Domestic Change*. Cambridge: Cambridge University Press, 1999.

³Japan, Australia, Malaysia and other ASEAN governments have played a key role in this respect, as have moderate voices in the U.S. and Europe, which have given the military government some hope that it might be possible to normalise relations with the West without sacrificing its core values.

⁴The recent banking crisis and virtual collapse of the private banking sector is illustrative. Although many people have lost money and overall economic activity has contracted, there are no signs of major political stress, no angry middle-class demanding the departure of the government. People are simply shifting back to a traditional economy, investing in hard assets, and moving money through the informal *hundi* system.

⁵The regime relies now less on the army and more upon its comprehensive organisational reach through military intelligence, police, and other informer and control networks to suppress dissent and ensure that any stirrings of unrest are quickly dealt with.

still live at a subsistence level; the informal economy may be as large or larger than the formal economy; and most of the upper class, including the generals and their families, makes its money from rent-seeking activities rather than production or services. There is very little that can collapse.⁶ Secondly, the government ultimately does not depend on external economic linkages for its survival. Burma is self-sufficient in food, and the domestic economy is large enough for the army to extract what it needs to function. The government might have to cut back on building roads and bridges and abstain from buying MIG-29s, but none of these are needed to maintain power.

Sanctions, by adding to the suffering of the general population, could fuel renewed social unrest. However, it is highly doubtful whether even another uprising, would be a positive force for change. The military leaders are extremely sensitive to any indication of disorder, and—as 30 May indicated—they remain willing to use violence to maintain stability.⁷ Social unrest driven by a deepening socio-economic crisis would likely just provoke further repression in an escalating cycle of suffering and violence.

Counter-Productive Effects

The importance of finding alternative or at least complementary policies to produce change is underscored by the costs of sanctions, which may be divided into three generic types: counter-productive effects, social costs and opportunity costs.

International censure and sanctions have reinforced the siege mentality of highly nationalistic leaders. Most officers are fiercely proud of Burma's historical resistance to imperialism and extremely sensitive to any attempt by foreigners to dictate its internal policies. The value placed on standing up to the West is very high; it is a matter of both personal face and national pride. No leader can be seen to give in to outside pressure.

The nationalist backlash in the ruling circle has been exacerbated by the failure of the West in general, and the U.S. in particular, to give the government credit for progress in several areas, including the ceasefire agreements with some two dozen ethnic nationalist armies, increased opium eradication efforts, acknowledgment of the HIV/AIDS crisis, and expansion of popular access to electronic communication and information. This has undercut those within the military hierarchy who want to open up the country through directed reform.⁸

Similarly, direct political and economic support for Aung San Suu Kyi, the NLD and dissident groups overseas has seriously tainted the democracy movement in the eyes of nationalistic leaders. While the most open-minded officers might understand the principles behind such support, many of their more insular colleagues feel that the country is under attack and are thus confirmed in their belief in the correctness of their cause. It is not just propaganda when government officials and state-controlled media rally against “neo-imperialism” and “internal destructive elements”. This fits military mythology—no less influential for being substantially artificial—of the role of the armed forces in protecting the nation against external enemies, self-serving politicians and ethnic nationalists bent on secession.

In some ways, sanctions actually have reduced pressure on the top leaders by allowing them to blame the economic crisis on external actors and ignore their own mismanagement. Isolation has also made it easier for the government to insulate its members from the kind of discomfiting exchanges with critics that would have required them to defend and possibly begin to question their perceptions of economic and political realities.

Social Costs

The economic burden of sanctions has to a large extent been shifted to the general population through money printing (which fuels inflation), cuts in government social spending and forced labour. While the government obviously is primarily responsible for this, sanctions have thus had an indirect negative effect on poverty, health

⁶There is probably a limit to how long the government can continue to print money at the current rate to cover its budget deficits. However, as witnessed over the past decade, the first sectors to be shut down are health and education, the near collapse of which has already had hugely damaging and long-term consequences.

⁷The regime since 1988 appeared to go to some lengths to avoid violent actions that might fuel popular discontent but the events of 30 May 2003 broke with this pattern and may signal a new willingness by some elements to use open violence in pursuit of their goals.

⁸The misgivings of the military leaders about the lack of international recognition for what they consider significant achievements reached a new high in early 2003 when the Bush administration, under pressure from Congress, denied Burma certification for cooperation on drugs eradication after first having acknowledged significant progress during 2002. This snub may have strengthened hardline views within the regime prior to the attack on Aung San Suu Kyi and her followers in May 2003.

and education standards. This problem has been compounded by the strict limitations on foreign aid, since no agencies have been able to work seriously for economic reform or pick up the slack from reduced government spending.

Job loss resulting from trade and investment sanctions is a specific, very serious problem for the urban poor, who have few employment opportunities outside the informal sector. Even before the latest U.S. import ban, factory closures and production cut-backs resulting from highly effective consumer campaigns against U.S. and European clothing stores had already cost tens of thousands of jobs in the garment export industry, one of the few sectors that was producing new jobs and paying comparatively good wages.⁹

While most labour in Burma, as in every developing country, is very poorly paid, for many families even a minimal income is the difference between a decent life and daily hunger and illness. Most labourers in the garment factories are unskilled young women with few other job opportunities. Many have talked about the liberating effect of having jobs that take them out of their homes and give them more control over their lives. The sanctions have taken that away and also pushed a significant number into prostitution, which is the only easily available alternative means of sustenance for many. Moreover, sanctions that keep Western companies out while others invest mean that average salaries, benefits and working conditions in the factories that do operate are worse than they would otherwise have been.

The costs to both individuals and the country from the inability of university graduates to find challenging jobs consonant with their educational level with international organisations and foreign companies are also considerable. Many leave the country, thus contributing to a damaging brain drain. Those who stay frequently suffer from intellectual stagnation and loss of motivation—or they join the military, which increasingly has become the only avenue for social and professional advancement.

Opportunity Costs

The extensive use of censure and sanctions has limited the diplomatic influence of Western governments in Yangon. The character of international criticism, at times very personal and strongly worded, has strengthened the feeling of top military officials that they are engaged in a battle of wills and increased their sense of wounded pride. This, in turn, has lessened chances that the government could be persuaded to act constructively on non-core issues, such as economic and social reforms, that might open a crack for political changes later on, or at least help alleviate the socio-economic situation.

While Western governments and civil society actors in imposing sanctions have expounded the general objectives of democracy and human rights, they have generally defined or operationalised this in rather narrow terms: implementation of the 1990 election results, release of Aung San Suu Kyi, and so on. The structural causes of authoritarian rule and many of the complex emergencies facing the country have been largely ignored.¹⁰

Western governments have done little to promote conflict resolution, institution-building or economic reform. They have limited basic needs assistance to a narrow definition of “humanitarian” that excludes areas such as education and reconstruction of war-torn communities and economies in the border areas. The preoccupation with a narrow political agenda has also delayed action against trans-national crime, including drugs and human trafficking, which threatens both the international community and the Burmese state and society. These omissions are detrimental both to the cause of democracy and to the broader welfare and security of the Burmese people.

⁹Salaries in Burma’s export garment industry in U.S. dollar terms are the lowest in the world, but in purchasing power are similar to or higher than those in, for example, China, Indonesia and Bangladesh. More importantly, they are about 30 per cent higher than in garment factories producing for the domestic market and provide much better benefits. Moe Kyaw, “Report on the Textile and Garment Industry”, Yangon 2001).

¹⁰An independent Burmese analyst, whose commitment to reform is beyond question, puts it this way: “We are not aware of any clear ideas or workable plans the U.S. may have to make the situation better. . . . Undoubtedly, there are many in the U.S. with deep sympathy and concern for the sad plight of the Burmese people. However, all these good intentions will have to be tempered by a clearer understanding and recognition of ground realities and with provisions made for well-thought out plans of action. . . . What concrete plan has the US got to restore normalcy and then to facilitate social and economic progress in Burma, aside from vague roadmaps, wishful thinking and fuzzy ideas about bringing the two camps—and perhaps other players—together?”

New U.S. Sanctions

The Democracy Act, together with additional measures taken by the Bush administration, has given significant emphasis to international condemnation of the recent crackdown on the NLD and may have helped galvanise regional pressure for the release of Aung San Suu Kyi. They do little, however, to address the limitations that sanctions have as a strategy for change. Indeed, they have deepened the siege mentality that has driven military regimes since the 1960s and increased social costs.

Since June 2003, the military has greatly expanded paramilitary training of civilians throughout the country, reportedly in order to counter the possible invasion of an unspecified enemy. However unrealistic such a scenario is given the lack of perceived U.S. strategic interests in the country, it would appear that the escalation of U.S. political and economic pressure, coming after the U.S.-led military actions in Afghanistan and Iraq, has revived concerns that a similar operation might be launched in Burma.

The economic sanctions have largely missed their target. Contrary to conventional wisdom, the military government does not own or control the garment export industry, which accounts for about 85 per cent of U.S. imports from Burma.¹¹ The industry is dominated by local, generally small, privately owned companies (88 per cent), which employ 72 per cent of the workers and produce 62 per cent of the export value—the rest is divided between joint ventures and fully foreign-owned companies.¹² Moreover, the garment export industry has very little added-value as it operates on a CMP basis (cut, make and pack). Most of the money is made overseas. According to three independent estimates, the military regime's income from garment exports to the U.S. in 2002, including taxes and revenue sharing from joint ventures with military holding companies, was less than U.S.\$10 million—hardly significant even for a poor government.¹³ Some individual officers have a stake in private garment factories, but that, too, is very limited.

These limited losses to the government are dwarfed by the price paid by private entrepreneurs, workers and their families. In early July 2003, even before President Bush had formally signed the import ban into law, more than a third of Burma's remaining garment factories had filed for closure, while many others had only a few months worth of orders left. According to one survey around 30,000 workers were laid off between June and November 2003, while an undetermined number stayed on at greatly reduced salaries. Another survey by an international NGO in two townships in Yangon in September found that 60 local factories had closed as a direct result of the new sanctions, at the cost of 40–60,000 jobs and serious spin-off effects for support industries including vendors and hostels. It also revealed that since so many lost jobs at the same time, it was impossible to absorb them into the broader economy. Many families were forced to adopt extreme coping strategies, including cutting meals, taking high-interest loans, selling assets and migrating.¹⁴

The final total of job losses from consumer boycotts in the U.S. and elsewhere and the U.S. federal import ban will be significantly higher. Some fear that the entire garment export industry, which at its peak in 2001 employed more than 150,000,¹⁵ could be wiped out, depending on future actions in Europe. With an average family size of five, this would mean that at least 750,000 people would have been affected, many seriously.¹⁶

The ban on export and re-export of financial services caused major, immediate disruptions to trade in and out of Burma, much of which was conducted using letters of credit in U.S. dollars routed via banks in the U.S. and so was no longer possible. Many export and import businesses almost shut down, creating shortages and price fluctuations inside the country. Most of these disruptions have proven temporary as

¹¹ U.S. Department of Commerce, Bureau of Census, *World Trade Atlas*, 2001–03.

¹² Kyaw, *Report on the Textile and Garment Industry*, op.cit.

¹³ Claims made in the U.S. Congress that the import ban would deny Burma more than U.S.\$300 million in export revenue are greatly exaggerated.

¹⁴ World Vision, *Report on US Sanctions on Burma/Myanmar: The Impact on Local Communities in Yangon*, released 26 September 2003.

¹⁵ Kyaw, *Report on the Textile and Garment Industry*, op. cit. It is unclear whether the 150,000 figure included day workers without contracts.

¹⁶ Proponents of the import ban have argued that most of these jobs would have disappeared anyway by the end of 2004, when the current quota systems in the U.S. and Europe are eliminated. However, this is open to question. While the limited infrastructure and opaque policy environment places Burma at a disadvantage compared to major garment exporting countries such as China, Thailand and Bangladesh, set-up and labour costs are lower. Given a few more years of positive business conditions, the young industry might well have become competitive and survived, or even expanded. In any case, such arguments are of little comfort to the many poor families for whom every day's work counts in the struggle to cope with deteriorating socio-economic conditions.

traders found other ways of transferring money or shifted to border trade. However, the ban has increased the transaction costs and made Burma less attractive for foreign trading companies. There is likely, therefore, to be a longer-term, impact on producers and consumers in the form of higher costs and prices. How this will affect government revenue is unknown, but the worst losses are likely to be in agriculture, which like the garment sector is dominated by private companies. The sectors from which government makes most profit—hydrocarbons, mining and teak—are less vulnerable due to the absence of alternative markets for foreign investors and buyers. Again, the burden falls mainly on those already suffering from government policies.

These dilemmas are exacerbated by the conditions for lifting the sanctions. In essence, the U.S. is demanding that the generals commit the political equivalent of collective suicide to avoid what amounts to little more than a slap on their wrists.

The South African Comparison

The fall of South Africa's apartheid government is often held up by proponents of sanctions as evidence that concerted coercive pressure on a pariah regime can be effective. The analogy with the military government in Burma, however, is misleading.

First, when apartheid became a major international concern in the late 1970s, South Africa was already deeply integrated into the international economy, and the ruling white elite was substantially modernised. Foreign investment and trade was crucial to the ability of the government to maintain the prosperity of its main constituents, the country's large and growing white middle class.¹⁷ It came under strong pressure from domestic business, which acted as a mediator for international sanctions and greatly added to their impact. These conditions are absent in Burma where most companies with links to the global economy are either military-controlled or owe their position to military patronage.

Secondly, although set apart from the world by its racism, the South African government and its white minority supporters relied on contacts with the West to maintain their social and cultural identity. Most leaders were well connected in London, New York, Washington, and other Western capitals. South African society as a whole, especially the English-speaking business community, was closely tied to Europe and the U.S. in a myriad of ways. Burma's military leaders are not isolated from their main reference group. On the contrary, they are able to tap into a strong tradition of regional nationalism that emphasises the distinctiveness of East Asian societies and cultures and thus challenges any intervention from outside.

Thirdly, sanctions on South Africa supplemented and reinforced strong internal pressures for political change. These included an underground resistance movement aligned with the African National Congress, an open and broad-based opposition movement led by high profile figures such as Bishop Desmond Tutu, Rev. Frank Chikane and union leader Cyril Ramaphosa, and a substantial group of white liberals and businessmen who opposed apartheid. In Burma, although most people resent the military, there is little active opposition. Actions by the military to crush the NLD have left the main opposition party a shell of its 1988–1990 self, while the armed challenges to the government no longer threaten its control of the country.

Fourthly, sanctions worked in South Africa because white leaders proved pragmatic. Given a choice between living in a society of ever increasing repression and fear and accepting majority rule, they chose the latter. The Burmese government has yet to show the same pragmatism, at least at the level where it matters. The top leaders appear to feel that they have achieved their primary objectives of maintaining national sovereignty and unity. They are less concerned about serious socio-economic deprivation and until recently may have been deceived about poverty in Burma, which at least in towns and cities is less ugly and violent than in many other countries.

Finally, it is important to recognise that sanctions imposed on South Africa were substantially supported by all its neighbours, as well as its main Western trading partners, and were accompanied by multi-faceted engagement with both the government and the anti-apartheid opposition. During the 1980s, while conservative governments in the U.S. and the UK maintained communication with South African leaders, activist groups provided substantial direct assistance to opposition groups and black communities inside South Africa. By contrast, Burma's neighbours and main trading partners and suppliers of capital are opposed to sanctions, and links

¹⁷On trade and investment in South Africa during the apartheid era, see Richard Knight, "Sanctions, Disinvestment and U.S. corporations in South Africa", in Robert Edgar (ed.), *Sanctioning South Africa* (Africa World Press, 1990); Stephen Lewis, "The Economics of Apartheid", Council on Foreign Relations, New York, 1990.

between the main protagonists inside the country and the West are embryonic at best.

Prospects

The most basic problem with sanctions as a dominant strategy for change is that they freeze a situation that may not contain the seeds of its own resolution. The military, despite its many policy failures, has stayed in power since 1962, and there are no indications that the past fifteen years of external pressure have changed its will or capacity to continue for the foreseeable future. On the contrary, sanctions confirm the long-standing suspicion of nationalist leaders that the West aims to exploit Burma and thus strengthen one of their main rationales for maintaining power. The pro-democracy movement remains alive with the symbol of Aung San Suu Kyi and in the hearts of millions. However, under the existing depressed political, social and economic conditions, it does not have the strength to produce political change. Sanctions may provide moral support, but they also contribute to the overall stagnation that keep most people trapped in a daily survival battle.

Perversely, sanctions may be helping sustain military rule. The generals have learned to live with isolation, internal dissent and the economics of survival in a poor, strife-torn country. The real threat to reactionary leaders is the modernity and development that might come from more involvement with the outside world.

REGIONAL COOPERATION

While Western governments have used sanctions as a strategy for change, Burma's regional neighbours, in particular, have advocated increased political and economic cooperation with the regime in Yangon. According to Malaysian Prime Minister Mahathir Mohamad, the military rulers perceive the democratic process as foreign and unfit for their society and need to be convinced that it can work in an Asian context.¹⁸ This links to a broader proposition that Burma's participation in international organisations and cooperation with international actors at home can become a force for change by exposing officers and officials to different cultures and ways of thinking.¹⁹ A related theory is that economic cooperation can help build the socio-economic basis for democracy and human rights by fostering social groups with independent economic power that can act as a counterweight to the state and push for expansion of civil and political freedoms.²⁰

The symbolic highpoint of this approach came with the admission of Burma into ASEAN in 1997, which greatly expanded contacts with the region, at both the political and working-level. Meanwhile, the opening of the Burmese economy after 1988 facilitated increased flows of people, goods and capital across the borders, helped by the establishment of numerous new road links. Much of this has been driven by private economic interests, but China in particular has provided significant official development assistance for infrastructure support and credit lines, and India and Thailand appear to be following its example.

Benefits

The benefits of cooperation have been significant, although perhaps more evident to those who have visited the country regularly before and after 1988.

The increased exposure of senior officials has helped overcome the worst fears and misconceptions about foreigners, and many are now genuinely committed to bringing Burma back into the international community. In joining ASEAN, the government accepted the basic proposition that Burma should bring its administrative, economic and social arrangements into conformity with the group. It has also accepted, at least in principle, the obligations that flow from normative conventions on human rights, transnational crime and the environment (though implementation leaves much to be desired). That the government is now actively trying to ward off regional condemnation rather than simply withdrawing into its shell is a notable result.

Contrary to popular belief in the West, life in Burma has changed significantly over the past fifteen years as a result of increased exchanges with the outside world, at least for the upper and middle classes. Many people now enjoy virtually unrestricted access to international short-wave radio and satellite television. Since the

¹⁸ Quoted in *The Irrawaddy*, vol. 5, no. 2, 1997.

¹⁹ Western business executives, for example, often defend their activities in Burma by arguing that foreign companies import a micro-culture of the democratic and free societies they come from.

²⁰ This thesis, generally referred to as the economic development thesis, has been a powerful influence in democracy theory over the past three decades, not least due to developments in several of Burma's neighbours.

beginning of 2003, they have also been able to access much of the internet in new cyber cafes in Yangon.²¹ Restrictions on foreigners travelling around the country have been relaxed, and exchanges between locals and foreigners have greatly increased, particularly in the cities where they generally no longer attract government attention. Increasing numbers of Burmese citizens are travelling overseas for business, tourism, and study.

The government continues to suppress information; the overall education system is abysmal; and many exchanges remain embryonic and limited. However, they are all notable steps that are changing the country, expanding the universe of perceived solutions to problems among government, political and civil society actors alike, and laying the basis for further reform.

Limitations

The potential of cooperation is harder to assess than that of sanctions since it depends upon gradual changes in elite attitudes, administrative culture and broader social processes within the state and society and therefore necessarily over a long period. Nonetheless, significant limitations are evident.

Burmese officers are subject to extremely powerful socialisation processes within the armed forces. Many rarely, if ever, leave the country and feel alienated and threatened by foreign actors and influences. The older generation, most with minimal formal education and formative experiences of fighting communists and ethnic nationalists in the jungle, is particularly resistant to change. Exposure may help in the short-term to rationalise the government's responses to international pressure. However, any decisive change is unlikely until a generation of better-educated officers with different career experiences takes over.²² Importantly, the impact of exposure abroad depends critically on how well it dovetails with change and new opportunities at home.

Meanwhile, there is little evidence that foreign trade and investment are promoting the type of broad-based economic development necessary to strengthen civil society and induce the wider political changes seen in many neighbouring countries. First, Burma has not experienced the economic take-off predicted by its leaders and counterparts in the region in the early 1990s, due in large part to the absence of effective governance. Economic policymaking is in the hands of military leaders with little technical expertise. There are few channels for gathering critical information about private sector needs. The business environment is unpredictable, with frequent, arbitrary policy changes, pervasive corruption, and absence of legal recourse in a judicial system that does little to uphold the rule of law. Most fundamentally, national development is undercut by the government's lack of domestic legitimacy and the resulting predominance of political considerations in policymaking. Without comprehensive political, administrative, and legal reforms to address these and other structural weaknesses, broad-based, sustainable economic growth will remain stymied.

Secondly, the state's dominant role in the economy is detrimental to the growth of independent power centres with capacity and commitment to press for political reform. The state monopolises key sectors and controls the distribution of export and import licenses, investment loans, and related benefits. As a result, most who prosper from expanding economic opportunities are either officers, people with close links to the government or members of the vulnerable Chinese community, who access capital through family or ethnic networks, domestically or overseas. Recent developments in Indonesia suggest that even in a highly centralised economy, growth tends to undermine state control of society in the long run. However, any credible strategy of democratisation in Burma must shorten this path by encouraging relaxation of the present pattern of state capitalism. This would also improve overall growth prospects and have immediate benefits for poverty alleviation.

Part of the problem, of course, is that the generals actively resist any change that could threaten their hold on power. They rejuvenate themselves by bringing in commanders from the provinces, who often have little exposure to the changes in Yangon and Mandalay. Whether this can continue is a different matter. The disconnect between the style of leadership and the needs of a changing society is growing year by year.

²¹ These trends are evident also in the youth culture among the urban elite, which increasingly resembles that in neighbouring countries with Western fashion, music and consumer trends.

²² A few of the next batch of military leaders (i.e. the former regional commanders who since November 2001 have taken up high-level positions in the ministry of defence), as well as a significant group of high-level officers outside the army command structure, at least partly fit this bill, but more significant differences become evident at the colonel level and below.

Counter-Productive Effects

Many critics accuse Burma's neighbours of propping up the regime. This argument seemed fairly strong in the late 1980s when the generals—new to power and facing an acute foreign exchange rate crisis—might just have been persuaded that government was more trouble than it was worth. Since then, however, the military leaders have re-established control, grown in confidence, and increased their personal stake in power. It is no longer plausible that the regime could be toppled by even comprehensive UN sanctions. The officers' lives would be less comfortable but that would be of little comfort to the people, who would suffer more.

Social Costs

A major problem with the kind of commercial activities pursued in Burma today is their often exploitative character. Although the government has at times cracked down on foreign companies engaged in unsustainable practices, including clear-felling of forest and over-fishing, the state's poverty, compounded by personal greed in a system riddled with corruption, diminishes its will and ability to curtail such behaviour. This problem is not exclusive to the central government, but also occurs in border areas under the control of ethnic nationalist armies. Ironically, it has been reinforced by Western sanctions, which have impeded the development of a more rational and modern economy. The result is that Burma is rapidly losing its valuable natural resources, which are being sold off at discount rates to Thai and Chinese companies.²³

Prospects

Regional countries, including China, India, and the ASEAN member states, have several advantages in dealing with the military rulers in Yangon. Their political, economic, social and cultural links with Burma are much stronger with those of the West. The generals do not have the same ideologically grounded suspicions about the motives of Asian countries. On the contrary, they believe key governments in the region share their emphasis on national sovereignty, security and economic development, and have empathy with their situation. Also, several regional countries provide potentially attractive models for political and economic development and have relevant experience in institution-building and other areas that that can serve as building blocks for Burma over the longer-term.

In order to qualify as a strategy for reform, regional cooperation must include proactive efforts to expose the weaknesses of the current system, promote alternative policies, and strengthen domestic forces of change. This has been lacking so far, but key countries, including China, apparently have begun to question whether Yangon is moving towards a peaceful resolution of long-standing conflicts and sustainable economic growth. Thus, the UN and Western countries may find increased support for a coordinated international response, *provided* they acknowledge that Burma's neighbours not only have different value systems, but also different interests in the country (and a strong track-record of standing up to Western pressure).²⁴ Any successful cooperation must build on areas of converging concerns and interests.

ANOTHER WAY FORWARD

Sanctions and cooperation both serve important interests in the countries supporting them. However, neither approach really addresses the root causes of Burma's political and economic malaise. In pushing for an immediate transfer of power, Western governments generally ignore the five decades of conflict that has led to the current situation and continues to shape the universe of realistic solutions. Conversely, Burma's regional partners often underestimate the role of military rule in shaping and sustaining existing conflicts. The crisis in Burma is rooted in the interface between political agency and historical, social and economic structures, and any genuine attempt to overcome it must address the linkages between them.

A framework of action is needed that bridges the gap between Western and regional positions and interests in order to increase pressure for reform and capacity to implement reform within Burma itself. This can only be achieved if there is willingness to deal with both the government and society in a number of key areas, including conflict resolution, constitutional reform, institution-building, economic de-

²³ See Global Witness, *A Conflict of Interests: The Uncertain Future of Burma's Forests*, October 2003 for a damning critique of greed-driven elites on both sides of the borders, who are cooperating in the rape of Burma's forests and minerals, at the expense of local communities and the country's future.

²⁴ The experience of 1996–1997 when the attempt by Western countries to dissuade ASEAN from admitting Burma backfired and made countries like Malaysia and Indonesia even more intent on keeping to their own agenda should serve as a warning.

velopment and protection of particularly vulnerable groups. Even then, the results are not likely to be immediately spectacular, but they can be important in a country which is so desperately in need of ideas and resources for reform.

Conflict Resolution

The most fundamental need in Burma today is for peace. Throughout its history, the country has suffered from an inability to produce peaceful regime change. Most new rulers have come to power after (or through) bloodshed, and the violence inevitably has carried over into their regimes. While the possibility of a revolutionary transformation brought about by another popular uprising or a split in the armed forces may seem attractive, both are unlikely and were they to occur would most probably just reinforce the cycle of violence. If the country is to leave this tragic legacy behind, there is no alternative to negotiations, involving all significant political groups.

The formal commitment by the government, as well as the NLD and most ethnic minority organisations, to seek political reconciliation shows a general perception that military solutions are untenable. Realisation that the political deadlock must be broken is unfortunately not matched, however, by sufficient confidence that a satisfactory outcome can be reached through negotiations.

Five decades of continuous political and military conflict—compounded by the often confrontational positions assumed by the military government and pro-democracy forces throughout the 1990s and culminating in the recent attack on the NLD—have caused an almost total breakdown of communication. The violence involved has further contributed to an atmosphere of alienation, distrust and lack of basic understanding and empathy. While some representatives on all sides do genuinely seek dialogue, others are unwilling or unable to break down the barriers that have been created, preferring unilateral actions to cooperation. This fragmentation of society and psychological resistance to dialogue is the most fundamental obstacle to a negotiated settlement.

The continuance of armed conflict and many unresolved issues surrounding the current ceasefires present a particularly difficult challenge. If the concerns among both the military government and some countries in the region that ethnic nationalists seek to break up Burma could be put to rest, it would go a long way towards undercutting the military's position that it must remain in power to hold the country together. It would also considerably alleviate external worries that democratisation might put regional stability at risk.

Importantly, the persistence of conflict at all levels of society transcends the issue of democracy versus authoritarianism. Even if an elected, civilian government were to emerge over the next few years, the army would continue to be the primary authority in many parts of the country; human rights abuses related to poverty, mistrust and fear would continue; so would drugs trafficking and the general lawlessness in the border areas, as well as the simmering religious conflicts. At best, the democratic process would facilitate inclusion of presently excluded groups and interests and allow healing to begin; at worst it would open a door for demagoguery and agitation based on racial and religious identity that could fuel latent conflicts.

Burma desperately needs increased communication and cooperation among all its political actors and communities in order to establish the trust necessary for them to move forward together. Democracy would be an important step in that process but it is no guarantee for conflict resolution, and in the absence of peace, it would be significantly constrained.

Constitutional Reform

Since 1988, Western policy has been predicated on the assumption that the military government, if put under sufficient pressure, could be forced to hand over power to an elected parliament. However, there is virtually no chance that any military leader, now or in the foreseeable future, would agree to such conditions. The transition to genuine democracy and civilian supremacy is only possible through a gradual process, sustained and deepened by progress in each of the other areas discussed here.

The immediate objective must be to break the political deadlock and moderate the raw struggle for power, which for the past fifteen years has obstructed communication, bred further distrust and absorbed the attention and resources of all political groups, thus distracting attention from many critical challenges facing the country. As long as the main focus of politics is regime survival versus regime change, neither the government nor society can begin to address the policy failures and complex emergencies facing the country. The military leaders need to be convinced that an orderly transition that does not threaten vital national security interests is possible, while most other political groupings need time and space to organise and build

up their political capacity. Ethnic minority communities, in particular, need time to develop a vision for the future and build capacity to manage their own affairs.

The most promising approach is to work for a return to constitutional government as a first step towards democracy. Since 1990, the generals have cited the absence of a constitution as the main justification for maintaining direct military rule. They now have announced that the National Convention will be resumed with a constitution as a priority objective. While this convention has often been perceived as a delaying tactic, the constitutional process also provides some opportunities. The hostility and resultant rigidity between key military leaders and Aung San Suu Kyi make it unlikely that any substantive agreements can be reached at that level. Also, an exclusive focus on discussions across this divide would keep on the sideline other significant political forces, most notably the ethnic nationalist armies.

It is important to keep in mind that of the three main actors in Burmese politics—the military, the ethnic nationalist armies and the political parties—only the latter are primarily concerned about democracy; for the other two the core issue is the distribution of power between the central government and the regions. Sustainable progress requires that both these issues be dealt with and resolved at the same time. Thus, future reconciliation talks should be broadened to embrace all sides in the conflicts.

The conditions for the constitutional process set by the military government are not acceptable to the pro-democracy forces, nor are they likely to lead to genuine reconciliation. However, rather than reject its roadmap out of hand, an attempt should be made to persuade the military government to make the National Convention and subsequent steps as inclusive as possible and allow genuine participation and exchange of views. Recent years have seen some convergence in thinking between political parties, ceasefire groups and non-ceasefire groups, as well as other groups in society. This would inject a fairly cohesive body of opinions into the convention that could be used to work for concessions from the military, particularly if regional countries maintained pressure on the generals to make something come of their roadmap.

Civilian political leaders understandably are concerned that a constitutional process dominated by the military would simply help enshrine military rule. However, this process is not the endgame. A constitution is a living document, which in most developing countries is changed or adjusted regularly as power relations and interests change. This might even be written into the constitution by including sunset-clauses or other mechanisms for amendments. In the meantime, agreement on a set of rules for political competition, even competition subjected to significant constraints, would create new space for political activity, which could be used to work for further reform. The Burmese generals would not be the first to underestimate the processes set in train by what began as closely managed reform from above.

Institution-Building

The success of any transition process ultimately depends on how effectively the state and society deal with multiple development challenges. Currently, however, Burma has few if any effective institutions outside the armed forces. As a local analyst put it, “Our country is like an old house. The foundation has long since crumbled; it is only held together by the creepers [the military].”²⁵

The success of the military in coopting or destroying most of Burma’s civilian institutions, compounded by general underdevelopment and a massive brain drain, has made it much easier for the current rulers to control both state and society, including politics, business and the media. It has also greatly diminished the prospects of democracy taking root and a smooth transition from military rule. Whatever the government in power, the weakness of the civil service and the near-absence of effective non-state organisations greatly reduce the ability to respond to the challenges presented by the growing HIV/AIDS pandemic and other social crises, as well as to the opportunities created, for example, by the new global information order.

Many of Burma’s problems are created not by policy as such, but by administrative rigidity and inefficiency. Since the military take-over in 1962, thousands of competent civil servants have been replaced by political appointees (often military officers), selected not for administrative skills but loyalty. Four decades of top-down decision-making has stifled creativity and independent thinking, while the erosion of wages has fuelled corruption and absenteeism. A surprising numbers of highly skilled and committed individuals are fighting the system on a daily basis to keep the wheels moving and have proven to be effective partners for international aid agencies. However, many are close to retirement, and they work within a system that lacks transparency, accountability and any culture of reform or improvement.

²⁵ ICG interview, May 2003.

If there were to be a political transition, there would continue to be immense obstacles to effective implementation in the short term.

This problem is compounded by the almost total lack of administrative capacity at the local level. An effective democracy would depend critically on decentralisation of power and administrative responsibility. Indeed, support for a democratic government by ethnic minority groups would depend on such decentralisation. Yet, the experience of the ceasefire groups, which have authority over the special regions, stems from wartime administration and economics—few, if any, are familiar with modern government methods.

Governance, of course, is not just about civil service capacity. Motivation for change rarely builds up sufficiently to generate genuine reforms in any state apparatus unless there is strong pressure from political parties, professional associations or broader social movements. Burma lacks political and civil society groups that can complement the state by providing ideas, information and feedback, performing much needed services, and mobilising the population to support national programs. The private business sector, which is an important source of the skills, capital, entrepreneurial drive and connections needed to compete in the global economy, is also very weak.

The military government has acknowledged that the state has neither the capacity nor the resources to do everything, and it has allowed some new space to develop. Since 1988, the private business sector has expanded rapidly in response to market-oriented reforms; a narrow range of political parties and non-violent ethnic minority organisations has been established; and new local community development organisations have emerged to promote social welfare and, to a lesser extent, peace-building.

These new sectors are all embryonic. The pervasive influence of the military and the extremely difficult and limiting circumstances under which any independent grouping must function have greatly hampered the development of organisational capacity. Most surviving and newly emerging groups have some way to go before they would be able to perform governance functions effectively, whether as part of political or civil society—and the events of 30 May demonstrated their precarious existence. Nonetheless, compared to pre-1988, there have been significant changes that, if reinforced, could be the seeds of a gradual transition and help sustain a future democracy.

Economic Development

The poverty that affects the Burmese state and society alike presents another fundamental obstacle to progress in politics, governance and human rights. Broad-based socio-economic development is needed to sustain the emergence of an effective political and civil society independent of state power. One does not have to accept the thesis that democracy comes to countries only when they achieve a certain gross domestic product (GDP) in order to recognise that education and socio-economic welfare are necessary for broad popular participation in politics and reform of authoritarian attitudes at all levels of the state and society.

Meanwhile, minimal government budgets and expenditures threaten the ceasefires, which since the late 1980s have brought relative peace to many parts of the country. Both government and key ceasefire groups saw those agreements as a development-first approach to peace-building which would help overcome hostility and create a win-win path to unity and reconciliation but there has been little development. Lacking necessary resources, the government has fallen back on *laissez-faire*, which has brought few benefits for ethnic communities or, indeed, the ceasefire groups, except some leaders and their business associates. This could undermine the ceasefires and increase the reluctance of those still fighting to consider similar agreements.²⁶

The weak economy and inability of the government to generate more than 3 per cent of GDP in revenue, compared with more than 35 per cent in most developed countries, also lie at the root of an arbitrary and coercive system of taxation and corruption, as well as the deteriorating quality of the health and education systems. They further contribute to human rights abuses across the country, as local commanders with insufficient budgets take what they need from the population to feed their soldiers, fight the ethnic armies or build infrastructure.

²⁶ Some observers have criticised the ceasefires as obstacles to change. However, a return to civil war would end all prospects for political reform, better governance and economic development. Conversely, if the ceasefires could be turned into effective vehicles for the reconstruction of local communities and economies, they might provide a model worth emulating for those groups that are still fighting and thus become a force for a nationwide ceasefire and, perhaps over time, genuine peace. This, in turn, would take away the main justification for military rule, the need to protect the Union and national sovereignty.

The military government, except for the early period after 1988, has shown little willingness to implement economic reforms. Militarisation of the bureaucracy continues unabated, and economic problems inevitably are met with short-term, administrative interventions that leave the fundamental difficulties unaddressed. However, there is no doubt that awareness of the need for economic reform is growing among government officials, even at the top levels. The remaining rigidity might be removed through sustained international activity.²⁷ The introduction of a new rice policy from the 2003 harvest season that has (partially) liberalised the entire sector, although ill-conceived and ill-prepared, might indicate increased receptiveness to external experience and advice that could deepen as recent government restructuring is felt in the ministries.

There is a danger that successful socio-economic development, rather than propel the country forward, could reinforce the military state's power and thus impede broader progress. This might even be unavoidable in the short-term. However, without such development, many of the existing conflicts will continue and establishment of sustainable and effective institutions outside the state will be more difficult. The frequency of stalled or reversed democratic transitions around the world shows the dangers to a new government of taking over at the height of a socio-economic crisis. In Burma, as elsewhere, addressing deep-seated problems in an atmosphere of massively increased popular expectations could be beyond the capacity of new democratic institutions.²⁸ This risk would be minimised by starting to strengthen the economic fundamentals now.

Protection of Vulnerable Groups

International efforts to alleviate acute vulnerabilities and protect the people of Burma from the consequences of government policy failures, human rights abuses and sanctions are a humanitarian imperative irrespective of the ebbs and flows of national politics, subject only to reasonable criteria of transparency, accountability and efficiency.

Millions of children and adults are wasting away from illnesses, malnutrition, and lack of education—by the time a new government takes over, they will be too disadvantaged to reap the rewards. Of the 1.4 million children who will be born in Burma in 2004, 110,000 will die before their first birthday. If the HIV/AIDS epidemic spreads, it could undermine the basis for economic development and health services in the country for decades to come. This situation is urgent enough to require immediate action by all who have the power to make a difference.

Humanitarian aid has increased significantly over the past several years. However, it is focused in a few areas, which—somewhat arbitrarily—have been defined as humanitarian, while others of equal importance to people's welfare are largely ignored and under-funded. The priority areas—primary health care and major diseases, including HIV/AIDS—are vitally important but it is imperative that more attention is given, particularly, to food security and education.

Malnutrition is widespread in all age groups and can greatly diminish potential for learning and earning an income; it is also closely associated with life-threatening diseases. Education does not have the element of visible suffering, which helps establish a sense of crisis on health issues. Yet, the deterioration in educational attainment, reflected in falling literacy and enrolment rates, has reached levels which make it an integral element of the silent emergency.

Importantly, vulnerability is not just a matter of poverty. It is greatly increased by disruptive state interventions in the subsistence economy, including the widespread use of forced labour, forced contributions and other human rights abuses. This requires national level reform, combined with bottom-up grassroots organisation and empowerment of local communities, to facilitate effective redress of inequality and injustice.

The space for effective aid delivery remains limited while national pride, military security obsessions, limited understanding of poverty alleviation systems and a rigid bureaucracy continue to obstruct UN agencies, international NGOs and local development groups alike. However, the trend over the past decade has been improving, as aid organisations have been able to extend their geographical spread and begin to address sensitive sectors such as HIV/AIDS. The government, while still woefully ineffective, has slowly begun to acknowledge the seriousness of the situation. It has also granted increased access to rights-based institutions, including the UN Special

²⁷ Some potential benefits of such activity is already evident in areas such as HIV/AIDS, prison conditions and forced labour, although much remains to be done.

²⁸ There is a parallel between sanctions as a tool and socio-economic crisis as a condition for change (with the two obviously being related): While some pressure may be necessary to kick a recalcitrant government into action, too much pressure may undermine longer-term progress.

Rapporteur on Human Rights, the International Committee of the Red Cross (ICRC), the International Labor Organisation (ILO), and Amnesty International.

Over the years, many political actors have warned that aid even for basic needs could obstruct political reform.²⁹ However, few of these arguments are substantiated by experience on the ground. Humanitarian aid programs have little political value; on the contrary, top military leaders seem largely indifferent to them. There are no signs that they replace government investments either. Most foreign aid goes to remote areas and programs such as HIV/AIDS, which would have been unlikely to attract government funding. Moreover, the amounts are so small compared to the needs that it is hard to see how they would allow the government to switch its investments.³⁰ The pain from withholding humanitarian aid is felt by the direct beneficiaries, not the government or its key individual officers or officials.

CONCLUSION

Since 1990, most Western governments have taken a principled approach to Burma, applying coercive diplomacy and economic sanctions in an effort to force the military government to implement the results of the multi-party election held that year. The 30 May 2003 attack on Aung San Suu Kyi and her followers increased both political pressure and justification for strengthening this approach. However, the military government today is more entrenched and more recalcitrant than when it took power. The pro-democratic opposition—although it maintains broad popular support—has lost much of its momentum, and international actors have demonstrably failed to protect even Aung San Suu Kyi, not to speak of less prominent figures, from persecution. Meanwhile, the socio-economic conditions for a majority of the population have greatly deteriorated. In short, things are moving the wrong way.

The people of Burma need greater say in the governance of their country. The failure of 40 years of military rule to provide human welfare and security consonant with the country's great natural potential is closely linked to the absence of popular participation in decision-making. For now, however, the configuration of power and interests inside the country is not conducive to major, quick change—and there are no “silver bullets”, no realistic policy options that can change that. In such circumstances, efforts are required to change political, social and economic realities over a longer period in ways that would facilitate better governance and the gradual introduction and consolidation of genuinely democratic institutions. That is only likely to happen if coercive measures are allied to a more flexible, intensive and sustained diplomatic strategy that does not by any means embrace the military government but rather includes a greater willingness to pursue some half-measures, small steps and even limited cooperation in order to begin to move the country forward while protecting those who suffer under the status quo or might be hurt by future reforms.

Mr. ROHRBACHER [presiding]. We have a new Chairman for a moment. Thank you all for your testimony. I appreciate it very much, and let me just apologize for the way things are being run. As you know, today just happened to be the day that we have the budget being debated, and the most important function of elected people in a democratic society is to do their budget, and if we do not do that, nothing else works, nothing else happens. So that is why things are a little bit disjointed today. But if you would permit me, I think, while Mr. Leach is having a meeting, I will proceed with my questions and yield myself the time that I may consume.

You know, to the gentleman who just testified, you mentioned a couple of things that you thought were working, and you said some things that were making a real difference. You used the words, “real difference.” What is that real difference? Maybe you could tell us the real difference that you noticed, things going in the right direction over these last couple of years.

²⁹ See the discussion of the political costs of aid in ICG Report, *Myanmar: The Politics of Humanitarian Aid*, op .cit., pp. 14–16.

³⁰ In fact, the impact may be the opposite. By exposing problems and initiating new programs, international aid organisations apply pressure on the government to address issues such as HIV/AIDS and poverty that were previously largely ignored, at least at the policy level.

Mr. PEDERSEN. Well, I think there are several examples. I think one of them is in terms of the ILO, the progress that has been made toward eliminating forced labor in certain areas of the country, although, by no means, in all. ICRC has made significant progress in improving prison conditions within the country and, I think, also, and we hear that from local villagers in the country, also in helping protect against human rights abuses on the ground, merely through their presence.

Mr. ROHRABACHER. Okay. So prison conditions and forced labor; there have been improvements. Now, Mr. Malinowski, you might want to comment on that. Have you been in Burma, Mr. Malinowski, first of all?

Mr. MALINOWSKI. Not in recent years, no. I do not think they would appreciate my presence.

Mr. ROHRABACHER. This gentleman, he has been there. When were you in Burma last, Mr. Pedersen?

Mr. PEDERSEN. I live in Rangoon.

Mr. ROHRABACHER. So he is there, and he is telling us prison conditions are getting better, there is less forced labor going on, so we have had a real difference happening here.

Mr. MALINOWSKI. Well, there is actually one other member of the panel who lives in Rangoon, and she is sitting to my right, and I think she should answer the question.

My take on that is that certainly there have been no fundamental improvements in any of those areas. To the extent that the presence of the Red Cross and the ILO in Rangoon is a positive thing, which it certainly is, we should remember that those organizations are only there because of outside pressure, including sanctions. The International Labor Organization, in fact, voted to recommend sanctions against Burma, as you know, Mr. Chairman, but I think Daw San San should answer the question, from the point of view of someone who lives in Rangoon, about conditions.

Mr. ROHRABACHER. Well, maybe we should ask her that. Has there been some measurable differences happening? Are things getting a little bit better in certain areas that we can say were a result of what, I guess, proponents of this type of activity would say as being involved rather than opposed, or engaged, I guess, is the word that is used. Has the Red Cross and us being engaged with this regime made some real differences in the prison conditions and forced labor and such?

Ms. SAN. I am afraid not, sir, because we have no right to organize and no freedom of speech, and we have accepted the Convention 87 from ILO since 1923, but that is defunct, not in action. There is no democracy, no development.

Mr. ROHRABACHER. I think that is a "no." I think we can interpret that as a "no."

Mr. PEDERSEN. Would it be possible to respond to this,—

Mr. ROHRABACHER. Sure. Absolutely.

Mr. PEDERSEN [continuing]. Since you cut me off sort of halfway through.

Mr. ROHRABACHER. Well, remember, this is the Chair's time and not your time. Being the fair-minded person that I am, not being someone who represents the Burmese government, as I do not, I will be happy to be fair to people. Go right ahead.

Mr. PEDERSEN. In terms of my comments on ILO and ICRC, this is based on the assessment of these organizations themselves, and as far as I am aware, it has also been recognized by people in Rangoon, including Daw Aung San Suu Kyi herself, but this, of course, is just, you know, one of the things that are happening.

I think, in terms of the U.N. agencies, there has certainly been a major breakthrough in terms of getting the government to recognize that there is an HIV/AIDS crisis in Burma today. The reality is that all of the resources going into resolving this crisis are coming from the international community. The fact that there is now an acknowledgement of this problem means that there is significantly more space to begin to address it.

Mr. ROHRABACHER. Do you acknowledge that if there was a democratic government in Rangoon, that perhaps the cure would be even better?

Mr. PEDERSEN. I would certainly acknowledge that, yes.

Mr. ROHRABACHER. All right. So engaging with the regime may not be the solution. Maybe replacing the regime. But Mr. Steinberg, of course, would like to have a transformation of the regime.

A couple of questions for Mr. Steinberg. In your testimony, you talk about people who have left. You said that "poverty and violence within Myanmar have forced more than one million unregistered, illegal workers to leave to neighboring states."

Mr. STEINBERG. Uh-huh.

Mr. ROHRABACHER. Is not that kind of a really generous way of putting it, to suggest that it is poverty and violence and not military operations by the government of Burma that has created this outflow of people?

Mr. STEINBERG. There are several things that have. Certainly, free-fire zones have done that. Violence by the military against minorities has done that as well.

Mr. ROHRABACHER. Right.

Mr. STEINBERG. Poverty has done that also.

Mr. ROHRABACHER. Right.

Mr. STEINBERG. It is a combination. Nobody is saying that the country is well managed. I do not think that anything I have written ever in my life has said that.

Mr. ROHRABACHER. Well, you do suggest in your testimony that the Burmese generals are naturally inclined—here it is:

"Myanmar's generals are instinctively pro-western."

Mr. STEINBERG. They would rather be pro-western than pro-Chinese, is what that means, in fact.

Mr. ROHRABACHER. Well, that is funny for a group of people that have sold their country to the communist Chinese. Were not these generals the ones who cut all of these deals with the Chinese?

Mr. STEINBERG. The danger, Burmese officials have told me, about too much dependence on the Chinese is palpable to them, and yet they are—

Mr. ROHRABACHER. But they are the ones who are making the decision to do that.

Mr. STEINBERG. That is true, sir. That is absolutely true. And the point is that sanctions just furthers this.

The point that I am trying to make is that it is in the Japanese interests, it is in the Thai interests, it is in ASEAN's interests, it is in our interests to make sure that Burma retains a certain degree of neutrality, independence, autonomy of action in the foreign affairs field, as well as improving its internal management.

Mr. ROHRABACHER. You believe that more foreign influence will actually transform the regime rather than confrontation.

Mr. STEINBERG. It will help transform the regime. It is not the only thing.

Mr. ROHRABACHER. This is what I call the "hug a Nazi, get a liberal theory," you know.

Mr. STEINBERG. I think that is a misstatement of my intention.

Mr. ROHRABACHER. At what point does someone get so bad that you do not try to put your arms around them and to reassure them that you are not their enemy but, instead, try to indicate to everyone else, this person has to go? What stage do you get to? Where is that line?

Mr. STEINBERG. You are characterizing a whole group of people with a stereotype. We have heard from the Committee today a great deal of comments about thugs, but I am sure there are thugs. However,——

Mr. ROHRABACHER. The ones who were selling their country to the communist Chinese.

Mr. STEINBERG. You have referred to the military as thugs. Now, if we look at Aung San Suu Kyi's closest supporters, they are all military, former military. They all were under the socialist government, a single-party mobilization system where military intelligence was very, very powerful. We cannot characterize everybody in the same way. There are people in the regime, influential, who would like to see a liberalization.

Mr. ROHRABACHER. You do not differentiate between someone who is in the military, and even if it was a bad military, who now supports democracy versus someone who is in the military and using force against their own people to prevent democratic elections?

Mr. STEINBERG. I am saying that there are people within the military today who might well want to see more democracy, but we have basically cut them off.

Mr. ROHRABACHER. Well, Mr. Steinberg, would you be supportive of the call that I made earlier, then, for the younger members of the military who are honest, good people, who are really patriots? The real patriots in the Burmese military should be turning their guns on the regime and supporting democracy. Is that what you are talking about?

Mr. STEINBERG. I believe what Aung San Suu Kyi says when she says that violence is to be deplored. However, she has also said that the younger members of the military trained at the military academy are even more nationalistic, more isolated, than the older members of the military. So they have been subjected to censorship. They have not read widely. They have not had exposure to foreign ideas. The purpose is, if you want change in the government, you have got to let these people be exposed to more things.

Mr. ROHRABACHER. So you are assuming that the repression, the barbarous behavior that we are seeing, the willingness to sell their

country out to communist Chinese, that this is due to a lack of personal interaction rather than that there are some really bad people in this world who we do not want to have in power. I am assuming that Al Capone was Al Capone because he was a bad man and not because he had a lack of interaction with good people.

Mr. STEINBERG. There are, obviously, I am sure, bad people, and there are people who are rigid, and there are people who are narrow, and there are also people who, if you talk to them, as some of us have, really want to see change in their own society.

Mr. ROHRABACHER. Have you seen positive changes? Are you optimistic, then?

Mr. STEINBERG. I did not say I was optimistic, sir.

Mr. ROHRABACHER. Okay.

Mr. STEINBERG. I am, as diplomats say, not cautiously optimistic; cautiously pessimistic, actually. I do believe that the military will retain effective power, over veto, critical decisions in the country such as national unity. I think they will demand autonomous control of the military itself. I think that they will want to keep their economic assets in the society. That does not mean you cannot have a government that is mixed where civilians play an important role, where you have no censorship or less censorship, where you are exposed to broader education, where you allocate more resources to health and education. That should have been done long ago.

Mr. ROHRABACHER. I am going to give the chair back to the Chairman here, but let me just note for the record, I think there are bad people that exist on this planet, and I find no problem in putting the Burmese regime and the people who are in the high levels of that regime in that category. And I would suggest that those people are probably engaged in the drug trade as well, and they probably have huge bank accounts. And no matter how we try to prevent them from having a fear toward the West, my guess is what they are really worried about is the money they have stolen from those people, the crimes they have already committed against their people, and they are afraid of democracy because it will cause them to lose power for themselves and lose the money that they have already stolen.

Now, I have been around for a while, and I have been through many conflicts. In my adult life, I have been through many conflicts, you know, all through Southeast Asia and Afghanistan and elsewhere, and I will tell you, it just seems that some of these things are universal. You find good people and bad people in every society, and when you get a bad person up in power who is willing to murder to stay in power, willing to trample out everybody else's rights, it is not that he, you know, has been taught to be antisocial; it is just that he is an evil person and has a profit motive in staying in power, and I think that is what we find in Burma, and it is time for the civilized people of the world to support the Burmese people in any way they can and certainly not to give the benefit of the doubt, which is what you see all of the time, to this regime.

Ms. MARTIN, would you like to end this, and then I will give the chair back to the Chairman? Would you like to comment? You looked like you were ready to jump.

Ms. MARTIN. Well, I was not, but given the opportunity, I would be happy to again go back and highlight some of the human rights

abuses that are happening in Eastern Myanmar and actually on the western border as well. These are documented every month by members of the Mon ethnic group, the Karenni ethnic group, the Karen, the Shan. These are credible reports conducted with fact-finding standards, and every month there are human rights abuses that include torture, rape, summary executions, arbitrary detention, and, of course, massive forced relocations that are going on.

Mr. ROHRABACHER. Are these things less frequent now because there has been some interaction here with the NGOs?

Ms. MARTIN. No. They are not less frequent, and, really, this is an area that is isolated and where the SPDC can act at its will. Many of these areas include free-fire zones where the army has been given authority to shoot to kill. So, no, the situation is not improving, and as evidence of that, we see 2,500 people a month who are coming into Thailand alone, fleeing forced relocations, ethnic persecution, and other human rights abuses.

Mr. ROHRABACHER. I think we need to commend Thailand over the years for the generosity that it has had toward these people coming from Burma, as well as Laos and Cambodia, I might add, and, unfortunately, our State Department representative decided to say the past policy was—there was a negative phrase that he had about Thailand's past policy, but its past policy was actually a very benevolent policy toward people who live under tyranny. But, unfortunately, that policy has changed now, and I find it just very perplexing to hear that our State Department is cataloguing the change from being benevolent and pro-the people to being now it is a better policy because they are not being confrontational with the dictatorship.

I do not think these thugs listen to reason, and I think that if there are any thugs anywhere in the world in power, they are in Burma. Thank you very much, Mr. Chairman.

Mr. LEACH [presiding]. On the sanctions issue, I would like to ask Ms. San San, you advocate maintenance of sanctions. To be precise, is this the position of the party you represent, the political party? Is this the position of Aung San Suu Kyi and the political party you represent?

Ms. SAN. The people of Burma call for sanctions and more pressure. I would like to point out one fact, sir, and that is that the regime has profited from investment and money laundering by major—when we named the year 2005 the eradication of drug year, the united world state army has recently postponed the drug-free year from 2005 to 2007. They are afraid of only sanctions. The regime is afraid of only the sanctions that save our country.

Mr. LEACH. I just wanted to note for the record that you are not speaking alone, but you are speaking on behalf of a movement.

I would like to return, though, to something very individual, and I do not want to intrude on anything that is inappropriate, so feel free to restrain. In the American political sense, sometimes people talk about Members of Congress having courage to vote a given way. I have never found such a thing as a courageous vote because no one in America goes to jail for taking a stand. Courage occurs in other countries where people actually go to jail or worse.

And so the question I have for you is, can you tell us something about prison? Can you tell us what an average day is? Can you tell us what your worst day was?

Ms. SAN. In the prison, I am alone and isolated in the cell—and that time, that is the very ugliest time of my life, wasting my prime years in the prison. So I cannot speak English very well. I have been wasting my time in and out of the prison.

Mr. LEACH. Thank you. One of your fellow panelists has suggested that, although most people resent the military, there is no active opposition today. Would you care to comment on that? Do you think that is a fair description or an unfair description?

Ms. SAN. Yes, sir. We have, as you see on the screen, we have all of the Burmese people supporting us, and Aung San Suu Kyi has the capacity to do all of the things, and she can bring democracy, peace, and tranquility in our country. She is not the only one. She has a mandate from us. Our offices are closed up until now, so we cannot do our activities freely. We have to collect our bills in some—fee. She can express—

Mr. LEACH. For the record, could you give us your name?

Ms. OMAR. Yes, I will. My name is Kim Omar, and I will do the translation of what Daw San San has said. Basically, she said the NLD offices have been closed down since after the massacre Depeyin and that the NLD members, in spite of all of these restrictions and the offices being closed, they have been trying to meet at the social functions, including, like, funerals and at the monastery and places like that.

Mr. LEACH. Well, I am reminded of a statement that was presented for the record by another member of this body, an editorial by Vaclav Havel, who was probably the greatest literary statesman of the last half century. In referring to Burma, having looked at some of the pictures of the type that we showed, he asked the question:

“How can you, a mere handful of powerless individuals, change the regime when the regime has at its hands all the tools of power, the army, the police, the media; when it can convene gigantic rallies to reflect its people’s support to the world in pictures to leaders everywhere, and any effort to resist seems hopeless and quixotic?”

He says,

“My answer was that it was impossible to see the inside clearly, to witness the true spirit of the society and its potential and possible because everything was forged. In such circumstances, no one can perceive the internal, underground movements and processes that are occurring. No one can determine the size, the snow ball needed to initiate the avalanche leading to the disintegration of the regime.”

Now, the reason I repeat this of Havel—this is his observation about Burma, making an analogy to Czechoslovakia—that one has the sense that despite the curtailments on meeting, the people still have a very powerful spirit, and this is something that this Congress very much respects and wants to indicate great honor towards, and we are particularly appreciative of your testimony

today and your coming such a long distance to express your feelings on behalf of the Burmese people.

Let me turn for a second to several other panelists. With regard to another situation in the world, North Korea, the United States has, in a sense, drawn a line in the sand; in another sense, we have initiated six-party talks to deal with the North. With regard to Burma, there are regional talks, four-party talks, of neighboring countries. Do you think, whether or not one has a firm line drawn in the sand, that a multiparty talk situation would be helpful, or would it be very counterproductive? For example, one can visualize China, India, Britain, the United States, Thailand, and Burma talking together. Would that be an indication of weakness, an indication of strength, an indication of practicality or impracticality? Mr. Steinberg, how do you look at that?

Mr. STEINBERG. Thank you, sir. Some years ago, I suggested that since the cardinal concern of the military in Burma was national unity, which they will not achieve, given the way they have been going in the past, I thought that if all of the neighbors of Burma were to get together with the United States and simply reaffirm the boundaries of the country, reaffirming, in fact, the status quo, saying that we do not want to see the breakup of this country, that might reassure the rulers of the country that we do not have ulterior motives and the other countries do not have ulterior motives on their society.

If we go back into history, every one of the countries around Burma and the United States, in clandestine support of the Koomintang (Chinese nationalists) in 1949-51 and so forth, and the British all at one time or another were advocating rebellion or insurrection by minority groups. The Burmans themselves, the majority in the country, were the ones who were isolated. All of these minorities have ethnic relatives across borders. The borders are arbitrary. And the result is that the Burmans have felt beleaguered. We need to reassure them that this is not something that the U.S. is interested in.

We do not want to see the Balkanization of that country. That would be a disaster. We do want to see equitable treatment of the minorities, and I think we should devote ourselves, in part, at least, to that, and this would be one way of trying to get people together to do the obvious. Sometimes the obvious is necessary.

Mr. LEACH. Well, unrelated to the question of sanctions, you, Mr. Malinowski, do you think it would be appropriate to have other kinds of political discussions with the Burmese? We have the U.N. special envoy. Is this helpful? Is it constructive?

Mr. MALINOWSKI. In my last existence as a U.S. Government official, I actually worked on getting that U.N. envoy, Mr. Rizali, appointed. I have always supported diplomatic engagement with the Burmese government. I think it is very important for the U.N. to be involved, for the regional actors to be involved, but it is not simply who is involved; the question is, what is their message? And it is very important that, number one, we do not allow regional actors, particularly the new Thai prime minister to lower the bar, in effect, to send a message to the generals in Rangoon that the international community will accept less than respect for human rights in a genuine transition toward democracy.

And it is very important that the message from the international community be unified so that the generals are not hearing one thing from the Thais and one thing from the Japanese and one thing from the Australians and one thing from the United States because if that happens, they will wait for the best-possible offer, and we may find them waiting forever. That was really the point of having a U.N. envoy, to try to have a unified message to back up the tough policy of sanctions that the U.S. and the EU have been pursuing, and I still feel that is very important.

Mr. LEACH. Does anyone else wish to comment on the diplomatic side? Yes, Mr. Pedersen.

Mr. PEDERSEN. No. I just wanted to state perhaps the obvious, that I think we can all agree that it would be the best if all countries could go to the Burmese military government with the same message, but if that is, in fact, something we generally want to work for, then it will require a compromise between the western position and the regional position, which means that the West would have to lower their demands while trying to get the region to perhaps strengthen some of theirs. So I guess we have to ask ourselves, are we prepared to do that?

Mr. MALINOWSKI. Could I comment on that briefly, Mr. Chairman?

Mr. LEACH. Of course.

Mr. MALINOWSKI. I do not see how it is possible to lower our demands beneath the very low bar of asking for dialogue between the government and its opposition. I think if we lower our demands beneath that level, we will be in a realm that the United States and countries concerned about democracy in Burma should absolutely not be.

We have to remember, what is being asked for here is extraordinarily reasonable, and it reflects extraordinary compromises by the Burmese democratic opposition, which is, in effect, merely asking for a process in which it will participate, a negotiated process of compromise leading to a political transition, not instant regime change but a political transition that involves the people of Burma. We should not lower the bar beneath that level.

Mr. LEACH. Well, Ms. Martin, let me turn to the issue of refugees, which has become so stunningly consequential and appears to be worsening. Is there more the United States can do? Is there more the United States Congress should be doing?

Ms. MARTIN. I think there are three issues that are very critical at this time, and I would like to see the United States Congress take action in regards to working both with Thailand to encourage the Thai government in its treatment of Burmese and also in monitoring the United Nations High Commissioner for refugees in its obligation to conduct protection activities, if you will allow me to review those three issues.

The first is the repatriations, which I think are premature and unwise. The SPDC has provided no evidence that it is treating ethnic people with any greater respect for human rights. As a matter of fact, human rights abuses are ongoing even during the cease-fire talks. So I appreciated Representative Rohrabacher's statement that repatriation is akin to sending people back into the hands of its torturers. I think that is something we have to consider.

This has to be a very slow process, a very transparent process, and I think that Thailand is pushing for returns this year, possibly in the next 6 months, and that UNHCR, although acknowledging that conditions are not ready for repatriation, has stated that it might be willing to facilitate those repatriations which is very disconcerting.

The second issue is this most recent decision of UNHCR to abdicate its protection responsibility of conducting status determinations of refugees. This is now going to be done by Thailand, using a completely inappropriate definition of fleeing active fighting. The result is that people like Daw San San, people who have actually been tortured or raped, are no longer defined as refugees and do not get any documentation to be allowed to stay in Thailand. As a matter of fact, Thailand has said they will deport such people.

So to allow Thailand to conduct these determinations raises serious concerns about UNHCR's ability to offer protection and also is very disconcerting in terms of Thailand's use of the definition of fleeing fighting, which is incredibly narrow.

And the final issue are the urban refugees. The UNHCR and the Thai government have agreed that all Burmese must live in camps. So it would be interesting to ask Daw San San how she would feel living in a refugee camp a few miles from Burma, from the Burmese troops, and from Burmese intelligence agents. This is effectively what this policy has agreed to do.

Mr. LEACH. Daw San San, would you like to comment on the refugee issue?

Ms. SAN. Our maximum and minimum requirement is dialogue. Daw Suu has repeatedly said time and again that before a national reconciliation process will take place, we will have to start off with a dialogue. Without the talks, there can be no national reconciliation.

Aung San Suu Kyi recently expressed that she wanted dialogue before the convening of the national convention. She would like to discuss the issues: The delegates to the national convention to be chosen freely by each group concerned; freedom of discussion and freedom of activities during the NC, national convention; and to lay down democratic principles in order to establish a new democratic union; and freedom of meeting among the leader of the United Nationalities prior to the convening of the national convention. That will end all of the troubles caused by the rejection of the military, not to honor the election results.

I can live anywhere. A refugee camp is better than the prison. I do not want to stay in a refugee camp.

Mr. LEACH. Fair enough.

Let me thank you all. There is nothing more difficult than to come to a legislative body and not be perfect in the language of the country in which you have come, and so we thank you for your patience with the questions. I want to thank the panel for a very thoughtful review and some dissension of judgment, which is a respectable American phenomenon.

This is an issue that is vital to a country for which we have an enormous amount of respect. It is also an issue that is of an extraordinary, international, humanitarian dimension and that, tragically, appears to be worsening. From a policy perspective, it is not

100 percent clear that one policy versus another is better or worse, but sometimes we have a tendency to blame the policy from the outside. This is a matter of enormous responsibility of the Burmese government, and it is hard to give them any sympathy whatsoever, and, hopefully, it will become so transparent to the Burmese people that we can have change, but it is difficult from the outside to know exactly how to impinge.

So I appreciate all of your testimony, and we thank you for coming. The Committee is adjourned.

[Whereupon, at 4:30 p.m., the Subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE ELTON GALLEGLY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, SUBCOMMITTEE ON INTERNATIONAL TERRORISM, NONPROLIFERATION AND HUMAN RIGHTS

I would like commend Mr. Leach, the Chairman of the Subcommittee on Asia and the Pacific, for his leadership in calling this important hearing today. The Subcommittee on International Terrorism, Nonproliferation and Human Rights is closely following the situation in Burma and I appreciate that this hearing is being held as a joint hearing by both of our subcommittees. Last October a series of timely and informative joint hearings on Burma were held by our subcommittees, and this follow-up hearing is crucial for continued Congressional oversight of United States policy towards Burma.

I look forward to hearing the current status on the issues raised during the previous hearings, including Burma's relationship with North Korea and possible acquisition of arms, the status of the proposed construction of a nuclear reactor, the flow of illegal drugs, the trafficking in persons situation, as well as the plight of ethnic minorities, refugees and internally displaced people, and the current status of the spread of HIV/AIDS.

Additionally, it is now almost eight months since the Burmese Freedom and Democracy Act became law. I look forward to hearing the witnesses' views on the effects of the law on the Burmese regime and what additional actions can be taken to further United States' efforts to assist in the promotion of democracy and human rights in Burma.

Earlier this month, President Bush stated, "We stand with courageous reformers. Aung San Suu Kyi is a courageous reformer and a remarkable woman who remains under house arrest for her efforts to bring democracy to her nation." She and others in top leadership positions with the National League for Democracy (NLD) remain under house arrest or in prison for their efforts and NLD political offices remain closed. We must continue to work to secure their release through international forums and bilateral engagement with other governments.

Finally, Congress appropriated \$13 million for fiscal year 2004 to support democracy programs, including humanitarian assistance, for the people of Burma. I look forward to hearing how those funds are being distributed and the impact of the United States government's assistance program on the people who are the victims of this repressive regime.

Again, I appreciate Mr. Leach's focus on this important issue and I yield back the balance of my time.

PREPARED STATEMENT OF THE HONORABLE JOSEPH R. PITTS, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

Thank you, Mr. Chairman, for holding this important hearing on *Developments in Burma*. Numerous reports from human rights organizations and other international bodies clearly show that the violations perpetrated by the military dictatorship against the people of Burma continue unabated. Rape, forced labor, forced military service, destruction of villages, destruction of food sources, and murder are commonly used by the dictatorship to severely oppress people throughout the country.

Last October, we had a hearing on Burma in which, again, witnesses shared reports about the horrific methods the Burmese military uses to intimidate and control the people. I have stacks and stacks of reports spanning a number of years, in-

cluding this year, in my office. I continue to wonder what our government and the international community are waiting for before taking specific, deliberate action to show the SPDC that its time in power is coming to an end. While the world sits around debating whether or not Burma is important, or whether or not pressure should be increased to urge the regime to continue the tri-partite dialogue, people in Burma are dying.

Little children are deliberately being raped and murdered by the Burmese military. How many brutal rapes and murders will it take to force us to act?

I am a firm believer in free trade and in engagement with other nations. In relation to Burma, however, I fully support the sanctions we have in place and the urgent need for increased pressure on the SPDC to relinquish its hold on power and to allow the democratically elected government to take its rightful place in Rangoon. The United Nations has sent special rapporteurs and other officials to meet with the SPDC, yet there is not much progress to show for all their discussions with the dictatorship. I do not have much hope that the military regime will ever change. Year after year, they have shown their ability to take a few positive steps then immediately reverse course and launch lethal attacks against villagers in the jungles. Only deliberate and decisive action by the international community will help the regime realize they must cooperate.

Last year, the Burmese Freedom and Democracy Act of 2003 overwhelmingly passed the House and Senate. In addition, recent statements by President Bush and Secretary of State Powell have reiterated Administration support for the democracy movement in Burma. I commend our government's support for programs assisting the refugees and democracy groups. It is vital that we continue and increase our support for and assistance to the democracy organizations, ethnic groups, and refugees. However, I would like to reiterate my concern about our lack of assistance for the IDPs, particularly in light of the ruthless Burmese dictatorship's campaign of ethnic cleansing, perhaps even genocide, and the lack of support for the organizations and people who give much-needed humanitarian assistance to the IDPs. The plight of the IDPs must be addressed at the highest levels of the international community, including our government and the United Nations.

I am concerned by statements that Burma's democracy movement and the U.S. government have been inflexible and unreasonable in dealing with Burma's military regime. How can anyone be more inflexible and unreasonable than the SPDC, except perhaps the tyrant running North Korea? The demands of the democracy movement, led by Aung San Suu Kyi and the National League for Democracy (NLD), and the demands by the United States have been very clear and simple—these demands have been reiterated in consecutive UN General Assembly Resolutions: a tripartite dialogue which leads to a transition to democracy. Simply put, this means that the military regime, the democracy movement, and Burma's ethnic groups must all sit down together and devise a plan that solves the conflict and brings stability to Burma's political situation. That is a very reasonable and measured demand.

Further, I am concerned by discussions regarding sending humanitarian aid to be distributed by the dictatorship of Burma. I fully support humanitarian aid to the people of Burma, but the government of Burma cannot be trusted to distribute the aid. Any aid provisions to the military regime or its network of government "NGOs" will not reach the people of Burma and could easily free up monies for the regime to use on weapons and their ever-increasing intelligence apparatus. Any assistance monies from the US and the international community must go through reliable organizations and not the dictatorship. Despite statements to the contrary, it is difficult to find reports that substantiate a plethora of "good guys" in the Burmese junta. The so-called lead "reformer" is the head of military intelligence, which is responsible for jailing and torturing political prisoners. And, the general, Soe Win, that led last year's attack against Aung San Suu Kyi and her NLD supporters, was not pushed out of office—he was promoted! As the old saying goes, actions speak louder than words. Our government should NOT give assistance in any form to the Burmese junta.

The U.S. and the international community need to press for the immediate and unconditional release of all political and religious prisoners, send monitors to Burma, pursue prosecution of those responsible for the crimes against humanity, press for the immediate end to deportation of democracy groups back to certain death in Burma, press strongly for the recognition of the democratically elected government of Burma, and send international peacekeepers to Burma.

The Congress and this administration have expressed their unequivocal support for Burma's democracy movement. That support must be continued.

I look forward to hearing from today's witnesses. I would especially like to commend the courage and bravery of our fellow elected representative, Daw San San, who has come all the way from Southeast Asia to join us today. As an elected mem-

ber of parliament, we applaud and support you for refusing to abandon your principles. Thank you for being here today to speak on behalf of the people of Burma. In addition, I would like to commend and thank Ms. Veronika Martin and Refugees International for their tremendous work on Burma issues.

SUBMITTED FOR THE RECORD BY THE HONORABLE JOSEPH R. PITTS, A
REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

THE SOUL OF A NATION

By Vaclav Havel
Washington Post
Sunday, October 12, 2003; Page B07

Just recently friends of mine sent me a couple of photographs of Aung San Suu Kyi. The nonviolent struggle of this woman for her fellow citizens' freedom dwells in my soul as a stark reminder of our struggles against totalitarian regimes in Central and Eastern Europe.

Our nation, the Czech Republic, together with the entire free world, has observed with great concern the Burmese junta's refusal to cede power and the subsequent brutal intervention to quell the protest of its citizens after the victory of Suu Kyi's National League for Democracy in Burma's 1990 elections.

The Burmese authorities began to allow her to move around her own country only a year ago. It was then that the photos that have so captured my interest were taken. Despite the ban on information about her and despite the junta's intimidation, the Burmese people have always learned quickly by word of mouth of her presence, and thousands upon thousands of citizens overcame their fear and gathered upon this occasion to listen to her.

I have seen other photos from Burma as well, showing men in uniforms who demand to be celebrated as if they were ancient kings, appearing before staged audiences that betray the motivations of fear and resignation. These men—armed to the teeth—shudder at the sight of unarmed people who are able to overcome their own fear and stand as examples to others. They were so terrified to see the photos of the crowds hailing Suu Kyi that they blocked the road, slaughtered many of her fellow travelers and detained her in May. Perhaps they have foolishly convinced themselves, as many of their fellow dictators have, that their ungrateful nation cannot see the good they do.

I recall that my friends and I for decades were asked by people visiting from democratic Western countries, "How can you, a mere handful of powerless individuals, change the regime, when the regime has at hand all the tools of power: the army, the police and the media, when it can convene gigantic rallies to reflect its people's 'support' to the world, when pictures of the leaders are everywhere and any effort to resist seems hopeless and quixotic?"

My answer was that it was impossible to see the inside clearly, to witness the true spirit of the society and its potential—impossible because everything was forged. In such circumstances, no one can perceive the internal, underground movements and processes that are occurring. No one can determine the size of the snowball needed to initiate the avalanche leading to the disintegration of the regime.

There are many politicians in the free world who favor seemingly pragmatic cooperation with repressive regimes. During the time of communism, some Western politicians preferred to appease the Czechoslovak thugs propped up by Soviet tanks rather than sustain contacts with a bunch of dissidents. These status-quo Western leaders behaved, voluntarily, much like those unfortunate people who were forced to participate in the massive government rallies: They allowed a totalitarian regime to dictate to them whom to meet and what to say. At that time, people such as the French president, Francois Mitterrand, and the Dutch minister of foreign affairs, Max van der Stoep, saved the face of the Western democracies by speaking and acting clearly. By the same token, politicians such as Japan's Prime Minister Junichiro Koizumi and Philippine Foreign Secretary Blas Ople redeem the Asian reputation by not hesitating to speak the truth. The regime in Burma is, as a matter of fact, the disgrace of Asia, just as Alexander Lukashenko's regime in Belarus is the disgrace of Europe and Fidel Castro's regime in Cuba of Latin America.

In Burma, thousands of human lives have been destroyed, scores of gifted people have been exiled or incarcerated and deep mistrust has been sown among the various ethnic groups. Human society is, however, a mysterious creature, and it serves no good to trust its public face at any one moment. Thousands of people welcomed Suu Kyi on her tours, proving that the Burmese nation is neither subjugated nor pessimistic and faithless. Hidden beneath the mask of apathy, there is an

unsuspected energy and a great human, moral and spiritual charge. Detaining and repressing people cannot change the soul of a nation. It may dampen it and disguise the reality outwardly, but history has repeatedly taught us the lesson that change often arrives unexpectedly.

“To talk about change is not enough, change must happen,” said Suu Kyi during a tour among her people. The Burmese do not require education for democracy; they are and have always been ready for it. It is not necessary to draft a “road map” for establishing freedom of the press or for releasing political prisoners. The will to act now would be sufficient to fulfill both. But that is apparently what is missing in Burma. Aren’t there obvious flaws in a road map if the road for those who set forth on the journey to democracy is blocked and if they are slaughtered or inevitably end up in prison?

The writer is former president of the Czech Republic.

ARCHBISHOP DESMOND TUTU, SOUTH AFRICA

“Burma’s military regime has tested the will of the people of Burma; despite intimidation and violence, the people’s desire for freedom and democracy remains strong. Our brothers and sisters in Burma realise that non-violent resistance does not mean passive resistance. Sadly, tyrants choose not to understand the language of diplomacy or constructive engagement, but rather respond only to the action of intense pressure and sanctions.

As in South Africa, the people and legitimate leaders of Burma have called for sanctions. In South Africa when we called for international action, we were often scorned, disregarded, or disappointed. To dismantle apartheid took not only commitment faith and hard work, but also intense international pressure and sanctions. In Burma, the regime has ravaged the country, and the people, to fund its illegal rule. Governments and international institutions must move past symbolic gestures and cut the lifelines to Burma’s military regime through well-implemented sanctions.

I maintain my belief that no one or no government should wait to take action; the journey begins with one step. Businesses and governments have a choice if they want to do business with the oppressive regime in Burma, or not. Business with the regime puts weapons in the hands of those who massacred thousands in 1988; are responsible for creating more than a million Internally Displaced People who cannot find shelter and security in their own country; those who systematically rape women. It funds the vast intelligence system, the disgraceful incarceration and torture of Burma’s freedom heroes, and the egregious human rights violations perpetrated against Burma’s ethnic nationalities. Individuals and governments must take a stand against tyranny and those who protect and fund it.

Apathy in the face of systematic human rights abuses is amoral. One either supports justice and freedom or one supports injustice and bondage. Let us not forget that our responsibility is not complete until the people of Burma are free. At a time when the military is professing promises of freedom, one should bear in mind that actions speak louder than words. Freedom cannot be obtained through a process embedded in discrimination and persecution. I am deeply concerned for my courageous sister, Aung San Suu Kyi, and the more than 1,000 political prisoners, who have remained steadfast and true to non-violent principles, but are being kept isolated from the people of Burma and the international community. Their silenced voices are the most eloquent persuasion that the time to stand for their freedom is now.

If the people of South Africa had compromised the struggle against apartheid, we may never have gained our freedom. In Burma, to settle for anything less than freedom and justice, for the democratic participation of all people, would be to accept the presence of oppression and to dishonour our brave brothers and sisters who have dedicated themselves to the future of a democratic Burma.

I believe that truth and justice will prevail. Let a deep sense of faith and commitment to our principles guide our actions and sustain our hope. Sowing the seeds of justice may not be easy, but the harvest will be abundant.

“The people of Burma will be free.”

This was written as a forward for a report on sanctions in Burma released by Altsean-Burma in November 2003

RESPONSES FROM THE HONORABLE LORNE W. CRANER, ASSISTANT SECRETARY, BUREAU OF DEMOCRACY, HUMAN RIGHTS AND LABOR, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA

Question:

Some have argued that actions by the military to crush the opposition National League for Democracy (NLD) have left the party "a shell" of its 1988-1990 self. What is your assessment of the institutional strength of the NLD, the vitality of its central leadership, prospects for a new generation of leaders and continued popular support within Burma?

- *Below the level of the Central Executive Committee for the NLD, can you identify emerging young party leaders?*

Response:

The thousands of Burmese who turned out to see Aung San Suu Kyi on her travels across the country in the run-up to the attack on May 30, 2003, dramatically demonstrated the continued popular support for her and the NLD in Burma. The leaders of the NLD are not bowed by the restrictions they face, nor are they deterred by the junta's continued intransigence; they remain prepared for their role in the reconciliation process. The NLD is also grooming a younger generation for increased responsibility, and we are assisting in those efforts. We have provided funding to NGOs to provide scholarships to hundreds of Burmese refugee students in order to strengthen the next generation of Burmese democrats.

From May 2002 to May 2003, the NLD made progress in opening offices around the country. We will continue to stand behind the NLD as they lead the fight for freedom. As Secretary Powell said last month, "Let me now tell all true Burmese patriots that we are with you still...Burma's day of democracy will come. We continue to work to assist the NLD develop the skills necessary to guide Burma toward democracy."

Question:

I understand that funding for democracy work has been provided through the National Endowment for Democracy. The NED, in turn, has provided sub-grants to approximately 30 Burmese pro-democracy works.

- *Which of these sub-grants, and what percent of our total democracy funding, endeavors to build institutional capacity within the NLD and other opposition parties?*
- *Likewise, which of these sub-grants, and what percent of our total democracy funding, endeavors to build institutional capacity within the NLD and other opposition parties for actual governance of the country (in the event that a peaceful political transition were to occur)?*

Response:

We do not provide funding to the NLD or other registered opposition parties inside Burma. Doing so would increase the already tremendous risks they face and likely lead to their deregistration.

We are providing \$2.5 million to the National Endowment for Democracy (NED) in FY 2003 for democracy work. Of this, approximately \$750,000 funds projects dedicated to building the capacity of various Burmese and ethnic minority democracy-promoting organizations in refugee communities, including student associations and trade unions, whose members support the NLD and other opposition parties. In its programming decisions, NED targets organizations that have a demonstrated ability to reach audiences inside Burma. An additional \$195,000 supports transition planning initiatives and other endeavors to prepare many of Burma's future leaders for good governance after the long-awaited transition to democracy. For more detailed information on these sensitive programs, we refer you to NED.

We have consulted with Aung San Suu Kyi and other opposition leaders on our programming options inside Burma, and we will continue to do so. The Burmese democrats themselves, who have risked their lives and suffered for the cause of democracy in Burma, have the strongest authority to comment on what is needed to bring democracy to Burma. We must continue to listen to them and continue our support for the democracy movement in every way we can, inside the country whenever possible and within the refugee community.

In addition to the democracy programs we support through NED, we also give grants to other organizations for democracy promotion activities both inside and outside of Burma. We provide funding to Internews for the training of Burmese jour-

nalists and to Voice of America and Radio Free Asia for Burmese services. We also provide funding to the Open Society Institute and to Prospect Burma for scholarships for Burmese students to study law and governance in Thailand and the U.S.

The establishment of democracy in Burma is a priority U.S. policy objective in Southeast Asia, and to achieve this objective the U.S. must maintain its consistent support of Burmese democracy activists, employing a variety of tools to assist them.

Question:

The United States is able to carry out democracy programs in the People's Republic of China, an authoritarian one-party state controlled by the Chinese Communist Party. If Congress were to authorize the provision of democracy assistance within Burma itself, what policy or operational constraints, if any, would inhibit the obligation of such funds? To put the question differently, what factors do you believe distinguish Burma from the PRC with respect to the provision of democracy assistance?

- *To the extent you believe these policy constraints exist, how did you make such a determination? For example, has DRL recently sent staff to Burma to assess prospects for providing such assistance within the country?*

Response:

China and Burma are different. China has introduced limited structural reforms, including village elections, public hearings, and judicial reform. These initiatives have created enough space for democracy assistance funds to have an effect. Such opportunities are not available today in Burma.

Congress already authorizes the provision of democracy assistance within Burma, and we were able to expand activities inside the country when political space briefly opened up last year.

Our ability to work inside Burma is hampered by a number of other factors, not just by concern for the safety of those who would be involved in democracy-related activities. Nonetheless, we continue to provide educational and other opportunities for people in Burma via, for example, our scholarship programs and American Center activities. A final point to be made is that Burma has an advantage over China: a democratically elected government that was not allowed to take power. The NLD won the 1990 elections by a landslide. These factors affect our different approaches.

Department of State officials, including those posted to our embassy in Rangoon and officers traveling from Washington, are constantly assessing the prospects to expand democracy assistance inside Burma without endangering the activists involved. The Administration is committed to working for a democratic Burma, one in which the government truly represents its people.

RESPONSES FROM THE HONORABLE LORNE W. CRANER, ASSISTANT SECRETARY, BUREAU OF DEMOCRACY, HUMAN RIGHTS AND LABOR, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE JOSEPH R. PITTS, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

Question:

Please explain whether or not there has been a comprehensive, detailed study regarding the impact of U.S. sanctions on those working in the sex trade as compiled by the U.S. Embassy in Rangoon. In addition, could you address claims that 25,000, mostly women, garment workers, were laid off as a result of the sanctions? What numbers does the U.S. government have related to the numbers of people who may be out of work?

Response:

Our ability to collect information on this subject is limited; therefore, we do not have a comprehensive study on the impact of U.S. sanctions on the sex trade. We have seen little evidence, however, that this is happening in any significant way.

It is important to note that Burma's dreadful employment situation reflects decades of economic mismanagement by the Burmese junta. Women regrettably continue to enter the sex trade or fall victim to trafficking in Burma and across the country's borders because of the junta's mismanagement and manipulation of the once rich Burmese economy.

Following the 2003 U.S. ban on Burmese imports, more than 100 garment factories, already in dire economic straits, that had relied on exports to the United States have now closed. There has been an estimated loss of around 50,000 to 60,000 jobs. However, over 40 U.S. companies had already voluntarily cut ties to Burma before the sanctions legislation, due to their serious concerns about the human rights situation and the economic conditions in the country.

When Burma is a democracy and the people are allowed to begin developing the economy instead of being oppressed by the short-sighted government, women's economic opportunities will expand and the human rights conditions under which they live will improve. We are working with the Congress to ensure that day comes soon.

Further information on the trafficking problem in Burma can be found in our June 2003 Trafficking in Persons report. Burma was designated as a Tier 3 country before the imposition of the ban on imports in August 2003. Further information on the impact of U.S. trade-related sanctions can be found in the Report on U.S. Trade Sanctions Against Burma, submitted to Congress on April 28, 2004. Both reports are available on the State Department website.

Question:

The Burmese Freedom and Democracy Act of 2003 stated that Burma's regime is participating in ethnic cleansing against the Karen and other peoples in Burma. At the same time, your office has documented the use of rape as a weapon of war by the Burmese dictatorship. These are prosecutable war crimes, and at some point we ought to think about going after this military regime on these points. What would you recommend as next steps regarding proceeding to initiate war crimes prosecution against the regime?

Response:

We take very seriously the reports of egregious human rights abuses by the Burmese military against members of certain ethnic groups. We document these abuses in our human rights report and have sent officials to investigate these abuses—including the rape of ethnic minority women. We continue to support UN Special Rapporteur Pinheiro in his efforts to oversee an independent international investigation into abuses in ethnic regions, but the Burmese junta has refused this initiative. We also support Burmese organizations that are involved in planning transitional justice initiatives for Burma once a political transition comes. Ultimately, it will be the people of Burma who must decide how to deal with justice for human rights abuses and national reconciliation. They will have our continued support.

Question:

What is your assessment of whether or not the sanctions are helpful for the democratic movement?

Response:

Continued pressure by the U.S. government sends a clear signal to the junta that the U.S. seeks reform. Such pressure also serves as a strong symbol of support for the members of the democratic opposition, as they continue their struggle inside the country. Many of those who have fled from the oppression inside Burma have supported the U.S. position and have called for other countries to follow the U.S. lead.

Question:

What is your perspective regarding the Burmese dictatorship's road map?

Response:

One year after the Depayin incident, the people of Burma remain no closer to reconciliation or accountability for human rights abuses. We note that a plan to hold a National Convention similar to the current Convention failed in the mid-1990's because the military retained control and it was not a democratic or transparent process. The democratic opposition and ethnic groups must be fully involved in both the design and implementation of any plan for democracy in Burma. This has not yet happened. An assembly, such as the convention now under way, that lacks participation by delegates of the democratic opposition and ethnic groups is not truly representative of the peoples of Burma and lacks legitimacy. We also note that the military junta has not provided any timetable for the steps it envisions in its road map.

Question:

What is your assessment of other available/information/sources on child soldiers?

Response:

We have no way of knowing the actual number of child soldiers in the Burma Army or in the ethnic minority forces. The testimonies of former child soldiers documented in various NGO reports on the subject paint a grim picture of life for young boys recruited into the Burma Army. We also know of specific cases of boys as young as 12 who were abducted off the streets of Rangoon, forcibly conscripted into the Burma Army and fled to Thailand in 2003. They are receiving help from appropriate UN organizations. Regardless of the number, the use of children in the mili-

tary is a serious problem and we will continue to press the Burmese regime to end the practice.

Question:

With regard to ethnic minorities, what do we know about the regime's treatment of ethnic minority groups in ceasefire areas?

Response:

We have reports of many of the same human rights abuses prevalent in conflict areas also occurring in ceasefire areas where the Burma Army maintains a large presence. We have reports of rape in Mon State, forced relocation in Karenni areas, religious persecution in Chin, Kachin and Rakhine states, and forced labor in all of these areas.

RESPONSES FROM MATTHEW P. DALEY, DEPUTY ASSISTANT SECRETARY, BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA, AND CHAIRMAN, SUBCOMMITTEE ON ASIA AND THE PACIFIC

Question:

As you know, questions arise from time to time about the specific objective of U.S. sanctions against Burma. Is the purpose of the sanctions to compel the Burmese military to recognize the results of the 1990 elections? Alternatively, is it to encourage the government to engage seriously in a dialogue with the democratic opposition and the ethnic minorities that will lead to progress toward a political transition and respect for human rights?

Response:

It is not clear whether the military junta intended to hand over power immediately to the winners of the 1990 election. The junta, then known as the SLORC, made a number of contradictory statements regarding the purpose of the elections. Aung San Suu Kyi stated on July 1, 1989, in an interview with Dominic Faulder of Asiaweek that whoever was elected would first have to draw up a constitution that would have to be adopted before the transfer of power. What was clear was that the huge support for the democratic opposition in the 1990 elections reflected the unmistakable desire of the Burmese people for change. This desire for change remains powerful, and we have consistently supported the Burmese people in their call for political transition.

The sanctions put in place in 2003 expressed the outrage of the U.S. government at the premeditated attack on Aung San Suu Kyi and her supporters on May 30 and show solidarity with the National League for Democracy. Sanctions are powerfully symbolic of U.S. interest in bringing democracy and an improved human rights situation to Burma and have been a key source of support for the morale of many democracy activists.

The Burmese Freedom and Democracy Act and other sanctions legislation list specific steps that should be taken before we can lift sanctions. These requirements, which include progress toward implementing a democratic government and ending violations of human rights, have not yet been met.

As Secretary Powell indicated on April 8 in a hearing of the Senate Appropriations Committee Foreign Operations Subcommittee, the Department supports renewal of sanctions.

Question:

Critics of current U.S. policy frequently allege that pressure and sanctions undercut the credibility of "those moderates" in Burma's military dictatorship "advocating reform and better relations with the United States." Do you have any evidence that there is a sizeable and/or influential cadre of "moderates" or "pragmatists" within the Burmese military? If so, what can you tell us about these individuals?

Response:

In response to U.S. sanctions, the Government of Burma has restricted the contacts its officials may have with U.S. officials. Thus, it is difficult for us to have the kind of discussions that might enable us to respond to this question with any precision. It is clear that the military is determined to continue to play an important role in governing Burma, particularly in regard to national security, and the political opposition understands that the military institution will have an appropriate

role in national security. How that role is defined will be central to success in the process of national reconciliation.

Question:

One of the witnesses on our second panel suggests that the U.S. and its partners should “press for a unified international diplomatic effort that offers the Burmese government a way out of its isolation if it embraces reform.” Has the U.S. government prepared its own performance-based and goal-driven “roadmap” for normalized relations with clear phases, timelines, target dates, and benchmarks aiming at progress? Why or why not?

Response:

The United States government has not prepared a road map. It has been our long-standing position that it is up to the Burmese people to make their own decisions about the appropriate path to national reconciliation. We have urged that National League for Democracy leaders be released from house arrest so that they can participate fully in planning for the development of a democratic government. We see little prospect under current circumstances that the international community will reach a unified position on strategy and tactics as opposed to goals and objectives.

Question:

Some have argued that actions by the military to crush the opposition National League for Democracy (NLD) have left the party “a shell” of its 1988–1990 self. What is the assessment of the U.S. government regarding the institutional strength of the NLD, the vitality of its central leadership, prospects for a new generation of leaders and continued popular support within Burma?

Response:

The leadership of the NLD remains prepared for its role in the reconciliation process. They are not bowed by the restrictions they face, nor are they deterred by the junta's continued intransigence. The images of thousands of Burmese coming out to see Aung San Suu Kyi on her travels across the country in the run-up to the attack on May 30 show continued popular support for the NLD in the Burman heartland and among the ethnic minorities. The NLD is grooming a younger generation for increased responsibility, and we're assisting in those efforts. With the closure of NLD offices and restrictions on its ability to operate, it is difficult to assess the current institutional strength of the NLD. With the damage done to Burma's educational system during years of military rule, the younger generation of leaders may not yet have all the necessary skills to perform to their potential. From May 2002 to May 2003, however, the NLD made considerable progress in opening offices around the country. We will continue to stand behind the NLD as they lead the fight for freedom. As Secretary Powell said last month, “Let me now tell all true Burmese patriots that we are with you still. . . Burma's day of democracy will come.”

Question:

If Congress were to authorize the award of scholarships to young Burmese (not intimately associated with the ruling military regime), what policy or operational constraints, if any, would inhibit the obligation of such funds?

Response:

The United States already offers scholarships to significant numbers of young Burmese through programs administered by the nongovernmental organizations, Prospect Burma and the Open Society Institute, as well as through the USG Burmese Refugee Scholarship Program. The Humphrey Fellowship Program is also already in place in Burma. The only existing limit on the use of such funds is the prohibition on the participation of government employees or officials in educational and cultural exchange programs per the Trafficking Victims Protection Act. Burma was placed in Tier 3 in the 2003 Trafficking in Persons Report. Burmese who benefit from the policies of the junta are subject to U.S. visa restrictions.

Students in these programs come from inside Burma, as well as Thailand, India, and other countries. In 2003 Prospect Burma sponsored 2 students from inside the country, 69 from Thailand, 65 from India and 41 from other countries; for the Open Society Institute, 1 student came from inside the country, 42 from Thailand, and 87 from India. There were four students from India in the Burmese Refugee Scholarship Program in 2003, while three Burmese came from inside the country as Humphrey Fellows.

Another USG program offering university-level correspondence courses for those Burmese students who may not have access to passports is in development and close to implementation.

Consideration should be given to initiating a Fulbright program in Burma that would bring young Burmese to the U.S. for graduate and post-graduate study.

Question:

If Congress were to authorize the provision of humanitarian assistance to assist internally displaced persons in Burma, what policy or operational constraints, if any, would inhibit the obligation of such funds?

Response:

The provision of humanitarian assistance to internally displaced persons in Burma could be limited by the access the Government of Burma grants to international NGOs who could undertake the work. For reasons of policy, USG funding would not be provided directly to the government under current circumstances. At the moment, the Burmese government imposes restrictions on travel to the regions with significant populations of displaced persons. However, UNHCR has recently received permission from the government to enter Karen State, Mon State, and Tenasserim Division and conduct limited operations. Although the International Crisis Group has commented that international NGOs have been able to operate in Burma without undue interference or subsidizing the SPDC, the USG and many other governments continue to be extremely cautious about ensuring that assistance provided through NGOs is very closely monitored, so that funds are not subject to diversion and mismanagement by the junta.

The Burma earmark in the FY-04 Foreign Operations Appropriations Act extended authorization to provide humanitarian assistance to internally displaced persons along Burma's borders. Although access to this population is limited, we intend to work with USAID to try and identify opportunities to provide limited humanitarian assistance to internally displaced persons along the border areas, where possible.

RESPONSE FROM MATTHEW P. DALEY, DEPUTY ASSISTANT SECRETARY, BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE, TO QUESTION SUBMITTED FOR THE RECORD BY THE HONORABLE DANA ROHRBACHER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Question:

Is the reduction in opium cultivation due to the weather or to actions by the GOB? What is happening with the production of methamphetamines in Burma? How involved is the Burmese military in the production of drugs there? You have said the evidence does not support the conclusion that opium is used as exchange for weapons between Burma and North Korea. Is there evidence that it supports the opposite conclusion? Why are we bending over backwards to make statements that are positive about the nature of the regime that controls Burma?

Response:

The production of drugs, both opium and methamphetamines, in Burma remains a serious problem. It is a problem that the Government has recognized and has made some efforts to address. Over the past several years, the Burmese have extended significantly their counternarcotics cooperation with other countries and multilateral organizations and have stepped up law enforcement activities in their own country. However, much of the drug production in the country takes place in parts of the country outside the direct control of the central government. A complicating factor is that some groups, such as the United Wa State Army, use drug money to fund their very well equipped armies. There is no short-term solution to this problem short of massive military intervention, a course of action that we do not endorse.

Burma is the world's second largest producer of illicit opium, although it lags far behind Afghanistan in terms of both area under cultivation, yield per hectare and total output. According to the United Nations Office on Drugs and Crime (UNODC) (www.unodc.org/pdf/publications/myanmar-opium-survey-2003.pdf) and the joint USG-GOB opium yield survey (see "Southeast Asia: Making Strides in Opium Reduction), poor weather, enforcement of poppy-free zones, crop eradication, crop substitution, and a sharp shift towards synthetic drugs in both producing and consumer countries have combined to reduce cultivation levels by nearly 70 percent since the peak year of 1997. In 2003, weather was not a major factor in the declining poppy cultivation trend, yet the total land area under poppy cultivation in Burma was

47,130 hectares, a 39 percent decrease from the 77,700 hectares under cultivation in 2002, according to the USG estimate developed from the annual joint US/Burma opium yield survey. The UNODC estimates for 2003 were somewhat higher (62,100 hectares in 2003 vs. 82,400 hectares in 2002), but also indicate a decrease of about 25 percent. Using the USG estimate as a basis, estimated opium production in Burma totaled approximately 484 metric tons in 2003, a 23 percent decrease from 630 metric tons in 2002, and less than one fifth of the 2,560 metric tons produced in Burma in 1996 (an 81 percent decline in seven years). The USG survey also notes that although climate was not a factor in declining cultivation in 2003, improved weather conditions during critical growth periods did improve yields for the region's poppy farmers. In 2003, yields rose to 10.3 kilograms/hectare, a substantial increase from the previous year (estimated at 8.1 kilograms/hectare) and a return to the robust yields of the early and mid-1990s, though still below the peak level (15.6 kilograms/hectare) recorded in 1996.

DEA surveys (the DEA Signature Program and the DEA Domestic Monitor Program) indicate that heroin produced from Burmese opium accounts for less than two percent of today's U.S. heroin market, a large decline from over two-thirds of imports ten to twelve years ago. The State Department's assessment is that the GOB will continue the trend of reducing opium cultivation, since it is clearly in the interest of the GOB to limit the income, and thus independence, of heavily-armed narcotics trafficking groups, such as the Wa. However, traffickers and their organizations may merely be substituting more profitable and easily concealed methamphetamine production for opium.

Burma plays a leading role in the production and trafficking of amphetamine-type stimulants (ATS), including methamphetamine. Drug gangs based in the Burma/China and Burma/Thailand border areas annually produce hundreds of millions of methamphetamine tablets for regional markets on the basis of precursors imported from neighboring states. Burma itself does not have a chemical industry and does not produce any of the precursors for methamphetamine or other synthetic drugs. Precursors for refining these drugs are primarily produced in India, China, and Thailand—which are also the major markets for the refined products. In 2003 there were signs that a domestic market for ATS was growing in Burma, although deteriorating economic conditions will likely stifle significant growth in consumption. During the first ten months of 2003, ATS seizures totaled fewer than 4 million tablets, a decline from previous modest levels of approximately 10 million tablets seized per year. The increasing production of methamphetamines in Burma remains a serious concern, in particular for other countries in the region. Interdicting either the methamphetamines or the precursors, which come entirely from neighboring states, is a very difficult task.

Opium, heroin, and ATS are produced predominantly in Shan State, in areas controlled by former insurgent groups. Starting in 1989, the Burmese government negotiated a series of individual cease-fire agreements, allowing each group limited autonomy and a measure of development assistance in return for peace. Initially, these agreements permitted the former insurgents to continue their narcotics production and trafficking activities in relative freedom, reflecting, in many cases, the Burmese government's lack of acceptable options in the short term. Since the mid-1990s, however, the Burmese government has elicited "opium-free" pledges from each cease-fire group and, as these pledges have come due, has stepped up law-enforcement activities against opium/heroin in the respective cease-fire territories.

Although lower level officials, particularly army and police personnel posted in outlying areas, are widely believed to be involved in facilitating the drug trade, according to information available to the U.S. Government, there is no reliable evidence that senior officials in the Burmese Government are directly involved in narcotics trafficking activities. Some officials have been prosecuted for drug abuse and/or narcotics-related corruption. According to the Burmese government, over 200 police officials and 48 Burmese Army personnel were punished for narcotics-related corruption or drug abuse between 1995 and 2003. However, no Burma Army officer over the rank of full colonel has ever been prosecuted for drug offenses in Burma.

Despite press reports that the Burmese government is using narcotics to pay for arms from North Korea, available evidence does not support such a conclusion. Recent instances of seizures of heroin being trafficked by North Koreans could not be chemically traced to any location in Southeast Asia. Further details are available in a classified report to Congress. We continue to monitor the relationship between the two nations.

The Burmese government has in recent years made significant gains in reducing poppy cultivation and opium production. The GOB has cooperated with major regional allies in this fight and has built up the capacity to take action against drug traffickers and major trafficking organizations, even within the context of very lim-

ited resources. The USG recognizes that large-scale and long-term international aid—including development assistance and law enforcement aid—is necessary to help curb drug production and trafficking in Burma. However, ongoing political repression has limited U.S. support for Burma's counternarcotics efforts. This has been partially offset by increasing levels of counternarcotics support from other countries, including countries in the region and beyond.

RESPONSE FROM TOM MALINOWSKI, WASHINGTON ADVOCACY DIRECTOR, HUMAN RIGHTS WATCH, TO QUESTION SUBMITTED FOR THE RECORD BY THE HONORABLE JOSEPH R. PITTS, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

Question:

Your organization issued a well-documented report on Burma stating that it has more child soldiers (70,000) than any other country in the world. We all agree that Burma is amongst the world's worst abusers of human rights. Therefore, what would you include in any resolution to be offered at the current UN Human Rights Commission in Geneva?

Response:

The text of the resolution that was offered and passed during the most recent session of the United Nations Commission on Human Rights was strong and appropriate. The resolution called on the Burmese government to immediately release all political prisoners, to end forced displacement, cooperate with investigations of reported sexual abuse by the armed forces, and several other desperately needed steps to improve the human rights situation in Burma. In regards to child soldiers, the resolution rightly called for the end of the recruitment and use of child soldiers and cooperation with international organizations to allow for the children to return to their homes and be rehabilitated. At this point in time, we should be concerned with the implementation of all these steps, which are crucial to improve the lives of the Burmese people.

RESPONSES FROM VERONIKA A. MARTIN, POLICY ANALYST FOR EAST ASIA AND THE PACIFIC, U.S. COMMITTEE FOR REFUGEES, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE JOSEPH R. PITTS, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF PENNSYLVANIA

Question:

What would you recommend the United States government be doing to engage the UN High Commissioner for Refugees (UNHCR) and the Royal Thai Government regarding the deplorable situation facing IDPs?

Response:

1. The U.S. Committee for Refugees (USCR) recommends that Congress take the following actions to ensure that the UNHCR provide protection to all Myanmarese refugees pursuant to its mandate under the 1951 UN Refugee Convention:

- The UNHCR has taken premature steps to prepare for repatriation of refugees to Myanmar from Thailand. These UNHCR actions will endanger the refugees and compromise its UN protection mandate.

Congress should inform the UNHCR that Congress opposes UNHCR's preparations for repatriation and that Congress will not endorse, fund, or participate in any process that involves returns before conditions are safe for return. USCR urges Congress to insist on the following conditions before UNHCR makes any preparations for repatriation:

1. UNHCR should not initiate any activities in eastern Myanmar until UNHCR is able to verify directly and report publicly that conditions in the region are safe and conducive to return, particularly in remote areas where returnees are most vulnerable.
2. UNHCR should premise any work in eastern Myanmar on clear agreements with the Myanmar military regime, the State Peace and Development Council (SPDC), to respect the human rights of all returning refugees, including the right to own property, to freedom of movement, and to reside in their place of origin. UNHCR should insist that SPDC grant UNHCR unhindered access to returnees.

3. UNHCR should include refugees and Karen community-based organizations in all repatriation discussions in a significant and meaningful manner.
 4. UNHCR should immediately begin a grassroots information campaign in refugee camps that educates refugees of their rights, including the right to stay in Thailand until they feel it is safe to return to Myanmar. UNHCR should put into place mechanisms to monitor and report any harassment of refugees.
- The UNHCR has suspended its role in refugee status determinations for Myanmarese refugees in Thailand leaving many without the protection to which they would be entitled under the 1951 UN Refugee Convention.

Congress should insist that the UNHCR—rather than the Thai Government—play the primary and directive role in conducting all refugee status determinations. UNHCR should be present at all refugee status determinations and retain the authority to review and veto determinations it deems incorrect. Status determinations should be done pursuant to the Convention's refugee definition and not pursuant to the Thai Government's standard which excludes many who have a "well-founded fear of persecution."

- The UNHCR has agreed to the Thai Government's unwise decision to place Myanmarese leaders and activists in the border refugee camps, an act that will jeopardize their safety.

Congress should urge the UNHCR to insist that the Thai Government make special arrangements to protect Myanmarese leaders and activists, including ethnic individuals, who might be targeted by SPDC. The Thai Government should allow them to continue living in urban areas and grant them protection and travel documents.

- The UNHCR has been ineffective in preventing the Thai Government's regular practice of forcibly returning, or *refouling*, Myanmarese to Myanmar.

Congress should urge the UNHCR to play a more active presence at formal and informal deportations where activists and people facing persecution in Burma are *refouled*. UNHCR must respond more systematically and timely to requests from Myanmarese detainees contacting them from detention centers.

II. The U.S. Committee for Refugees recommends that Congress take the following actions to ensure that the Royal Thai Government protect Myanmarese refugees pursuant to the UN Refugee Convention and other international legal standards.

- The Thai Government has imposed greater restrictions upon Myanmarese leaders and non-governmental organizations (NGOs) operating in Thailand making it very difficult for them to provide assistance to Myanmarese refugees and internally displaced persons or report on atrocities inside Burma.

Congress should apply diplomatic pressure upon the Thai Government to allow Myanmarese leaders and NGOs to conduct their activities.

- The Thai Government continues to deport Myanmarese from Thailand without conducting adequate screening. As a result, Thailand has deported many individuals who would qualify as refugees pursuant to the Refugee Convention.
 1. Congress should insist that the Thai Government act in accordance with international legal instruments and norms, including respecting the principle of *non-refoulement*. The Thai Government should not deport any person who has a well-founded fear of persecution. The Thai Government must allow UNHCR or NGO monitors at both formal and informal deportations.
 2. USCR asks Congress to condition its passage of the Free Trade Agreement with Thailand upon the Thai Government's improved treatment of Myanmarese refugees.

III. Congress should support emergency humanitarian aid for internally displaced persons trapped inside Myanmar.

1. USCR urges Congress to stop the continuing human rights abuses, rapes, torture, extra-judicial killings, and other atrocities the SPDC and Myanmar military have committed against ethnic groups in eastern Myanmar.

2. USCR asks Congress to provide funding for Thai-based groups who support internally displaced persons.
3. USCR asks Congress to work with the Thai Government to ensure effective assistance to IDPs.

