

U.S. POLICY TOWARD BURMA: ITS IMPACT AND EFFECTIVENESS

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WEDNESDAY, SEPTEMBER 30, 2009

U.S. SENATE,
SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:30 p.m., in room SD-419, Dirksen Senate Office Building, Hon. Jim Webb (chairman of the subcommittee) presiding.

Present: Senator Webb.

OPENING STATEMENT OF HON. JIM WEBB, U.S. SENATOR FROM VIRGINIA

Senator WEBB. The subcommittee will come to order.

This afternoon the East Asian and Pacific Affairs Subcommittee will examine American policy toward Burma, with particular reference to that country's strategic importance; the economic impacts of sanctions and other policies; and the potential effectiveness of the administration's recent decision to adjust policies toward the Burmese Government.

As members of this committee are well aware, Burma sits at a crucial crossroads in Asia, sandwiched between India and China, with a long border next to Thailand and more than 1,000 miles of coastline along the Indian Ocean. This geostrategic position has greatly influenced Burma's history, and will continue to affect its long-term role in international politics.

It has also given Burma more than 100 different ethnic groups, and numerous geographic divisions within its borders, all of which have combined to bring a great deal of turbulence inside the country, including now more than six decades of constant civil war. Burma's internal tensions, and the effects of its geographic position between the giant states of India and China, were exacerbated even further by more than 100 years of British Colonial conquest, which ended in 1948 in the aftermath of World War II.

Then, as the newly independent country transitioned toward a democratic government, sectional and ethnic conflict and the assassination of national leader General Aung San instigated widespread instability, leading to a military coup against an elected parliamentary government in 1962. Since that time, Burma has been ruled by a military government, now called the State Peace and Development Council.

Despite enduring conflict, the Burmese people, including officially its present military government, still seek a transition to

civilian government and democracy. The student-led protests of 1988 demonstrated this desire to the world. In 1990, Aung San Suu Kyi's party, the National League for Democracy, won the majority of seats in an open election, but these results were annulled by the military government. In response to these events and to the military government's refusal to acknowledge the results of the 1990 election, the United States embarked upon a policy to isolate the regime and to impose economic sanctions. Over the past 20 years, these sanctions have steadily tightened, until now they have terminated nearly all commercial relations between our two countries.

Our diplomatic relations have likewise been restricted. We have not had an ambassador in Rangoon since 1992. These tensions are a far cry from the deep historical relationship that our country has shared with the Burmese people, evidenced by our cooperation during World War II to defend the Burma Road and to keep supply lines open to Allied forces, and our later cooperation to retrieve the remains of those Americans who had died and whose bodies have never been recovered. And yet, the promise of Burma's democracy remains unfulfilled.

It is within this historical and political context that I embarked last month on the first congressional visit to Burma in 10 years. This trip was part of a five-nation tour to assess American interests in the region overall and to advance the United States diplomatic, commercial, and cultural ties in that crucial part of the world. I first visited Burma as a private citizen in 2001, and even then was able to see firsthand the impact of our sanctions policy on the Burmese people. Last month, I became the first American official to meet with Senior General Than Shwe. I also had the opportunity to meet with Aung San Suu Kyi, who, unfortunately, remains under house arrest.

Since my return, I and my staff have held numerous meetings with groups representing the entire spectrum of views regarding our policy toward Burma. From these meetings and from years of personal thought and action, I believe it can fairly be said that almost everyone in the West and inside Burma share the objective of a democratic, stable, prosperous Burma. The question for us is, How do we make progress toward that goal?

Our isolation of Burma has resulted in a lack of attention to the region's strategic dynamics. Burma remains flanked by India and China, and is widely seen as being increasingly under China's sphere of influence. I believe that the political motivations behind our isolation of Burma were honorable, based on a desire to see democratic governance and a respect for human rights inside that country. At the same time, the situation we face with Burma is an example of what can happen when we seek to isolate a country from the rest of the world, but the rest of the world does not follow.

Through the limits of our diplomatic and commercial ties, we have also limited our connections with the people of Burma and prevented them from seeing the best that a free society can offer. We limit aid for their development and intellectual exploration. Moreover, we limit opportunities to push for positive change, because we do not talk directly to the government in charge. So, the question, quite frankly, is whether this approach has brought

Burma closer to democracy than when sanctions were first imposed.

In February of this year, Secretary of State Clinton recognized this impasse and ordered a review of administration policy toward Burma. This review has been concluded. The preliminary results were announced last week at the Friends of Myanmar meeting in New York. Secretary Clinton announced that the United States would end its isolation of Burma, would directly engage the military government. I believe that this redirection is timely. Her representative, Assistant Secretary of State Kurt Campbell, is here to present these results in more detail, and I welcome the opportunity to discuss them with him.

We are holding this hearing at a critical time. As I said to Burma's top leaders when I met with them in August, the world views the regime in terms of how it treats Aung San Suu Kyi. In order for the elections that are planned for 2010 to be perceived by the international community as credible, she and her party should be offered the opportunity to participate fully and openly in the process. Obviously, this could only be done if Aung San Suu Kyi is released from house arrest.

If the military government's announced intentions to hold elections in 2010 do indeed go forward, this could be a major and decisive step in the future of that country. I believe the United States should watch for signs of progress, that we should reserve hasty judgment, that we should do all in our power to encourage this election process to be free, fair, and transparent.

We and the international community must also be prepared to offer advice, counsel, and hopefully support in the interest of meaningful and stable long-term change.

To discuss these and other issues before the subcommittee we have two panels of distinguished witnesses today. First, as I mentioned, I'd like to welcome Assistant Secretary Campbell, who will speak on the first panel. On the second panel, I welcome Thant Myint-U, who has come today from Bangkok; Dr. David Steinberg; and Professor David C. Williams, all three of whom I will introduce in greater detail before the panel begins. I believe that their combined years of experience will help us capture the complexity of the situation that we face, as well as offer us guidance for the way forward in United States-Burma policy.

I thank our witnesses for being here with us today, and I look forward to their insights.

And again, I would urge my colleagues and others to seek a more effective approach toward our Burma policy, to listen today with open ears, and to encourage, with a spirit of goodwill, a new dialogue here in the Senate and a dialogue that would examine our objectives and take a fresh look at the efficacy of our policy toward Burma.

At this point, Senator Inhofe would be giving an opening statement. He is in another hearing at the moment, so I would ask that his opening statement be included in the record.

[The prepared statement of Senator Inhofe follows:]

PREPARED STATEMENT OF HON. JAMES M. INHOFE, U.S. SENATOR FROM OKLAHOMA

Thank you, Mr. Chairman, for holding this hearing today on U.S. policy toward Burma.

I understand that the Obama administration has apparently reexamined past approaches to our relations with Burma, and has decided upon a new policy of engagement. What that policy is and how it was arrived at I assume we will learn of today because up to this point there has been rather limited consultation with the Congress about it.

I find it curious that there is in fact a new engagement policy in light of the violent crackdown on widespread demonstrations in Burma in September 2007; the announcement of fraudulent results of a national constitutional referendum held in the wake of Cyclone Nargis in May 2008; ongoing allegations of nuclear proliferation cooperation between Burma and North Korea, and the arrest, detention, trial and sentencing of opposition leader and Nobel laureate Aung San Suu Kyi in the spring and summer of 2009.

As you know, since 1988, the United States has imposed a wide range of sanctions against Burma. By 2004, these restrictions had terminated nearly all economic relations with Burma. The main sanctions currently are: a suspension of aid, including antinarcotics aid; opposition to new loans to Burma by the international financial institutions, a prohibition on U.S. companies from making new investments in Burma since 1997; a ban on imports from Burma affecting mainly imports of Burmese textiles but also precious stones and raw materials; a ban on travel to the United States by Burmese connected to the junta; and a ban on U.S. financial transactions with individuals and entities connected to the Burmese Government. In response to the suppression of the prodemocracy uprising in Burma in September 2007, the Bush administration also issued a number of Executive orders imposing financial and travel sanctions on named Burmese officials, Burmese companies, and Burmese businessmen.

The United States has not had an ambassador to Burma since 1992 when this committee refused to confirm the nomination of an ambassador because of human rights abuses. Burma is also on the U.S. list of uncooperative drug-producing or transit countries. In 2006, the Bush administration succeeded in securing U.N. Security Council consideration of a U.S.-drafted resolution on Burma. The resolution called for the lifting of restrictions on civil and political liberties, the release of Aung San Suu Kyi and other political prisoners, negotiations between the ruling junta and opposition groups for a democratic transition, and a cessation of attacks and human rights abuses against ethnic minorities. However, China and Russia vetoed the U.N. resolution in January 2007.

Currently—or at least until yesterday when I understand Assistant Secretary Campbell met with the Burmese Attorney General and Science Minister up in New York—the United States strongly criticized the ruling military junta at international conferences attended by Burma, and we by and large refuse to meet bilaterally with Burmese counterparts.

Keeping in mind this diplomatic history and congressional involvement in imposing and enforcing multiple U.S. sanctions regimes on Burma, any new policy seeking engagement will be viewed with great suspicion from inside and outside of the legislative branch. And simply basing a new policy on the fact that an existing policy has not achieved the desired results is no basis for a new strategy.

Mr. Chairman, you have recently traveled to Burma and the region, and I have read that you have your own ideas regarding engagement. So in addition to listening to the administration's reasons for adopting a policy of engagement, I look forward to exploring your ideas today and in the months to come on this subcommittee.

Thank you.

Senator WEBB. And then I would like to go ahead and welcome Secretary Campbell.

Prior to his confirmation in June 2009, Secretary Campbell was a CEO and cofounder of the Center for a New American Security and concurrently served as a director on the Aspen Strategy Group. He has served in several capacities in government, including as Deputy Assistant Secretary of Defense for Asia and the Pacific; as a director on the National Security Council staff; as deputy special counselor to the President for NAFTA in the White House; and as a White House fellow in the Department of the Treasury. Secretary Campbell has been asked today to testify about the administra-

tion's new policy and how to chart a new course for American and Burma relations.

I appreciate you being here today, Secretary Campbell, and the floor is yours.

STATEMENT OF HON. KURT CAMPBELL, ASSISTANT SECRETARY OF STATE FOR EAST ASIA AND PACIFIC AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Mr. CAMPBELL. Thank you very much, Mr. Chairman. I appreciate this opportunity to appear before this committee. Thank you for your service in this capacity, and in many others to our Nation over a very distinguished career.

I'd like to formally submit my prepared testimony for the record, and, if I may, just summarize a few key points to give us an opportunity for some give and take, if that's OK.

Senator WEBB. Your full statement will be entered in the record at this point.

Mr. CAMPBELL. Thank you very much, Senator.

Mr. Chairman, thank you for inviting me here today to testify about United States policy toward Burma, and a possible new direction for United States-Burma relations in this critical period.

Let me take this opportunity to brief you on the overarching assessments that helped shape our review. The administration launched a review of our Burma policy 7 months ago, after Secretary Clinton's comments, recognizing that political and humanitarian conditions in Burma were deplorable. Neither sanctions nor engagement, when implemented alone, have succeeded in improving those conditions and moving Burma forward on a path to democratic reform. In addition to taking a hard look at the concerns regarding Burma's relationship internally, we've also looked at some issues associated with North Korea, particularly in light of the passage of U.N. Security Council Resolution 1874, and we can talk about that more in our subsequent discussion.

In the process of putting this review together, we've consulted widely throughout the review process with Congress; with other governments in the region, particularly in Southeast Asia, but also with China and India; key stakeholders such as nongovernment organizations, business leaders, academics; and representatives of international organizations. It's also important to underscore, we have consulted with the National League for Democracy and other democratic activists inside and out of Burma, and also representatives from various ethnic groups.

I think it's important to say, here, just a word about those consultations. Over the course of the last several days, as we've entered a critical period, and during the period where Secretary Clinton rolled out some of our early findings at the Friends of Burma last week, I think we heard quite clearly, from both staff and members, that the administration did not do a good enough job, particularly for the last phase, on consultation. I think that's absolutely right. And one of the things that's clear is that this policy, and the overall approach of the United States to Burma and to the region, has been very firmly grounded, not just in executive policy decisions, but also in the will and the engagement and the passion of the legislative branches. And so, we need, going forward,

to do a better job. And I want to personally suggest that I need to do a better job, going forward on this. And I commit to the people in the room, here, who work so hard on these issues, to do my best to attain a high goal of consultations, going forward.

The conclusions of our policy review, just announced this week, reaffirmed many of our fundamental interests in Burma. We, as you know, support a unified, peaceful, prosperous, and democratic Burma. While our goals in Burma remain the same as before, the policy review confirmed that we need additional tools to augment those that we had been using in pursuit of our objectives. A policy of pragmatic engagement with the Burmese authorities holds the best hope for advancing our goals.

A central element of this approach is a direct senior-level dialogue with representatives of the Burmese leadership. Through a direct dialogue we will be able to test the intentions of the Burmese leadership and the sincerity of their expressed interest in a more positive relationship with the United States.

The way forward will be clearly tied to concrete actions, on the ground and in the surrounding region, on the part of the Burmese leadership addressing our core concerns, particularly in the areas of democracy and human rights. In that respect, Senator, I'd like to associate myself with the statement that you have just made. We will work to ensure that the Burmese leaders have an absolutely clear understanding of our goals for this dialogue and the core issues in our agenda.

An improved United States-Burma relationship will require real progress on democracy and human rights. We will continue to press for the unconditional release of Aung San Suu Kyi and all political prisoners, an end to conflicts with ethnic minority groups, accountability of those responsible for human rights violations, and the initiation of a genuine dialogue among the Burmese Government, the democratic opposition, and the ethnic minorities on a shared vision for the way forward in Burma. This last issue is critical, since only the Burmese people themselves can determine the future of their country. Our intent is to use our dialogue with the Burmese authorities to facilitate that process. Only if the Government of Burma makes progress toward these goals will it be possible to improve our bilateral relationship in a step-by-step process.

Now, it's important to understand what recent steps have been taken. We held our first meeting with Burmese authorities in New York yesterday. I led the U.S. delegation along with Scot Marciel, my excellent deputy, and our team. And my counterpart on the Burmese side was U Thaung, the Burmese Minister for Science and Technology, and, as many of you know, the former Ambassador to the United Nations. The Burmese permanent representative to the United Nations also participated in the discussion, as well as a few other individuals who came in specially from the capital for these sessions. These were substantive talks over several hours that lasted into the evening. We laid out very clearly our views, and I stressed to U Thaung that this is an opportunity for Burma, if it is ready to move forward.

This was an introductory meeting, I want to underscore that. It will take more than a single conversation to resolve our differences, and we have not yet scheduled a second session, and no decisions

have been made about venue or level for the next set of talks. And we will keep you informed as this process moves ahead. Already, after about 16 hours since the conclusion of these discussions, I've had many people ask me the question, "Now, what are you going to do when these talks fail?" I would simply say, we're at the very early stages of this. Let's give this at least a little bit of a chance, going forward.

In parallel to the dialogue on our core democracy, human rights, and nonproliferation concerns, we hope to identify some initial positive steps the Burmese could take in other areas that would help build momentum in the talks and could potentially allow the United States to respond in an appropriate manner. There are a number of areas in which we've had a tentative discussion. We might be able to improve cooperation to our mutual benefit, such as in the area of counternarcotics, health issues, environmental protection, the recovery of World War II Missing-in-Action remains, and the potential provision of humanitarian assistance.

Our dialogue with Burma will supplement, rather than replace, the sanctions regime that has been at the center of our Burma policy for many years. Lifting or easing sanctions at the outset of a dialogue, without meaningful progress on our concerns, would be a mistake, and would send the wrong message. We will maintain our existing sanctions until we see concrete progress, and continue to work with the international community to ensure that those sanctions are effectively coordinated. We believe any easing of sanctions now would send the wrong signal to those who have been striving for so many years for democracy and progress in Burma, to our partners in the region and elsewhere, and to the Burmese leadership itself.

Through our dialogue we also will make clear to the Burmese leadership that relations with the United States can only be improved in a step-by-step process if the Burmese Government takes meaningful actions that address our core concerns. Moreover, we will reserve the option of tightening sanctions on the regime and its supporters to respond to events in Burma.

I also want to underscore a point that you have made, Senator, on several occasions. We need to step up our dialogue, not only with our partners in Southeast Asia, but other countries who are deeply involved, both economically and politically, inside the country. We've already begun that process with Japan, and I think you will see, over the course of the next several months, a deeper dialogue with both China and India, to get a greater sense of what their goals and aspirations are in Burma, going forward.

Senator, these are the essentials of our approach. We are at the very earliest stages, and I look forward to answering any questions. And again, I want to commit to you and the staffs that are here that we will work as hard as possible to consult at every level before an engagement, during, and after.

And thank you for the opportunity to appear before you today.
[The prepared statement of Mr. Campbell follows:]

PREPARED STATEMENT OF KURT CAMPBELL, ASSISTANT SECRETARY OF STATE,
BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE,
WASHINGTON, DC

Mr. Chairman, Senator Inhofe, and members of the subcommittee, thank you for inviting me here today to testify about U.S. policy toward Burma and a possible new direction for United States-Burma relations.

Let me take this opportunity to brief you on the overarching assessments that helped shape our review. The administration launched a review of our Burma policy 7 months ago, recognizing that political and humanitarian conditions in Burma were deplorable. Neither sanctions nor engagement, implemented alone, have succeeded in improving those conditions and moving Burma forward on a path to democratic reform.

Moreover, it was clear to us that the problems Burma presents, not only to its people, but to its neighbors, the wider region and the world at large, demand that we review and reconsider our approach. In addition to taking a hard look at the current situation inside Burma, we also focused on emerging questions and concerns regarding Burma's relationship with North Korea, particularly in light of the passage of U.N. Security Council Resolution 1874, which prohibits Member States from engaging in trade with North Korea in virtually all conventional weapons as well as in sensitive technologies, including those related to ballistic missiles and nuclear and other WMD programs.

Our policy review also was informed by the fact that, for the first time in recent memory, the Burmese leadership has shown an active interest in engaging with the United States. But, let me be clear: We have decided to engage with Burma because we believe it is in our interest to do so.

We have consulted widely throughout the review process with Congress, other governments, and key stakeholders such as nongovernmental organizations, business leaders, academics, and representatives of international organizations. We also have consulted with the National League for Democracy and other democratic activists inside Burma.

The conclusions of our policy review, just announced this week, reaffirmed our fundamental interests in Burma: We support a unified, peaceful, prosperous, and democratic Burma. While our goals in Burma remain the same as before, the policy review confirmed that we need additional tools to augment those that we have been using in pursuit of our objectives. A policy of pragmatic engagement with the Burmese authorities holds the best hope for advancing our goals. A central element of this approach is a direct, senior-level dialogue with representatives of the Burmese leadership. As the Secretary previewed in her remarks to the Friends of Burma last week, we hope a dialogue with the Burmese regime will lay out a path forward toward change in Burma and a better, more productive bilateral relationship.

Through a direct dialogue, we will be able to test the intentions of the Burmese leadership and the sincerity of their expressed interest in a more positive relationship with the United States. The way forward will be clearly tied to concrete actions on the part of the Burmese leadership addressing our core concerns, particularly in the areas of democracy and human rights.

We will also discuss our proliferation concerns and Burma's close military relationship with North Korea. Burma has said it is committed to comply fully with U.N. Security Council Resolutions 1718 and 1874. Nevertheless, we remain concerned about the nature and extent of Burma's ties with North Korea. Full and transparent implementation of these resolutions is critical to global peace and security, and we will be looking to the Burmese authorities to deliver on their commitments.

We expect engagement with Burma to be a long, slow, and step-by-step process. We will not judge the success of our efforts at pragmatic engagement by the results of a handful of meetings. Engagement for its own sake is obviously not a goal for U.S. policy, but we recognize that achieving meaningful change in Burma will take time.

We will work to ensure that the Burmese leaders have an absolutely clear understanding of our goals for this dialogue and the core issues on our agenda. A fundamentally different United States-Burma relationship will require real progress on democracy and human rights. We will continue to press for the unconditional release of Aung San Suu Kyi and all political prisoners; an end to conflicts with ethnic minority groups; accountability of those responsible for human rights violations; and the initiation of a genuine dialogue among the Burmese Government, the democratic opposition, and the ethnic minorities on a shared vision for the way forward in Burma. This last issue is critical, since only the Burmese people themselves can determine the future of their country. Our intent is to use our dialogue with the

Burmese authorities to facilitate that process. Only if the Government of Burma makes progress toward these goals will it be possible to improve our bilateral relationship in a step-by-step process.

In parallel to the dialogue on our core democracy, human rights, and nonproliferation concerns, we hope to identify some initial positive steps the Burmese could take in other areas that would help build momentum in the talks and could potentially allow the United States to respond in an appropriate manner. There are a number of areas in which we might be able improve cooperation to our mutual benefit, such as counternarcotics, health, environmental protection, and the recovery of World War II-era Missing-in-Action remains.

Our dialogue with Burma will supplement rather than replace the sanctions regime that has been at the center of our Burma policy for many years. Lifting or easing sanctions at the outset of a dialogue without meaningful progress on our concerns would be a mistake. We will maintain our existing sanctions until we see concrete progress, and continue to work with the international community to ensure that those sanctions are effectively coordinated. We believe any easing of sanctions now would send the wrong signal to those who have been striving for so many years for democracy in Burma, to our partners in the region and elsewhere, and to the Burmese leadership itself. Through our dialogue, we also will make clear to the Burmese leadership that relations with the United States can only be improved in a step-by-step process if the Burmese Government takes meaningful actions that address our core concerns. Moreover, we will reserve the option of tightening sanctions on the regime and its supporters to respond to events in Burma.

Some argue that sanctions should be lifted immediately because they hurt the people of Burma without effectively pressuring the regime. U.S. sanctions, implemented after the crackdown that began in September 2007, have been “targeted”—aimed not at the people of Burma but at the military leadership, its networks and state-owned companies, and the wealthy cronies that support the government often through illicit activities. It is also important to keep in mind the nature of the country’s economic system. Decades of economic mismanagement by Burma’s military leadership have resulted in high inflation, endemic corruption, and poor regulation, which have stifled broad-based economic growth. Burma had an unfriendly business environment well before the imposition of sanctions by the United States, the European Union, Canada, and others. The country will continue to be an inhospitable place to invest unless the government introduces serious reforms, rule of law, and good governance. We believe that opening up Burma to the outside world can benefit the forces of change working for a better future for the people of this troubled country.

Our commitment to the Burmese people is unwavering. We will continue to address the urgent humanitarian needs of the population by expanding our assistance efforts in a manner designed to help those most in need without bolstering the regime. We know it can be done. In the wake of Cyclone Nargis, the U.S. Government provided nearly \$75 million in aid to the victims of the cyclone through responsible and effective international NGO partners. We also have broadly licensed financial support of not-for-profit humanitarian activities in Burma, and continue to take care to ensure that U.S. sanctions do not impede humanitarian activities by NGOs.

Regarding the elections that the Burmese regime plans to hold in 2010, we need to assess the conditions under which the elections will be held and determine whether opposition and ethnic groups will be able to participate fully. We do not yet know the date of the elections; the authorities also have not published the election laws. Given the way in which the Burmese Government conducted its referendum on a new Constitution in the immediate aftermath of Cyclone Nargis, we are skeptical that the elections will be either free or fair. We will continue to stress to the Burmese authorities the baseline conditions that we consider necessary for any credible electoral process. They include the release of political prisoners, the ability of all stakeholders to stand for election, eliminating restrictions on media, and ensuring a free and open campaign.

We will emphasize, and ask that others do the same, that the 2010 elections will only bring legitimacy and stability to the country to the extent that they are broad-based and include all key stakeholders. This is why it is crucial for the regime to begin an internal dialogue now with democratic opposition leaders and representatives of the ethnic minorities. It is only through dialogue that the conditions can be established for all of Burma’s political forces to participate. We also intend to remain engaged with the democratic opposition to ensure that our engagement with the regime is not at cross purposes with their own objectives.

We recognize that we alone cannot promote change in Burma. We will need to work with friends and partners to achieve our goals, including stepped up dialogue

and interactions with countries such as China and India that have traditionally close relationships with Burma's military leaders. We will continue to coordinate closely as well with ASEAN, the EU, Australia, Canada, Japan, and other actors such as the U.N. to reinforce our fundamental message on reform to the Burmese regime. We will work with our partners to encourage Burma to be more open and to promote new thinking and new ideas.

Although we hope to initiate these efforts immediately, we are realistic about our expectations. We must be prepared to sustain our efforts beyond the planned 2010 elections. Some day a new generation of leaders in Burma will come to power. If the country is more open to the outside world we can hope to influence that transition and encourage Burma's leaders to take a more positive, constructive, and inclusive path. The process of dialogue itself should give us greater insight into the thinking of Burma's political leadership and offer opportunities to influence the way in which they look at the world. Pressing for greater openness and exposure to new ideas and new thinking, particularly among members of the up-and-coming generation of leaders is likely, in the long run, to be the most effective means of encouraging change in Burma.

Thank you for extending this opportunity to me to testify today on this pressing and vitally important issue. I welcome any questions you may have.

Senator WEBB. Thank you very much for that summary of your testimony, Secretary Campbell.

Before I go into questions, let me first say that there are a number of other Senators who have indicated an interest in submitting statements for the record. The record will be open for 24 hours following the closing of this hearing for any other member who wishes to submit a statement.

And I also should say that we've had an extraordinary amount of interest outside of the Congress in this hearing, and in this issue, and there are, at the moment, eight additional statements from the record from individuals and groups who had communicated with us and asked that their statements be part of this hearing record: Mr. Min Zaw Oo; the International Crisis Group; a long open letter from a number of nongovernmental organizations; Mr. Thet Win, U.S. Collection Humanitarian Corps; Dr. Chris Beyrer, director of the Center for Public Health and Human Rights at Johns Hopkins; USA Engage; the National Bureau of Asia Research; and U.S.-ASEAN Business Council; Thihan Myo Nyun, who submitted a very lengthy Law Review article on the impact of sanctions. All of these statements will be included in the record.

[EDITOR'S NOTE.—The Law Review article, which was too voluminous to include in the printed hearing, will be maintained in the permanent record of the committee. The remaining articles also mentioned above can be found in the "Additional Material Submitted for the Record" section starting on page 52.]

Senator WEBB. And, as a courtesy to others who are here today, if there are statements that other groups or individuals wish to have included in the record, we'll have a 24-hour period where you can also submit statements through the committee and through our staff.

Secretary Campbell, I'm going to read an excerpt from a letter—and I'm going to read it also to our panel, when they come—that was sent to me by Mr. Kent Wiedemann, who was the chief of the American Embassy in Rangoon in the late 1990s, was also at one point our Ambassador to Cambodia, and also Deputy Assistant Secretary of State for East Asia and Pacific Affairs. He sent me this letter upon my return from my Southeast Asian visit. And I'm

going to read a couple of sentences out of this letter, and I'd like to get your thoughts, or the thoughts of the administration, on this.

He said, "I frequently met with Aung San Suu Kyi during my service from 1996 to 1999. Her aim was to form a transitional coalition government with the military as a first step toward eventual democracy. At her request, I conveyed that message to the SPDC senior leaders. I also relayed Suu Kyi's pledge to eschew any punitive legal action against them if agreements were reached on a political transition. Suu Kyi saw the United States and other international sanctions as tactical tools to draw the SPDC into a dialogue. U.S.-based human rights activists did not accept Suu Kyi's vision for political compromise. Instead they saw sanctions as weapons to force regime change. I believe that our escalation of pressure on the regime did much harm and little good."

Do you have a reaction to his observation?

Mr. CAMPBELL. Well, there are many sentiments reflected in Kent's letter. In addition to the service that you indicated, he also served as the Deputy Assistant Secretary of Defense, and I had the honor to succeed him in that job at the Pentagon. He's a very fine officer.

I don't know, Senator, if I'd like to comment directly about what his particular views are at that juncture, but I think I can say a little bit about what we would expect, going forward.

In our deliberations and our discussions with interlocutors, we've been very clear that we'd like to see an enhanced dialogue on a range of issues. On the 2010 elections, as you know Aung San Suu Kyi has, in a recent letter, indicated a desire to begin dialogue on sanctions. We'd like to see her have the opportunity to interact more freely with visitors, both outside of the country, like yourself, but also members of her own party and other groups inside Burma, and more dialogue between the government and herself. And we think that this is an appropriate next step, in terms of domestic developments inside the country. And we've communicated that very clearly to our interlocutors.

The issues of sanctions is more complicated. I don't pretend to know what Aung San Suu Kyi really believes about sanctions in the current situation, because there's been so little discussion in dialogue with her. I am struck, however, that she has indicated that she's prepared to have a dialogue about sanctions, going forward.

I would simply say that the point that you have made, and that Secretary Clinton has made in recent months, is that the sanctions effort, while providing an inconvenience in many respects to the regime—and there are areas that they can be very effective—in the overall context, has been unsuccessful in accomplishing the goals that, really, all of us have, vis-a-vis Burma. We've seen a substantial increase in investment from China, from India, from other countries in Southeast Asia, from Europe, and from Japan. And so, the fact remains that the American sanctions, the U.S. sanctions, are an important tool at this juncture, but I think we fully recognize the limitations of that overall approach.

I must also say that from a variety of, I think, respected sources, including the IMF studies, some of the observations of key players in our own Embassy, and other economic observers who've traveled

and spent a lot of time inside the country, I think there is a view that some of the problems—in fact, a substantial component of the problems that Burma faces economically—are a result of, really, tragic mismanagement of the economy by the regime, and that any process that's forward-looking over a period of years will involve not only political reform, but economic reform. And that kind of process will indeed involve a more intense engagement of the international community, moving forward.

Senator WEBB. Thank you for that. And I would also add, in terms of being careful about characterizing the comments of Aung San Suu Kyi, I fully agree with you. It was a situation that I faced—

Mr. CAMPBELL. Yes.

Senator WEBB [continuing]. After my meeting with her, when I was asked, in the media, to give her assessments on a number of areas, including sanctions; and out of respect for her inability to openly answer, I declined to do that.

However, in the past week or so she has issued a statement, apparently written with the cooperation of one of her advisers, that in some form apparently supports the administration's new approach, and also has indicated a willingness to discuss cooperation with this regime, in terms of ways to address the sanctions issue. Do you have any, or does the administration have any, specific knowledge of what her statement—

Mr. CAMPBELL. Yes. And—

Senator WEBB [continuing]. Implies?

Mr. CAMPBELL. That's what I was referring to, Senator. We have seen at least purported copies of this that have been discussed. I think they do suggest, as you indicated, that this is a critical time, there are a lot of pieces that are now in motion that have not been in motion for some time. There is—from our discussions yesterday—I wouldn't want to characterize them—certainly no breakthroughs, but a very clear determination that dialogue was possible on the side of Burma. I think the United States—we prepared intensively, we laid out what our goals were and how we would want to go about a dialogue. We've seen your trip, we've seen some other interactions with the United Nations, we've seen some steps at the Friends of Burma meeting last week at the United Nations, and we've seen Aung San Suu Kyi write this letter that, I think, does indicate a desire to move forward, to work in a constructive dialogue, not only with the international community, but with the government and other elements inside her country.

And I must say, I think the point that she has made, that we think we understand, is that she welcomes the U.S. approach, but she believes that there should be a parallel dialogue with the opposition. And we support that. And indeed, if and when a team or a group goes, at some point in the future, from the executive branch, we would expect to have access and the opportunity to have a dialogue along the lines that she has set forward.

Senator WEBB. What is the view of the administration with respect to the elections process, the constitution, and the potential timing of implementing legislation, and the timing of the elections following the implementing legislation?

Mr. CAMPBELL. Yes. I think, as you've seen, Senator—you've closely scrutinized our statements, and watched carefully—we've tried to indicate that we're really taking a measured approach at this juncture. We think there needs to be much greater clarity on behalf of the government about what their expectations are. They've been very unclear about certain aspects and manifestations of the 2010 elections.

There is a clear desire for a greater dialogue inside the country. One of the things that we heard during the process of consultations is that there obviously is great distrust from some of the opposition groups and ethnic groups about this coming election—they viewed the referendum as being illegitimate—and that concerns were that, unless some significant changes were made in the constitution, that this would follow on in a similar path.

I think right now what's important for the United States—although we have our reservations, and we've stated those very clearly—but, in the current environment, we think much more dialogue and discussion inside the country is an essential first step. And even then it's not clear where we will end up. We communicated yesterday in our interactions that that was our view, that such a dialogue was of critical importance, and that, if it were implemented like the referendum, that, in fact, it would get virtually no international support or recognition.

Senator WEBB. What is the administration's view, in terms of the role of China in this process? And what would be the incentive for China to encourage a more open and democratic society in Burma?

Mr. CAMPBELL. Senator, that's a great question. And again, you're a person who focuses closely on Asian developments.

It's hard, in the current environment, to put yourself in the leader's shoes in Beijing, but I would simply say that, looking into the future, you have several countries on China's periphery, on its direct borders, that face very worrisome futures. I mean, you pointed out the tortured history of Burma; ethnic divisions accentuated by British Colonial rule, lots of challenges there in recent decades; a nuclear-inspired North Korea; questions about long-term leadership issues; problems in Pakistan. And so, you've got many countries directly on their border that confront the prospect of profound internal instability. And we think that, at some level, China has an interest in a process inside the country that leads to greater stability, some greater openness, and greater transparency.

We are not naive. There are limits to that. But, clearly on the current path, there are very real concerns about Burma's future.

At the same time, I think a dialogue can be important in many respects. A dialogue can be important because it can remind a country that another country has a strong interest in a region. And I think the truth is that the United States has to step up its game, generally, in Asia, and particularly in Southeast Asia. And so, a dialogue with both China and India, I think, can yield greater information about the goals, assessments, and general plans of both governments.

I am struck, Senator, just over the course of the last several months being deeply involved in this, because of the lack of dialogue, because in many respects of the lack of engagement in certain areas, our level of knowledge and dialogue is quite limited.

And I think one of the goals of this process, going forward, is to get a much more granular sense of developments, both inside Burma, but in the surrounding region. I myself am one that believes that, in many respects, the Indian Ocean region is going to be of dynamic importance in the future, and knowing more is going to be a critical component of what we need to do in the future.

Senator WEBB. It's also going to be a critical component of what China does in the future.

Mr. CAMPBELL. I agree with that.

Senator WEBB. Would you see any particular incentive on the part of China, in terms of the economic advantage that it now has in Burma, if the situation were to change?

Mr. CAMPBELL. You know, it's probably too early to tell. We've really not had—our discussions to date at the highest level, Senator, with China, on regional issues, have focused more on North Korea, Iran, and Pakistan and Afghanistan. I think we're at the very early stages of a higher level dialogue, and one of the things that I would commit to the staff is that, as this process develops—I plan to go to China in the next 2 weeks to begin that process—I will report on what I hear back and what I think.

If you look at the statements that have come out of the Foreign Ministry in the last couple of days, I think they'd be—about this process of engagement—I would say that they are measured. I think that there's a cautious welcoming of a dialogue. And a statement on the part of Chinese officials that their own view that sanctions are unhelpful will test some of those propositions in a direct dialogue with them over the course of the coming months.

Senator WEBB. I'll look forward to continuing that dialogue here on the subcommittee, as well.

Do you know how much assistance the United States currently provides directly to Burma?

Mr. CAMPBELL. I know that we provided, during—in the immediate aftermath of the cyclone, about \$75 million. We provide substantial assistance to the border areas. In fact, that, in many respects, is a part of a very strong congressional commitment, in Thailand in particular, to refugees, to civil resettlement issues, and to some humanitarian assistance.

Senator, I would have to get back to you directly with the total amount of assistance that is given beyond what has been provided in the aftermath of cyclone.

Senator WEBB. One of the statements that was given to us to be made a part of the record is from an individual, who is a Burmese exile, who has written in great detail about possible movements in the future. And, in essence, one of the comments that was made is that the United States should reconsider funding priorities out of the economic support fund, his comment, "a significant portion of which is usually channeled to assist exile groups conducting covert operations inside the country."

Do we have any knowledge of that?

Mr. CAMPBELL. We do provide—and I think, again, Congress has really played a leadership role—we have provided substantial support for displaced groups, individuals, and ethnic communities along the Thai border, and that has gone on for decades.

And on the subsequent question that you asked, I think probably another forum would be better to address that particular issue.

Senator WEBB. All right. We'll pursue that in another forum, you and I.

Does the administration have any position on the activities of other entities inside the country that are conducting military or quasi-military operations against the existing government right now?

Mr. CAMPBELL. I think we've stated very clearly our goals for Burma: A peaceful, democratic, stable government. And in our direct dialogue, we've made very clear that the United States has no military ambitions or objectives of any kind inside the country. I think sometimes, as you know, we hear, from their senior leadership, a sense that they are encircled, that the United States is planning offensive operations against them, and I think part of this dialogue would be to make very clear that there's no such thinking inside the U.S. Government.

Senator WEBB. Well, I appreciate your saying that for the record. I think that's something we do need to make sure that's being said as we pursue this process.

My question was really relating to the different ethnic groups inside the country, and the level of opposition that might still exist to the current government.

Mr. CAMPBELL. Well, our longstanding policy, and statements generally, make clear our strong criticism of military actions against ethnic groups inside Burma. There are many, as you have underscored, Senator. Many of them are extraordinarily well armed and have had almost, in some respects, a semiautonomous existence for decades. We think that the best approach, going forward, is a process of internal dialogue. We recognize that such a process is fraught—extraordinarily difficult, and we believe that some initial steps are going to be necessary in order to bring that about.

Senator WEBB. You also made a point on Monday, and then again today, regarding the concern that Burma comply with its international nonproliferation obligations, particularly in regard to North Korea. Do we have any indication that Burma is noncompliant with these obligations?

Mr. CAMPBELL. Let me answer in two parts to that question, Senator. The first part—the first part is, in greater detail, we can talk about this in another venue, like the previous question.

However, I can say this. I think, as we've talked about privately, Senator Clinton underscored in her comments at the ASEAN regional forum that we have seen some steps between North Korea and Burma that concern us, both in the provision of small arms and other military equipment, and there are some signs that that cooperation has extended into areas that would be prohibited by U.N. Resolution 1874. And one of the inspirations, and one of the goals, of this dialogue between the United States and Burma is to make very clear what our expectations are in this respect.

It is also the case that one of the ships that we think was bound for Burma in the July timeframe was turned back to North Korea, and we think that the government played a role in that. And that's the kind of action that we would like to see replicated in many other areas.

This is one of those areas, Senator, where I don't think there is conclusive evidence, but there is concern. And we will want to be following up on that closely. In our discussions with most of our regional partners, particularly Thailand, this is clearly an area that they would like greater transparency on from their next-door neighbors.

Senator WEBB. Does our State Department have indications that the NLD and other opposition groups are prepared to support the elections process?

Mr. CAMPBELL. I think that probably is—that goes too far, Senator. I think what we have are indications that they are prepared to sit down immediately in a dialogue about the elections, which, frankly, we think is an important first step, and an absolutely essential first step. And that would be something that we would seek to facilitate.

Senator WEBB. Along those lines, if the government itself were to request technical and other assistance with respect to the elections, is the State Department prepared to provide that?

Mr. CAMPBELL. I think it's premature at this juncture; but, under the right circumstances, we would consider it.

Senator WEBB. Secretary Campbell, thank you very much for your testimony today, I—

Mr. CAMPBELL. Thank you, Senator.

Senator WEBB [continuing]. Think it's been very valuable, and we'll look forward to—

Mr. CAMPBELL. Yes.

Senator WEBB [continuing]. Discussing a couple of these other—

Mr. CAMPBELL. Yes.

Senator WEBB [continuing]. Matters, and we'll continue to be very interested in hearing them.

Mr. CAMPBELL. And I stand ready to do that, and I do want to commit again that we will work as closely as humanly possible with you, other members of the community, and the staff, as we proceed ahead.

Senator WEBB. And I want to emphasize something that I know you are aware of, and that's my great concern about the impact of China in this country, and how it directly relates to the national interest of the United States. And I would be very interested in hearing your views once you return from your trip to China.

Thank you very much for testifying today.

Mr. CAMPBELL. Thank you. Thank you very much, it's good to see you again. Thank you.

Senator WEBB. We'll now hear from our second panel. And before I introduce them, I'd like to point out that Senator Boxer has asked that a statement be entered into the record, and it will be entered into the record at this point.

[The prepared statement of Senator Boxer follows:]

PREPARED STATEMENT OF HON. BARBARA BOXER, U.S. SENATOR FROM CALIFORNIA

Mr. Chairman, thank you for holding this important hearing today. I am very pleased that the Obama administration has concluded a comprehensive review of its policy toward Burma.

According to statements from administration officials, the new U.S. policy toward Burma will leave in place existing sanctions until the Burmese Government makes

significant progress on democratic reforms. But it will also focus on engagement with the Burmese authorities.

I support engagement with the Burmese Government, because I agree with Secretary Clinton that sanctions alone “have not produced the results that had been hoped for on behalf of the people of Burma.”

But what I do not support—and I say this is in the strongest possible terms—is a single dollar going to enrich the Burmese junta.

General Than Shwe and the junta have done nothing but brutalize, silence, and repress the people of Burma in the nearly two decades since Aung San Suu Kyi and her National League for Democracy Party were democratically elected to lead the country in 1990. The junta went so far as to significantly delay the delivery of humanitarian assistance in the wake of Cyclone Nargis.

I, like many others, have watched in dismay as the Burmese Government has targeted Buddhist monks and nuns, labor leaders, democracy activists, journalists, artists, and many others for simply speaking their minds and voicing their opinions.

Just 2 weeks ago, Human Rights Watch released a report entitled “Burma’s Forgotten Prisoners,” which highlights the nearly 2,100 political prisoners languishing in Burma’s jails for committing such “crimes” as peacefully expressing political views, associating with others, and forming independent organizations.

Many were sentenced to decades in prison, and a few were even given sentences of more than 100 years. And just last month, Aung San Suu Kyi was sentenced to 18 additional months of house arrest—despite already serving 14 out of the past 20 years in confinement.

This is simply unacceptable.

Recently, the Burmese Government has indicated a desire to engage with the West, and that it will hold multiparty elections next year.

But simply holding elections does not constitute a democracy.

In a recent meeting with the Burmese Prime Minister, U.N. Secretary General Ban Ki-moon made clear that elections must be “credible and inclusive.” He also made it clear that this can only occur with the release of Burma’s political prisoners, including Aung San Suu Kyi. I could not agree more.

We must be vigilant in our efforts to ensure that any elections are free, fair, and fully representative of the Burmese people.

I hope that the administration’s new policy of engagement is successful. I hope we are closer to the day when the Burmese people can be free. And I look forward to continuing to work with my colleagues on this most important issue.

Thank you.

Senator WEBB. And with that being said, I’m very pleased to welcome Dr. Thant Myint-U, Dr. David Steinberg, and Professor David Williams to this hearing.

Dr. Myint-U is a historian, a former United Nations official. Following the 1988 prodemocracy uprising in Burma, he assisted Burmese refugees and asylum-seekers along the Thai-Burma border. He then spent 2 years in Washington, in part working on Burma issues for Human Rights Watch and the U.S. Committee for Refugees. Dr. Myint-U has served in three United Nations peacekeeping operations, in Cambodia, the former Yugoslavia, and Bosnia and Herzegovina.

Moreover, in 2000 he joined the U.N. Secretariat in New York, first with the Office of Coordination of Humanitarian Affairs, and then with the United Nations Department of Political Affairs, in 2004 becoming head of the policy planning unit in that department. He has received a number of research fellowships, is currently a visiting fellow at the Institute for Southeast Asia Studies in Singapore. He’s the author of the best-selling, critically acclaimed, “The River of Lost Footsteps,” a personal history of Burma. And Dr. Myint-U has been kind enough to travel from Bangkok to participate in this hearing.

We’re very pleased to have you, Doctor.

Dr. David Steinberg is a specialist on Burma, North Korea, and South Korea, Southeast Asia, and American policy in Asia. He’s

distinguished professor of Asian Studies at Georgetown University. From 1958 to 1962, Dr. Steinberg lived in Burma and worked for the Asia Foundation. He's also served as a member of the Senior Foreign Service; he was a director for technical assistance in Asia and the Middle East; director for the Philippines, Thailand, and Burma Affairs in USAID. He's the author of 13 books and monographs, including "Turmoil in Burma: Contested Legitimacies in Myanmar," and "Burma: The State of Myanmar."

Dr. Steinberg, a great pleasure to have you with us today.

Prof. David Williams is the John S. Hastings Professor of Law at Indiana University. He has written widely on constitutional design, Native American law, the constitutional treatment of difference, and the relationship between constitutionalism and political violence. He's also the coeditor and primary author of "Designing Federalism in Burma," which was published in 2005, and is widely read in the Burma democracy movement. He's executive director of the Center for Constitutional Democracy at Indiana University. Professor Williams consults with a number of reform movements abroad; he advises many elements of the Burma democracy movement on the constitutional future of that country.

And we thank all of you for joining us today. Your full statements will be entered into the record.

And we'll start with Dr. Myint-U.

STATEMENT OF DR. THANT MYINT-U, HISTORIAN, SENIOR FELLOW, INSTITUTION FOR SOUTHEAST ASIAN STUDIES, BANGKOK, THAILAND

Dr. MYINT-U. Thank you very much, Senator, for inviting me here to participate in the panel.

I believe very strongly that the policies of the United States and other Western governments over the past 20 years toward Burma have not worked. They have not been helpful in moving the country toward meaningful democratic change, and at the same time they have largely neglected the country's multiple ethnic and armed conflicts, as well as its pressing humanitarian challenges.

As we move toward a very welcome review and adjustment of American policy, I think it's important to reflect on the history behind today's challenges, appreciate the critical and complex watershed that Burma today faces, and try to identify pragmatic ways forward.

Senator, there's a myth that Burma emerged from British rule in 1948 as a peaceful democracy with all the attribute necessary for later success, only to fall mysteriously into dictatorship and extreme poverty. But, Burma in 1948 was actually already at civil war, its economy in ruins. And this civil war has continued until today. It is the longest running set of armed conflicts anywhere in the world, setting the Burmese Army against an amazing array of battlefield opponents, from the mujahideen along the former East Pakistan/Bangladesh border to Beijing-backed Communist rebels.

State-building in Burma since then has gone hand in hand with warmaking, and the military regime today remains, at its core, a counterinsurgency operation. It was designed and built up to identify enemies, contain them, and crush them when possible. The men in charge may be motivated by desires for personal profit and

power, but they also believe themselves to be patriots holding the country together. And after two generations of fighting foreign-backed rebellions, they are primed to see foreign conspiracies behind all opposition.

In 1962, the army overthrew the last elected government, in part to pursue its counterinsurgency operations unhindered by civilian oversight. It established what it called the Burmese Way to Socialism, which nationalized all major businesses, expelled the country's Indian merchant class, and sought to isolate Burma from the world, banning nearly all international aid, trade, and investment. The military state that we knew today grew up and consolidated its rule in this self-created isolation. It is its default condition.

These twin legacies—ethnic conflict and international isolation—have been instrumental for the consolidation and continuation of military rule. Progress toward peace, interethnic reconciliation, and the reintegration of Burma into the global community are essential if we are going to see any sustainable transition to civilian government. Yet, not only has there been little focus on these issues, but key opportunities in recent years, I believe, have been missed.

Senator, the early and mid-1990s provided a unique chance to move Burma in the right direction. General Ne Win, who was the dictator of Burma since 1962, was then old and ailing, and a new generation of generals had come to the fore. The Chinese-backed Communist insurgency had collapsed, and cease-fires were agreed between the Burmese Army and more than two dozen different insurgent armies. While rejecting democratic reform, many in the new leadership wanted to end decades of self-imposed isolation and move toward a more free-market economy. Trade and investment laws were liberalized, and tourism encouraged for the first time in decades. Satellite television soon brought the world into millions of Burmese households, and travel in and out of the country became routine.

The government sought development assistance from the U.N. and the IFIs, but U.S. and international policy should then have been to lock in these tentative steps, especially the cease-fires and market reforms, rather than ignore them, impose sanctions, cut off assistance, and insist on an immediate democratic transition.

I am convinced that had we embraced these changes and used them then as opportunities to move toward a just peace, while also reconnecting Burma with the world, the democracy movement would today be in a far stronger position.

Senator, I believe that sanctions have not only been ineffective in promoting democratic reform, but they have been hugely counterproductive in reducing Western influence, reinforcing isolationist tendencies, constraining moves toward market reforms, and decimating the position of the Burmese professional, managerial, and entrepreneurial classes. The last generation of U.S. and U.K.-educated technocrats has now retired, or is close to retirement, and very few in the bureaucracy or universities today have any foreign training. The country is in many ways far less prepared for a sustainable democratic transition today than it was in the early 1990s.

We have to remember this: Politics in Burma, like everything, else operates on a landscape cultivated by over 60 years of war and 50 years of military dictatorship. Little will change without first

transforming that landscape. Focusing on regime change at the top will simply not work. Sanctions and related divestment campaigns, and campaigns to minimize tourism, have drastically reduced chances for the emergence of new and outward-looking economic forces. The political economy, which has emerged under sanctions, based now on a few extractive industries and trade ties with a handful of regional countries, has proven particularly easy for the incumbent regime to control. Aid restrictions, restrictions on high-level contact and travel by senior Burmese officials, and embargoes on trade and investment all have had the direct if unintended consequence of reinforcing the status quo.

Senator, I believe that Burma now faces a historic watershed, and, whatever happens, I am certain that the next 12 to 18 months will be the most important time in Burmese politics since the failed 1988 uprising.

The current watershed, I believe, has at least three principal components. First is the civil war. Burma's civil war may either be nearing an end or entering a new and more violent chapter. There still exist more than two dozen distinct ethnic-based insurgent forces, fielding well over 40,000 troops in total. Vast areas of the country, in particular in the north and the east, are ruled by a mix of Burmese Army battalions, insurgent armies, and local militia.

Though the cease-fire arrangements between the Burmese Army and nearly all insurgent forces remain, many are increasingly tenuous. In recent weeks we have seen the oldest of the cease-fires, the 20-year agreement between the Burmese Army and the Kokang militia, break down. The coming months may well see successful efforts by the Burmese Army to pressure or persuade the various armed groups to accept the new constitutional order, but a return to full-scale hostilities, though unlikely, is also far from impossible.

Second is a generational transition within the armed forces. Most, if not all, the present army leadership will retire in the coming months, to be replaced by officers in their late forties and early fifties. This new generation will be the first to have risen to senior command without any significant combat experience, the first without training in the United States, and the first for whom the West, rather than China, has been portrayed as their main strategic threat.

Third is the political transition under the new constitution. Entirely new political structures, including 14 state and regional governments, will be established in 2010, under the new constitution. Central power will at least nominally be bifurcated between a new and powerful President and a new armed forces commander in chief. General elections may or may not create an opening for more independent political voices, but the transition to a new constitutional setup will present, at the very least, a massive shakeup of existing systems of power and patronage. We do not know if the leadership will be able to manage the transition as they wish; 2010 may well throw up unexpected dynamics, especially as they come at the same time as major changes in the army's top ranks.

Burma's relationship with her neighbors, in particular China, are also changing fast. The migration of hundreds of thousands, if not millions, of ethnic Chinese into the country, the rapid expansion of Chinese business interests, and the construction of huge new infra-

structure projects linking Burma to southwest China, including a massive Chinese oil pipeline designed to transport Middle Eastern and African oil across Burma to China's Yunnan province, will have an enormous impact on the Burmese economy and society, especially as they take place during a period of Western economic withdrawal.

I have visited Burma often in recent years, at least 10 times since the beginning of 2007. This is a country where political opposition is violently repressed, and where there is an obvious desire for greater freedom and government accountability. But, it is also a country where there exists an increasingly vibrant civil society, a heavily censored but largely owned private media, widespread access to satellite television, an energetic contemporary music scene, extensive religious freedom, and a weak but resilient private sector. There are literally hundreds of genuinely independent local nongovernmental organizations in Burma today, as well as thousands of community-based organizations.

I say all this not to deemphasize the political repression that takes place. This is a country where there is very little political freedom and an estimated 2,000 political prisoners of conscience. But, outrage itself, I believe, changes very little, and to move toward a more results-oriented approach, we need to see Burma in all its complexity.

Senator, I support very much the administration's new support for increased humanitarian assistance, and scaling up of aid, I believe, should be a top priority. Burma has the 13th lowest GDP per capita in the world, and its child mortality rate is the second highest rate outside Africa, after Afghanistan. The average family spends, today, an estimated 75 percent of its small income on food. Burma has the highest HIV rate in Southeast Asia, and malaria is the leading cause of mortality and morbidity. Yet assistance to the Burmese people in 2007 was less than 4 U.S. dollars per capita internationally. Though this has increased in response to the cyclone last year, aid remains the lowest per capita among the 55 poorest countries in the world. By comparison, Zimbabwe received 41 U.S. dollars per capita, and Sudan 55.

Tens of thousands of people a year literally die from treatable diseases. The United Nations, international and national NGOs and organizations are all able to deliver aid directly to needy people, but funding has fallen far short of what is necessary.

Cyclone Nargis opened up the Irrawaddy Delta to unprecedented and almost unlimited access by international organizations and INGOs and local NGOs. Almost 4,000 aid workers operate there today in over 2,000 villages. Their work is significantly strengthening local civil society, yet funding for recovery efforts has been only a fraction of what is needed. A unique opportunity to help the Burmese people directly and support local civil society may be wasted without more financial support.

Senator, though positive change in all areas will have to come from the inside, I believe the outside world can make a difference in enabling that change and making it sustainable. I would suggest, first, that we need to maximize elite exposure. Every scenario for political change in Burma depends on at least a degree of support from within the military establishment. Yet virtually nothing

has been done to try to influence the mindset of the up-and-coming officer corps, or show them that other paths to stability and development exist. The isolation of the country's leadership from the rest of the world is a key pillar of the status quo, and its removal is critical for any lasting political change. Dialogue and cooperation on issues of mutual concern, such as disaster risk reduction, should be used toward this end.

Second is to engage in dialogue on economic reform. Supporters of sanctions are correct when they say that poverty in Burma is not due primarily to sanctions, but to the chronic mismanagement of the economy. I favor lifting all economic sanctions, but I also favor more robust efforts to press for economic and related governance reforms, separate from any political agenda. I believe this should start with the removal of all restrictions on the U.N. system and the international financial institutions, especially the World Bank, in engaging the government, including at the highest levels.

Third, we need not to forget the private sector. Humanitarian assistance and all other aid is needed now, but Burma is a country rich in natural resources, and situated between Asia's emerging economic giants, and should make sure it avoids becoming an aid-dependent country. Scaling up international assistance makes no sense if at the same time we are holding back—we are holding back, through broad economic sanctions, the possibilities for private-sector growth. We need to shift the debate away from sanctions and toward a practical discussion of the kind of trade and investment that would actually benefit ordinary people in Burma. U.S. sanctions crippled the emerging textile industry and threw 70,000 or more people out of work. Removing the ban on imports of garments from Burma would be a step, I believe, in the right direction.

And if there are specific Burmese Government obstacles that stand in the way of direct economic engagement with the Burmese private sector, beyond a few top cronies, then I believe the removal of these obstacles should be at the center of dialogue with the Burmese authority.

Fourth, I think we need to build capacity. No sustainable shift from military-to-civilian rule will be possible without radically increasing civilian administrative capacity, and capacity in society more generally. We cannot underestimate the impact that decades of self-imposed isolation and external sanctions have had on education standards and technocratic skills. Efforts to build capacity through training and scholarship should be actively promoted, including through international organizations.

Finally, Senator, nothing I have said should suggest that any changes should be made in the long-term aims that we all share: a peaceful, prosperous, and democratic Burma. In a country as ethnically and culturally diverse as Burma, only genuinely liberal democracy with strong local government institutions can, I believe, guarantee lasting stability. But—we should not underestimate the real and practical challenges that exist between those aims and the situation today, but there can be no grand strategy from the outside, only efforts to use and build on opportunities as they come along. And seeing those opportunities will depend on being much more present on the ground, in direct contact with the Burmese

people. And that is what I believe a new engagement-oriented approach should be all about.

Thank you.

[The prepared statement of Dr. Myint-U follows:]

PREPARED STATEMENT OF DR. THANT MYINT-U, HISTORIAN, SENIOR FELLOW,
INSTITUTION FOR SOUTHEAST ASIAN STUDIES, BANGKOK, THAILAND

The policies of the United States and other Western governments over the past 20 years toward Burma have failed. They have not been helpful in moving the country toward meaningful democratic change and at the same time have largely neglected the country's multiple ethnic and armed conflicts as well as its pressing humanitarian challenges.

As we move toward a very welcome review and adjustment of American policy, I think it's important to reflect on the history behind today's challenges, appreciate the critical and complex watershed Burma now faces, and try to identify pragmatic ways forward.

WAR AND STATE-BUILDING

There is a myth that Burma emerged from British rule in 1948 as a peaceful democracy with all the attributes necessary for later success, only to fall mysteriously into dictatorship and extreme poverty. Burma in 1948 was actually already at civil war, its economy in ruins. And this civil war has continued until today. It is the longest running set of armed conflicts anywhere in the world, setting the Burmese army against an amazing array of battlefield opponents—from the mujahedeen along the former East Pakistan/Bangladesh border, to remnants of Chiang Kai-Shek's Nationalist Army, to drug-lords, to Beijing-backed Communist rebels, to Christian-led ethnic Karen insurgents in the jungles near Thailand.

The Burmese army has been in the field uninterrupted for more than six decades. For the army, the history of these six decades has been the history of their fighting back, to hold the country together, from a time when they barely controlled the then-capital Rangoon, to today, when they believe they are within reach of a final victory.

State-building in Burma has gone hand in hand with warmaking. And the military regime remains at its core a counterinsurgency operation. It was designed and built up to identify enemies, contain them, and crush them when possible. The men in charge may be motivated by desires for personal power and profit, but they also believe themselves to be patriots. And after two generations of fighting foreign-backed rebellions, they are primed to see foreign conspiracies behind all opposition.

In 1962, the army overthrew the last elected government, in part to pursue its counterinsurgency operations unhindered by civilian oversight. It established what it called The Burmese Way to Socialism, which nationalized all major businesses, expelled the country's Indian merchant class, and sought to isolate Burma from the world, banning nearly all international aid, trade, and investment. The military state grew up and consolidated its rule in this self-created isolation. It is its default condition.

These twin legacies—ethnic conflict and international isolation—have been instrumental for the consolidation and continuation of military rule. Progress toward peace, interethnic reconciliation, and the reintegration of Burma into the global community are essential if we are going to see any sustainable transition to civilian government. Yet not only has there been little focus on these issues, but key opportunities in recent years have been missed.

THE END OF BURMESE SOCIALISM AND MISSED OPPORTUNITIES

The early and mid-1990s provided a unique chance to move Burma in the right direction. General Ne Win, dictator of Burma since 1962 was old and ailing and a new generation of generals had come to the fore. The Chinese-backed Communist insurgency had collapsed and cease-fires were agreed between the Burmese army and more than two dozen different insurgent forces.

While rejecting democratic reform, many in the new leadership wanted to end decades of self-imposed isolation and move toward a more free-market economy. Trade and investment laws were liberalized and tourism encouraged for the first time in decades. Satellite television soon brought the world into millions of Burmese households and travel in and out of the country, both legally and illegally became routine. The government sought development assistance from the U.N. and the International Financial Institutions. U.S. and international policy should have been to lock in

these tentative steps, especially the cease-fires and market reforms, rather than ignore them, impose economic sanctions, cut off assistance, and insist on an immediate democratic transition.

U.S. policy's near singular focus since 1988 on support for the democracy movement led by Daw Aung San Suu Kyi is understandable, especially given ongoing repression and her party's decisive win in the 1990 elections. In the early 1990s I was a staunch supporter of the toughest approach possible toward the regime and argued for comprehensive sanctions. I believe I was wrong and I had changed my mind by 1993 when I saw that sanctions were unlikely to ever really pressure the regime and were instead impeding the positive momentum that was there.

There was political repression in Burma, but that's been the constant since 1962. What was different in the 1990s was the end of fighting across the north and northeast and the opening up of the economy. I am convinced that had we embraced these changes and used them as opportunities to move toward a just peace while also reconnecting Burma with the world, the democracy movement would be in a far stronger position today.

THE PROBLEM WITH SANCTIONS

Sanctions have not only been ineffective in promoting democratic reform, they have also been hugely counterproductive in reducing Western influence, reinforcing isolationist tendencies, constraining moves toward market reforms, and decimating the position of the Burmese professional, managerial and entrepreneurial classes. The last generation of U.S. and U.K. educated technocrats has now retired or is close to retirement, and very few in the bureaucracy or universities today have had any foreign training. The country is far less prepared for a sustainable democratic transition today than it was in the early 1990s.

We have to remember this: Politics in Burma like everything else operates on a landscape cultivated by over 60 years of war and nearly 50 years of military dictatorship. Little will change without first transforming that landscape. Focusing on regime-change at the top will simply not work. Sanctions and related divestment campaigns and campaigns to minimize tourism have drastically reduced chances for the emergence of new and outward looking economic forces. The political economy which has emerged under sanctions, based now on a few extractive industries and trade ties with a handful of regional countries, has proven particularly easy for the incumbent regime to control. Aid restrictions, restrictions on high-level contacts and travel by senior Burmese officials, and embargos on trade and investment all have had the direct if unintended consequence of reinforcing the status quo. And to say that the government's own policies are also to blame do not absolve the role that U.S. and other Western sanctions have played in entrenching poverty and engendering a political economy that is the antithesis of one that could have thrown up positive social change.

We need also to differentiate between punishment and pressure for change. Sanctions may be seen as a form of punishment, in the sense that the regime doesn't like them. But sanctions do not constitute pressure for change, quite the opposite, they strengthen the hand of those who are uninterested in further engagement with the outside world and in particular the West. Real pressure comes with increasing the regime's international exposure, creating new desires, and placing tough options on the table. Having to choose between Western sanctions and a handover of power is simple. But with greater international exposure, a choice between real policy change and improved governance on the one hand or a future as an impoverished dependency of China on the other won't be as easy.

THE PRESENT WATERSHED

Burma now faces a historic watershed, and whatever happens, I am certain that the next 12–18 months will be the most important time in Burmese politics since the failed 1988 uprising.

The current watershed has at least three principal components:

(1) First is the civil war. Burma's civil war may either be nearing an end or entering a new and violent chapter. There still exist more than two dozen distinct ethnic-based insurgent forces, fielding well over 40,000 troops in total. Vast areas of the country, in particular in the north and east are ruled by a mix of Burmese army battalions, insurgent armies and local militia. Though the cease-fire arrangements between the Burmese army and nearly all insurgent forces remain, many are increasingly tenuous. In recent weeks we have seen the oldest of the cease-fires, the 20-year agreement between the Burmese army and the Kokang militia break down. The coming months may well see successful efforts by the Burmese army to pressure or persuade the various armed groups to transform themselves into quasi-

autonomous militia and accept the new constitutional order. But a return to full-scale hostilities, though unlikely, is also far from impossible.

(2) Second is the generational transition within the armed forces. Most if not all the present army leadership will retire in the coming months to be replaced by officers in their late 1940s and early 1950s. This new generation will be the first to have risen to senior command on the basis of their administrative rather than any significant combat experience, the first without training in the United States, and the first for whom the West, rather than China, has been portrayed as the main strategic threat.

(3) Third is the political transition under the new Constitution. Entirely new political structures, including 14 state and regional governments will be established in 2010 under the new Constitution. Central power will at least nominally be bifurcated between a new and powerful president and a new armed forces commander-in-chief. General elections may or may not create an opening for more independent political voices, but the transition to the new constitutional setup will present at the very least a massive shakeup of existing systems of authority and patronage. We do not know if the leadership will be able to manage the transition as they wish. 2010 may well throw up unexpected new dynamics, especially as they come at the same as major changes in the army's top ranks.

Burma's relationships with her neighbors, in particular China, are also changing fast. The migration of hundreds of thousands if not millions of ethnic Chinese into the country, the rapid expansion of Chinese business interests, and the construction of huge new infrastructure projects linking Burma to southwest China, including a massive Chinese oil pipeline, designed to transport Middle Eastern and African oil across Burma to China's Yunnan province, will have an enormous impact on the Burmese economy and society, especially as they take place during a period of Western economic withdrawal. Burma is already a major exporter of energy to Thailand in the form of natural gas. Burma may soon also export large quantities of natural gas to China and hydroelectric power to China, India, and Thailand. How well and how transparently revenues from energy exports are managed will be a key test of any future government.

On China, we have to remember that the present army leadership grew up fighting the Communist Party of Burma, a well-armed Chinese-supported insurgent force that once threatened huge parts of the eastern uplands. There is no love lost between Beijing and Naypyitaw. The present leadership rose up the ranks seeing China as their No. 1 strategic threat and the United States as their ally. Many see their present dependence on China as an anomaly, a tactical move that needs correction.

I have visited Burma often in recent years, at least 10 times since the beginning of 2007. I've traveled extensively around the country, without escort and few restrictions, and have met hundreds of people, from senior army officers to dissidents to businessmen to local aid workers, including friends and family, some well-off, others struggling each day to feed their families. This is a country where political opposition is violently repressed and there is an obvious desire for greater freedom and government accountability. But it's also a country where there exists an increasingly vibrant civil society, a heavily censored but largely privately owned media, with dozens of newspapers and magazines, widespread access to satellite television and foreign movies, an energetic contemporary music scene, extensive religious freedom, and a weak but resilient private sector. There are literally hundreds of genuinely independent local nongovernmental organizations in Burma today, and thousands of community-based organizations, all working to improve living conditions for ordinary people, a young country of 55 million, one of the most ethnically diverse in the world. I say all this not to deemphasize the political repression that exists. Make no mistake—there is little or no political freedom in Burma and the continued detention of an estimated 2,000 prisoners of conscience is rightly seen as unacceptable. But outrage alone changes little. And to move toward a more results-oriented approach we need to see Burma in all its complexity.

I said that Burma is at a watershed. The cease-fires could collapse leading to a new round of interethnic conflict, a new generation of generals could emerge hostile to the world as well as their own people, and plight of ordinary people could worsen still, even while the rest of Asia moves forward. The demise of current leaders could lead to elite fracture and even state collapse. Alternatively, if more pragmatic views prevail, a freer and more prosperous future may not be so far away. The difference will be determined inside the country, but I believe that there are key areas where help from the outside will be significant, as outlined below.

THE IMPORTANCE OF INCREASING HUMANITARIAN ASSISTANCE

The administration's support for increased humanitarian assistance is extremely welcome and scaling up aid should be a top priority. Burma has the 13th lowest per capita GDP in the world and its child mortality rate is the second-highest rate outside Africa, after Afghanistan. The average family spends an estimated 75 percent of its small income on food. Burma has the highest HIV rate in Southeast Asia, and malaria, a treatable and preventable disease, is the leading cause of mortality and morbidity.

Yet assistance to the Burmese people in 2007 was less than USD 4 per capita. Though this has increased in response to last year's Cyclone Nargis, aid remains the lowest per capita among the 55 poorest countries in the world. By comparison, Zimbabwe receives USD 41 per capita and Sudan USD 55. Tens of thousands of people a year die from treatable diseases. The United Nations, international and national nongovernmental organizations are all able to deliver aid directly to needy people. But funding has fallen far short of what is necessary.

Cyclone Nargis opened up the Irrawaddy Delta to unprecedented and almost unlimited access by international organizations and international and national nongovernmental organizations. Almost 4,000 aid workers operate there today in over 2,000 villages. In addition to providing life-saving assistance and helping villagers restart their lives and livelihoods, their work is significantly strengthening local civil society. Yet funding for recovery efforts has been only a fraction of what is needed. A unique opportunity to help the Burmese people directly and support local civil society may be squandered without more financial support.

In providing humanitarian assistance, I believe very strongly that we must put all other agendas aside and simply provide aid as best we can to those who require help most and continuously press for access to all needy communities. I believe the United States should not only significantly increase humanitarian assistance but actively encourage other donor governments to do the same.

ENABLING CHANGE

Though positive change in all areas will have to come from within, the outside world can make a difference in enabling that change and making it sustainable. I would suggest:

(1) Maximize elite exposure. Every scenario for political change in Burma depends on at least a degree of support from within the military establishment. Yet virtually nothing has been done to try to influence the mind-set of the up and coming officer corps or show them that other paths to stability and development exist. The isolation of the country's leadership from the rest of the world is a key pillar of the status quo, its removal is critical for any lasting political change. Dialogue and cooperation on issues of mutual concern—such as disaster risk reduction—should be used toward this end.

(2) Engage in dialogue on economic reform. Supporters of sanctions are correct when they say that poverty in Burma is not due primarily to sanctions but to the chronic mismanagement of the economy. I favor lifting all economic sanctions, but I also favor more robust efforts to press for economic and related governance reform, separate from any political agenda. This should start with a removal of all restrictions on the United Nations system and the International Financial Institutions, especially the World Bank in engaging the government, including at the highest levels. Efforts to build up the administrative capacity necessary to turn the economy around should be supported, not hindered. As new ministers take up their positions in 2010, they must at least understand the need for more broad-based development, the impact of their own policies, and the options for poverty reduction going forward.

(3) Don't forget the private sector. Humanitarian assistance and other aid is needed now, but Burma, a country rich in natural resources and situated between Asia's emerging economic giants, should make sure it avoids becoming an aid-dependent country. Scaling up international assistance makes no sense if at the same time we are holding back through broad economic sanctions the possibilities for private sector growth. We need to shift the debate away from sanctions and toward a practical discussion of the kind of trade and investment that would most benefit ordinary people. U.S. sanctions crippled the emerging textile industry and threw 70,000 or more people out of work. Removing the ban on the import of garments from Burma would be a step in the right direction. And if there are specific government obstacles that stand in the way or direct economic engagement with the Burmese private sector (beyond a few top cronies), then the removal of these obstacles should be at the center of dialogue with the authorities.

(4) Build capacity. No sustainable shift from a military to civilian rule will be possible without radically increasing civilian administrative capacity and capacity in society more generally. We cannot underestimate the impact that decades of self-imposed isolation and external sanctions have had on education standards and technocratic skills. Efforts to build capacity—through training and scholarships—should be actively promoted, including through international organizations.

A DEMOCRATIC BURMA

Nothing I have said should suggest any changes in the long-term aims we all share—a peaceful, prosperous, and democratic Burma. In a country as ethnically and culturally diverse as Burma, only a genuinely liberal democracy with strong local government institutions can, I believe, guarantee lasting stability. A free and economically vibrant Burma at Asia's crossroads is a worthy goal. But we should not underestimate the real and practical challenges that exist between those aims and the situation today. There can be no grand strategy from the outside, only efforts to use and build on opportunities as they come along. And seeing those opportunities depends on being more present on the ground, in direct contact with the Burmese people. This is what a new engagement-oriented approach should be all about.

Senator WEBB. Thank you very much, Dr. Myint-U.
Dr. Steinberg, welcome.

STATEMENT OF DAVID STEINBERG, DISTINGUISHED PROFESSOR OF ASIAN STUDIES, GEORGETOWN UNIVERSITY, WASHINGTON, DC

Dr. STEINBERG. Thank you very much, Senator.

I'm glad my testimony will be included in the record. I will talk about it rather than read it.

Senator WEBB. It will be entered in full at this point in the record, and you may speak as you wish.

Dr. STEINBERG. Thank you, sir.

I'm honored to be here, and I applaud the Obama administration for trying to engage Burma, and I believe that your trip to Burma was an important element of this engagement.

Secretary Clinton has said that sanctions and engagement have been tried, but both have not worked. We have tried sanctions and ASEAN has tried engagement, but "worked" for us has meant regime change; "worked" for ASEAN has been regime modification. But, by isolating Burma over this period, we've allowed the military to justify their hold on power by creating a garrison state to protect it against foreigners—who have not their interests in mind—and enforce national unity.

We look at Burma, and the Burmese look at the situation, quite diametrically opposed. There are irreconcilable differences between our views. So, I think we should put that aside and concentrate on the future, and start concentrating on the well-being of the Burmese people. That's where we should begin.

Sanctions and dialogue, as the administration says, are not necessarily contradictory, but they are a kind of temporary state. We all want the same end. We've heard it today, but all of us believe in a democratic country with the well-being of the people improved. In general, United States policy had concentrated on one aspect, and that is democracy and human rights, but there are other aspects, as well.

I have been asked to talk about three issues: The prospect for political reform, potential role of the United States in promoting democracy in the forthcoming elections; economic and strategic

implications of unilateral sanctions; and steps that can be taken, and should be taken, to improve United States-Burmese relations. Let me address each of these.

On the question of political reform and the potential role of the United States, there's a short-term role and a longer term role. The short-term role, we should do what we have been doing: Calling for the release of political prisoners, free campaigning, inclusion in the elections, suggesting the U.N. and ASEAN have election monitors—I don't think that would be approved, but I think it should be suggested in any case. But, there are dim prospects for political change, I would argue, before the elections. The dilemma for the National League for Democracy in participating is very clear. By participating they basically negate the 1990 elections they won; by not participating they are marginalized even further than they have been. So, it's very difficult for them, I don't think there's a question about that.

I believe that the elections will take place, and I believe the government plan has been to keep Aung San Suu Kyi under house arrest until those elections. Will that change as a result of the U.S. opening, and, in fact, Aung San Suu Kyi's letter to the senior general? I am not sure. But I think their plan, at least as I heard it in the spring, has been in that manner.

Whether the junta will deal with her on sanctions before the elections seems to be up to the senior general, and we certainly welcome Aung San Suu Kyi's letter, which I think was an appropriate step at this particular juncture.

In the long term, we have to think about our relations with Burma in a different way. There is enormous fear and suspicion of the United States in that country. There is real fear of invasion. We regard that as being absolutely impossible and inappropriate, but they do believe it, as has been told to me by Cabinet members on a number of occasions. We continue to use vituperative language about the regime. We talk about regime change, we talk about outposts of tyranny; this reinforces the problem, I think, of trying to negotiate with them.

The Burmese also feel they have been held to a higher standard than other authoritarian regimes. Where, they would argue, is the opposition party, even a truncated one, in China, in Vietnam, or in Laos?—just to pick countries in the region.

We need to do some things in the long run, one of which is to strengthen civil society. That is very, very important, and I think there is a lot that we can do in that regard, inside the country. There's a need to increase humanitarian assistance, basic human needs—health, nutrition, agriculture, education—these are in very bad shape in that country.

There is an enormous need for human resource development, as Thant Myint-U just mentioned. One percent of the population—an educated 1 percent of the population, not counting the workers in Thailand and other countries—has left the country. These would have been the basis for a new government coming in-country, the cadre of people to run government, to run the private sector; and basically they have to train a new generation if the country is to progress.

And one thing we have to understand also, is the future role of the military. All avenues of social mobility in that society are military-controlled. In order to get people who are ambitious, and families who want their children to prosper, we have to be able to provide alternative avenues of mobility in that society. That has not happened, and so that even families with people who are opposed to the regime would want one son in the military, because that's the only avenue to get ahead within the society.

If we look at someplace like South Korea, we saw that it took a generation, basically, to develop these other alternative avenues of social mobility, including the private sector, autonomous private institutions, NGOs, education, and so forth. This is very important. But, it indicates that, for the long-term, we have to understand the important role that the military will play in that society, in or out of power.

On the economic side, the implications of the proposed universal sanctions has been a loss of influence; the increase of the power of other states, such as China; no improvement in the working conditions of the Burmese people; and it has affected the United States by having us lose jobs, in terms of whatever exports we could have had; and it has, more importantly I think, affected the people in that society badly, as Thant Myint-U said.

We have strategic issues, as well as democratic ones, but we have not articulated our strategic interests to the American public. In a democracy, it's important that we have the public behind us; and we have the public behind us on democratic issues, but certainly we have not articulated in public authoritatively within the administration, as far as I know, until recently, the questions of a strategic interest.

Burma is suspicious of all the neighboring states, including also the United States and the United Kingdom. All of us have been engaged in supporting insurrections or dissidents at one time or another. And the Burmese feel that very, very strongly, so they're very, very suspicious.

Burma is the nexus between India and China. While relations between India and China are, at the moment, good—they did fight a war in 1962—they are likely to be economic rivals in the future, and it seems to me that we should understand that Burma is critical, from an Indian point of view. From a Chinese point of view, access to the Bay of Bengal and their natural resources is also critical.

Chinese penetration is enormous. Two planned pipelines, a couple of dozen hydroelectric projects, the narcotics, which go into China, not to the United States anymore—the “National Drug Threat Assessment of 2009” of the United States says that no heroin has entered the United States that can be chemically traced to Burma since 2006.

But, there are nontraditional security aspects—health, migration—and we should be concerned about those. But, the United States has overly stressed one aspect of the problem. Three administrations have invoked the following phrase, “The actions and policies of the government of the Union of Burma continue to pose an unusual and extraordinary threat to the national security and foreign policy of the U.S.” I submit that that language is excessive

and inaccurate. It is there because, since the Economic Emergency Powers Act of 1997, it has to be used if the executive branch is going to impose sanctions. We have used that in the case of North Korea, by the way.

I think that China and all of us in the region are concerned about the stability in the country. India has changed its policy toward Burma from the most vociferous critic of the regime, to one that provides aid and assistance to the Burmese military, not only to counter China, but because of its own insurgencies in the north-east. So, there's a critical nexus here that we should understand.

Now, what might be done? I think the—things have to happen in a staged series. We have talked in the past sometimes of goodwill, "If you do good things, we will—we, the United States, will do good things." I don't think that works. I think we need to take a staged approach—"If you do A, we will do B."

I think one of the things the United States might do to begin the process is to approve the appointment of a Burmese Ambassador to Washington. One was designated, but he never was approved. And it had nothing to do with the sanctions issue, it had to do, in 2004, with the ouster of Gen. Khin Nyunt. And that needs to be changed.

I would argue that we should nominate a United States Ambassador to Burma. I know that it would have to have Senate approval, and that would be very difficult, maybe even impossible, but I think if we're going to have dialogue, we should have dialogue at the highest level.

We should support civil society in that country and increase humanitarian assistance. There are avenues of cooperation that are possible, that are apolitical, that we might take. There's cooperation in environmental protection. Burma needs that very badly. Disaster assistance planning as well. They need enormous assistance on human resource development—training, which we do very well. There are the missing-in-action issues, Secretary Campbell has mentioned them. There's antiterrorism training. And there's law and human rights training, which the United States has decried, but Australia has tried in a number of places. And it's important to have people in place when the situation changes—when the new government comes in at some time, when things open up. We need people who already understand the human rights situation.

And we need to especially help the minority areas because the minority areas have been the most deprived, and minority issues, I would argue, in that country, are the most important single issue facing that state. We tend to concentrate on the political issues, but, in the long run, the minority questions, I think, are paramount. And I think we should pay special attention to the Rohingya problem on the Bangladesh border, because they are the most deprived. They are stateless, in Burmese terms.

I believe we also should, by the way, change the name from Burma to Myanmar. We may not like it. I think it was an unnecessary change by the Burmese, especially the year they changed it was the year they tried to invite tourism in, and that seemed to be counterproductive. And I think we should be thinking of all of this in terms of building for a future government that will be more

open and liberal. It may be a civilianized military government, it may be a more civilian government, but, over time, I think that we will see changes in that society.

And for the Burmese, I would have suggested to them, and I would suggest again, that the first thing they might do is to change the international NGO regulations they instituted in January 2006. They were unnecessarily controlling, they were basically set aside in the Nargis campaign; but at the same time; they still exist. If the Burmese were to say, "We would change these regulations, and eliminate them, and develop new regulations in concert with the international NGO community," that would be very, very reassuring, and would allow more humanitarian assistance.

Let me make just a few points on general issues. We should, I think, as U.S. policy, not be dependent on any individual or group, however benign, on the development of our foreign policy. I think this is very important, as a general rule; it would also apply to Burma.

I don't think we should vilify regimes, even if we don't like them, because it makes negotiations more difficult, and undercuts our ability to achieve our objectives.

We should be prepared, also, in this particular case, to answer criticisms that negotiations give some legitimacy to the government. We are dealing with a nuanced situation, where we're looking at a kind of an equation, where, yes, the government may get a little legitimacy by having negotiations with the United States, but if we can help the people of Burma, then I think that that is more important than the issue of dealing with the minor kinds of legitimacy that the government might get. This, I think, we have to understand.

And let me end, sir, by quoting the last paragraph of my statement, because I think it is important. It deals with the question of unity and minority issues. We should also negotiate with the Burmese on the basis that their primary national goal of the unity of the Union is a shared goal of the United States, and that we do not want to see the Balkanization of Burma, but that the actions of their own government, and the attitudes of some of the military, convey the impression that they are an occupying army in some minority areas, and this undercuts the willingness of some of the minorities to continue under Burman rule, and thus the ability of that government to reach its goal. It is in the interest of the region and the world not to see the breakup of that country, but that unity can only be achieved through internal respect and dignity among all the peoples of the state, and through real developmental efforts, to which the United States could contribute under conditions to be negotiated. I'm not sanguine about early progress, but what has been done in the past months, and this hearing, are important beginnings and should be continued and expanded.

Thank you very much, Senator.

[The prepared statement of Dr. Steinberg follows:]

PREPARED STATEMENT OF DAVID I. STEINBERG, PROFESSOR, SCHOOL OF FOREIGN SERVICE, GEORGETOWN UNIVERSITY, WASHINGTON, DC

Mr. Chairman and members of the subcommittee, it is an honor to have been asked to participate in what I feel has been a long overdue dialogue on Burma/

Myanmar¹ problems. I believe there are no easy answers to improving relations and making progress toward our several goals in that country, but I am, and continuously have been, a firm believer in dialogue on this issue within the United States, between the United States and other states, as well as with the Burmese themselves; both the government and the opposition. I thus applaud the Obama administration's decision to engage Burma/Myanmar.

I am supportive of this new look, including Senator Webb's trip to Burma/Myanmar. I believe this also reflects the views of a growing number of Burmese country specialists. It is, as I have written, only a first step. Secretary of State Clinton's statement that sanctions and engagement have both been tried and neither has worked is accurate, but for different actors. The United States continuously tried sanctions, gradually strengthening them in response to deteriorating conditions within that country. ASEAN's position has also evolved; it first tried "constructive engagement" that seemed mere economic exploitation. But "worked" for the United States meant regime change, and for ASEAN it later meant regime modification. This strategic divergence has perhaps both hindered achieving the changes in that country we seek and made more difficult an effective relationship with ASEAN. Of course, trying to force a government to leave power in the hope that one would then engage them is a nonsequitur. The new position, articulated by the Secretary of State, that sanctions and dialogue are not necessarily contradictory is accurate as far as it goes; it is a relatively temporary state, however, that should be resolved over some reasonable period, but it does not preclude other actions that might mitigate tensions and differences.

I believe most foreign observers want to see Burma/Myanmar make democratic progress and improve the well-being of the diverse Burmese peoples. We are aware of and deplore the misguided economic, social, and ethnic policies that for a half-century have made what was predicted to be the richest nation in the region into the poorest. We share goals on its political and economic future, but have differences in the tactics needed to secure these objectives. But by isolating Burma/Myanmar, we have in effect played into the hands of Burmese military leaders who thus justify their position that a garrison state under their control is necessary because of perceived foreign threats and the potential break up of the Union.

The United States in the past has not tried engagement and dialogue, although the United States now want them and the National League for Democracy (NLD) has called for them for some time. We now believe that the military must be part of any political solution; this is a new, evolved, and more positive position, and one now shared by the NLD and Aung San Suu Kyi. Our consideration of Burma/Myanmar has concentrated on governance issues to the virtual exclusion of a broad range of problems that should be analyzed. Indeed, by concentrating essentially on politics we may have missed opportunities to affect positively other deplorable conditions in that country.

We understand and sympathize with those who have suffered egregious human rights abuses. We understand the plight and frustration of those exiles who want a better Burma, and who place political change as the primary factor in this process. This approach, however, has not worked, and, in contrast, I would suggest we start by focusing on the Burmese people—their sorry condition and how to alleviate their plight. There is a major socioeconomic crisis in that state, one that was early recognized by the U.N. but exacerbated by the Nargis cyclone, and one that requires pervasive reform and extensive assistance. It is also one that the government denies.

In this hearing, I have been asked to testify on three basic points:

- (1) Prospects for political reform and the potential role of the United States in promoting democracy and the upcoming elections;
- (2) The economic and strategic implications of unilateral U.S. sanctions;
- (3) Steps that can and should be taken to improve the United States-Burma relationship.

(1) Prospects for political reform and the potential role of the United States in promoting democracy and the upcoming elections

If we are to evaluate the prospects for reform, we must first understand that the present attitudes and positions of the U.S. and Burmese Governments are virtually

¹In 1989, the military changed the name of the state from Burma to Myanmar, an old written form. The opposition, followed by the U.S., has never accepted that change as from a government they regard as illegitimate. The U.N. and other countries use Myanmar; thus, the name of the country has become a surrogate indicator of political inclination. Here, both are used and without political implications. Burmese is used for the citizens of that country and as an adjective.

diametrically opposite with starkly divergent appraisals of the past and present reality. Both sets of perceptions reflect differing cultural backgrounds and different priorities, even how power and authority are viewed. Trying to reconcile these irreconcilable perceptions will not be productive now; it is time to concentrate on how to affect the future.

We may distinguish short-term potential U.S. responses to encouraging the democratic aspects of the forthcoming 2010 elections from those that could foster democracy in the longer term. These two aspects of reaction are not seamless, but could produce antithetical results if unbalanced. Concentrating on the short-term period before the 2010 elections and possible disappointments therein, while ignoring the longer term future, may obscure more distant democratic opportunities. Considering only the longer term approach could vitiating chances, however tenuous, for early progress. The results of the planned 2010 elections might result in a new political dynamic, one that eventually opens some political space that could evolve into more effective governance. We should not ignore that possibility.

The prospects for political changes before the 2010 elections, however, seem dim. The military will not renegotiate the new constitutional provisions approved in 2008, as the NLD has demanded. Whether the NLD would participate in the elections if allowed, is still uncertain. Various parties, both those government backed and opposition, are in the process of formation in advance of articulated state regulations. These elections from the junta's viewpoint are in part designed to wipe out the 1990 election results which the NLD swept, so the NLD has a dilemma: To participate destroys their previous claim to authority, but to abstain marginalizes them even further. The political endgame is fast approaching, and the NLD needs to salvage its position or it may disintegrate or split. Whatever happens to the NLD, other opposition parties will participate and have some voice (rather *sotto voce*) in the new government, but one in which the military will have veto power on critical issues. There is no question but that the government and the legislature emerging from the 2010 elections will be dominated by the military, which will have 25 percent of the seats reserved for active-duty officers and thus can prevent unwanted amendments to the Constitution, which require 75 percent approval. Military control will be taut on issues it regards as vital to the country and over its own defense affairs, but may allow some avenues for debate and compromise.

The United States should recognize that these elections will take place, and that their results, however fair or unfair, will strongly influence the future of Burma/Myanmar over the next half-decade and longer. We must deal with that reality. We should continue to call for the release of all political prisoners, the early promulgation of a liberal political party registration law and voting legislation, the ability of all parties to campaign openly and relaxation of the press censorship law so that parties may distribute campaign literature. We should encourage the U.N. and ASEAN to request permission to monitor the elections and vote counting. Although unlikely to be approved, the effort should be made. The United States might consider, through ASEAN or the U.N., to supplying technical assistance and computer software for accurate ballot counting. This has been done in some other countries. These important considerations, however, even if ignored and even if the military were to engage in acts against the minorities or opposition that are reprehensible, should not terminate dialogue and a staged process of attempting to improve relations to mitigate these vital problems. I believe the Burmese administration sadly had no intention of allowing Aung San Suu Kyi out of house arrest before the elections, and that her trial was unnecessary for that purpose, for the junta would have found some rationale for her detention in any case.

A longer term approach to encouraging democracy in Burma/Myanmar should also be instituted at the same time. Yet the role of the United States in affecting positive change is limited by Burmese perceptions of the United States, the U.S. internal political process, and U.S. past actions related to Burma/Myanmar.

The junta is suspicious of the United States. There are two decades of distrust that strongly influence present and future relations. This heritage may not be insurmountable, but it is significant. The Burmese fear a U.S. invasion, however illogical that may seem to Americans. This accounts for their refusal to allow the United States to deliver directly relief supplies to the Burmese in Cyclone Nargis. Our cry for regime change and the "outpost of tyranny" characterization are not forgotten. Our support for dissident groups along the Thai border reinforces these fears, as does the potential role of Thailand as a perceived surrogate and ally of U.S. policy in the region. The United States has held the Burmese to a different, and more stringent, standard that we have for other authoritarian regimes with which we deal in terms of the political parties, religious freedom, and even human rights. In the region, China, Vietnam, and Laos immediately come to mind. Strong congressional and public antipathy to dialogue, let alone more productive relationships with

the regime, often center on the role and fate of Nobel Laureate Aung San Suu Kyi, and affect U.S. policy changes. Recent indications that she is willing to reconsider sanctions that she has in the past encouraged are welcome.

Several approaches to longer range problems should be considered. The buildup of indigenous civil society through the international NGO community is one element in the attempt to encourage more pluralism over the longer term and to begin to alleviate suffering and problems through local organizations more cognizant of local needs. Even under authoritarian regimes, civil society has important functions, and ironically the government since 1988 has allowed more civil society groups, both foreign and indigenous, to function then under the 1962 military government, although it has done so with political restrictions.

More basic human needs assistance (humanitarian aid) is necessary (health, education, nutrition, agriculture) to help the society out of the economic mire in which perhaps half the population is either under or at the World Bank-defined poverty line. The education system may have been expanded, as the government claims, but the quality has been destroyed. Health care is dismal—said to be the world's second worst. Thirty percent of children are malnourished to some degree. The per capita foreign assistance in Burma/Myanmar is about 20 times less than that provided to Laos. In a country like Burma/Myanmar, where the state intervenes administratively and personally at virtually all levels, it may be necessary to work with state institutions (such as the health system) if the people are to be helped. Depending on how this is done, it may be a small price to pay to assist the population.

In essence, by improving education and health, the groundwork of a more competent and vital populace will be developed that would better contribute to any new, and eventually more representative, government. Without such improvements, when changes come, as they inevitably will, a new more open government will be saddled with even more difficult problems that might have been earlier mitigated.

Third, there is one thing the United States does well—that is train people. Building up human capital is a primary requirement if the state is to progress. Modern training in basic human needs fields and in economics and related disciplines is essential. The country has lost perhaps 3 percent of its total population through migration due to political and economic problems and lack of opportunity, as well as through warfare and the threat of violence. Although 2 percent may be workers and undereducated minorities, 1 percent is an educated group who might have been the backbone of any new liberal administration. Even should internal conditions improve, many, perhaps most, would not return because they have become rooted in other societies. Either directly or through ASEAN, modern training should be provided either in the United States or in the region. This is essential for future progress. The international NGOs employ some 10,000 Burmese and the U.N. some 3,000 more. They and others should be given the opportunity to acquire advanced skills so they can contribute to future development under improved governance.

The United States should recognize that the military is and will be for a long period a cardinal socioeconomic force. The military now controls all avenues of social mobility in that society. This was not true in the civilian period. Beyond the public sector, they also have important economic assets in terms of military-owned and -run conglomerates that influence and even control large elements of economic activity. Those families that are ambitious and may even be opposed to the military in their administrative roles now send their sons into the military as the only real avenue of mobility and advancement. Alternative avenues, such as the private sector and other autonomous institutions, must be developed if there is to be an eventual balance between civilian and military authority. Real change will only come when these new avenues of social mobility are opened. This will take a long time, as it took in South Korea, and as it is now taking in Thailand and in Indonesia. The military will remain a vital element in that society for the foreseeable future. This should be recognized and efforts made both to help provide alternative avenues of mobility and also to broaden military attitudes and knowledge in terms of national development needs and social change. Military-to-military contacts are important, and I think it was wise of the United States to continue to have a military attaché attached to the Embassy in Rangoon, in contrast to the EU, which withdrew them in 1996 and assigned them all to Bangkok.

(2) The economic and strategic implications of unilateral U.S. sanctions

(2a) Economic implications of sanctions

Although some in the Congress wanted to impose Cuba-like sanctions in 1997, cooler heads prevailed. The four tranches of sanctions (1988, 1997, 2003, 2008) have had several effects. It has denied market access to the United States. It has resulted in other states, especially China, increasing its market share. It has also resulted in a loss of jobs for the Burmese peoples, a country already wracked with high un-

and under-employment. And it has not resulted in an improvement in human rights or working conditions for the Burmese. In addition, it has lost to U.S. businesses markets and some jobs that would have been important, but it has not injured the Burmese Government, which has simply substituted materials and services from other states, including some from our allies. Sanctions have been, admittedly, the moral high ground, but they have accomplished none of the U.S. objectives of reform and change. The present U.S. sanctions policy toward Burma/Myanmar illustrates how easy it is to impose sanctions, and how difficult it is to eliminate them once imposed. Yet, while encouraging the private sector, we should remember that although it is an important avenue for development, it is not a panacea. Those who consider that fostering foreign investment and encouraging the indigenous private sector will early bring democracy had better be prepared for an extended wait—witness South Korea (1961–1987) and Taiwan (1949–1992).

(2b) Strategic issues

Sanctions and an absence of dialogue have resulted in a lack of public recognition, until recently, of the strategic importance of Burma/Myanmar in the region. The need in a democracy to discuss publicly the multiple bases of foreign policy has been ignored—we have concentrated on human rights and democracy alone. These are important, necessary elements of foreign policy, but not the complete picture. If the American public and the Congress are to support any administration's foreign policy, the full range of U.S. interests needs articulation.

Burma/Myanmar is the nexus on the Bay of Bengal. It will be a major issue in future China-India relations. Both countries are rapidly rising in economic terms and are likely to be eventual rivals. Chinese extensive penetration of Myanmar prompted a complete change in Indian policy from being most vehemently against the junta to a supporter and provider of foreign aid. A secondary motive was to mitigate the rebellions in the Indian northeast, where rebel organizations have had sanctuaries in Myanmar. India bid for Burmese off-shore natural gas, but China has basically dominated that field and will build two pipelines across Myanmar to Yunnan province—one for Burmese natural gas and the second for Middle-Eastern crude oil. China is supporting more than two dozen hydroelectric dams in Burma/Myanmar with important potentially negative environmental effects. One strategic Chinese concern is the bottleneck of the Strait of Malacca through which 80 percent of imported Chinese energy transits. Should the strait be blockaded, Chinese defense and industrial capacities could be negatively affected, and drops in employment could threaten political stability. Chinese activities in Myanmar mitigate this concern. In reverse, some Japanese military have said that the ability of the Chinese to import oil through Myanmar and avoid the Malacca Strait and the South China Sea is not in Japan's national interests. India is also concerned with potential Chinese influence in the Bay of Bengal through Burma/Myanmar.

The Burmese have used the issue of China in their analysis of U.S. attitudes toward that regime. Burmese military intelligence has specifically written that the interest of the United States in regime change in Myanmar was because Myanmar was the weakest link in the U.S. containment policy toward China. Although the original statement was published in 1997, it had been reprinted 28 times by 2004. The Burmese have not understood that the U.S. concern was focused on human rights, but perhaps their statements were designed to, and have reinforced, the importance to the Chinese of support to the Burmese regime and thus increased Chinese assistance both economically and militarily. It should be understood, however, that Burma/Myanmar is not a client state of China. The Burmese administration is fearful of the roles and inordinate influences of all foreign governments, including the Chinese, the Indian, and the United States, and with considerable historical justification. The Chinese Government for years supported the insurrection of the Burma Communist Party, India is said to have assisted Kachin and Karen rebels and in the colonial period controlled much of the economy, and the Thai a multitude of insurgent groups. The United States previously supported the Chinese Nationalist (Kuomintang) remnant forces in Burma. More sustained dialogue could help us understand the strategic dynamics of Burma/Myanmar, including its obscured relationship with North Korea.

Although the United States under three Presidents (Clinton, Bush, and Obama) have invoked the phrase, "The actions and policies of the Government of the Union of Burma continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States," this statement is simply an administrative mantra and gross exaggeration because this language must be used (under the Emergency Economic Powers Act of 1997) if the executive branch wishes to impose unilateral sanctions (it was used recently in the case of North Korea). That does not mean there are no problems. Nontraditional security issues abound, such

illegal migration, trafficking, narcotics (now, metamphetamines), health issues, but none of them reach the status of an “extraordinary threat” either within the region or to the United States. Although Burma/Myanmar was once rightly castigated for its heroin production (although the United States has never accused the government itself as receiving funds from the trade—it tolerated money laundering activities), the U.S. National Drug Threat Assessment of 2009 indicates that opium production dropped significantly since 2002, and that since 2006 the United States could not chemically identify any heroin imported into the United States from Burma/Myanmar. Rather than assisting in the improvement of health as a cross-national problem, the United States refused to support the Global Fund, which was to provide \$90 million in that country over 5 years to counter HIV/AIDS, tuberculosis, and malaria. The Europeans instead funded the Three Disease Fund with \$100 million of the same period to fight the same diseases.

We should be concerned about the stability of the state and administration. China, India, ASEAN, the United States and other countries want stability. Although the Burmese state appears strong in terms of its coerced control, poor and deteriorating economic conditions, internal displacement of peoples, delicate and potentially fluid and explosive minority relations, arbitrary and repressive military actions, political frustration, and the influx of massive illegal Chinese immigrants (estimated at perhaps 2 million) and their increasing hold over the economy are elements that could easily result in internal violence, ethnic rioting (as in 1967), and deteriorating conditions that are against the interests of all external actors and the Burmese people themselves. We should be trying to convince the Burmese administration itself that it is the interests of their country to reform, for only then will stability be possible.

(3) Steps that can and should be taken to improve the U.S.-Burma relationship

The Burmese authorities have been told by many that improvement in United States-Burmese relations will require significant actions by the Burmese themselves to justify changes in U.S. policy. Political attitudes in the United States preclude immediate or early lessening of the sanctions regimen without such reciprocal actions. In the first instance, however, increases in humanitarian assistance (basic human needs, such as health, education, nutrition, agriculture) are essential.

Step-by-step negotiations are a reasonable way to proceed, perhaps the only way. Signals have been sent by both sides that some changes are desirable, but good words alone will not work. And whatever the United States proposes must be done with the support of both the executive and legislative branches, in contrast to an abortive executive attempt to improve relations on narcotics in 2002 that faltered in the Congress. It should be understood that such staged dialogue by both sides is not appeasement, and that both sanctions and engagement are tactics to secure objectives, not ends in themselves.

It should also be understood that as a general commentary on such negotiations, expecting the Burmese to humiliate themselves before any foreign power and give in to foreign demands, whether from the Chinese or the United States, is a recipe for a failed negotiations. Public posturing should be avoided, and quiet diplomacy take place to which the Burmese can respond to the need for progress and change within their own cultural milieu and with a means of explaining to their own people that these are indigenous solutions to indigenous problems. Unconditional surrender, which the United States has advocated on many occasions, is not a negotiating or dialogue position.

To start the process, the United States should approve of a new Burmese Ambassador (previously nominated) to Washington. The last one left in November 2004 after the ouster of Prime Minister Khin Nyunt in Burma/Myanmar and had nothing to do with sanctions issues. The administration should also be prepared to nominate an ambassador to Myanmar, even though there may be strong and negative congressional reactions. That person would be different from the ambassadorial position as coordinator under the Lantos 2008 sanctions legislation, and the choice of that person is important if there is to be credible dialogue with the government, since it calls for direct talks with the Burmese.

There are also areas where our interests overlap, and where coordinated efforts could be productive in themselves and in trying to build the confidence required if relations in other fields are to improve. We have a mutual interest in the environment, and indeed the United States has been working with the Burmese on protection of wildlife. There is much we could accomplish together and an urgent need. There are cooperative relations that could prove important in disaster preparation, for Burma/Myanmar is subject to earthquakes and cyclones that annually devastate the Burmese coast, although not normally with the force of Nargis. There is still work to be done on the missing-in-action U.S. soldiers whose planes went down in

Burma flying from India to China during World War II. There are the needs of the minorities who have been generally excluded from development. An especial reference should be made to the Rohingyas, the Muslim minority on the Bangladesh border who have remained stateless and who have suffered the most. Although the United States has concentrated its attention on political issues and human rights in general, the minority question in Burma/Myanmar is the most important, long-range and complex issue in that multicultural state. There is a need to find some "fair" manner in the Burmese context for their development, the protection of their cultural identity, and the sharing of the assets of the state. Within the unity of Burma/Myanmar, the United States might be able to contribute to this process. Further, improving relations with Burma/Myanmar will help strengthen our relations with ASEAN. The United States has made significant and welcome progress in the recent past, and the dialogue with Burma/Myanmar would help that process. The United States signing the ASEAN Treaty of Amity and Cooperation in July 2009 was a forward step.

In a variety of authoritarian states, the United States has supported programs that were designed to improve justice and the rule of law. Although this may seem counterintuitive, such programs could be of value in training individuals and assisting institutions to administer justice more fairly when they are in a position to do so. Although the United States objected when Australia started some human rights training in Burma/Myanmar (as it had done in Indonesia under Suharto), the exposure of key individuals with some responsibilities for dealing with such problems would be an investment for a time when they are able to use that knowledge to further goals we all share. The United States could join with the Australian program for ASEAN designed to provide counterterrorism training courses at the Jakarta Centre for Law Enforcement. Burma/Myanmar has cooperated with the United States on some counterterrorism activities, including but not limited to authorizing overflights of the country after 9/11.

The U.S. use of the term for the name of the state, Burma, rather than the military designated term, Myanmar (an old term, but one used in the modern written language) is simply a result of following the NLD. The military regard that as an insult. Although I believe the change in name was a tactical error, especially during a year when the government was trying to encourage tourism, many states, even those of which we disapproved, have changed their names and place names and the United States has followed. It did, however, take a couple of decades for the United States to change Peking to Beijing.

The Burmese need to respond to any U.S. overture. One might suggest to the junta that in light of the good performance of the international NGOs during the Nargis crisis, that the January 2006 stringent and deleterious regulations on their operation be waived, and that new ones formulated in collaboration with the NGO community. We want greater changes, but this start would be significant and allow the international NGOs to make a greater contribution to development in that country. Increases in humanitarian assistance, required in any event, would be greatly facilitated by such action.

If the Burmese were to respond to this step-by-step process, and if the 2010 elections were carried out in some manner with widespread campaigning and participation regarded as in a responsible manner (admittedly a term with strong cultural roots), then the United States could withdraw its opposition to multilateral assistance from the World Bank or Asian Development Bank if that government were to adhere to the bank's new requirements for transparency and good governance. Burmese economic policy formulation is opaque, and such activities might not only provide needed light, but also encourage a sense of reality among the military leadership, some of whom are said to be insulated from the dire conditions in the country. The United States could modify its sanctions approach; some have called for more targeted sanctions that could be an indicator of gradual improvement of relations. If we want to influence the new generation in Burma/Myanmar, why do we then under the sanctions program prohibit the children and grandchildren of the military leadership from studying in the United States? These are just some of the people from influential families whose attitudes toward the United States we should hope to change. If the sanctions policy were to be modified and gradually rescinded, it would require significant reforms for that to happen.

It is probable that not much will be possible before the 2010 Burmese elections, that date of which has not yet been announced. Until then, it is likely the Burmese Government will be primarily focused on actions leading up to that activity and have limited interest in important changes. That does not mean we should not try to affect change in that period.

Some general comments may be in order. It is important in any international negotiations that the United States not be wedded to the interests of any particular

foreign leader or group, for although their objectives may be similar, their tactics, views, and immediate interests may differ from U.S. national interests. U.S. policy should not be held hostage to foreign attitudes, however benign.

In negotiations, it is also important not to characterize the military as we have in the past with "rogue," "pariah," "thuggish," and other such terms. The regime has to be treated with civility or any discussions will fail. We conceive grammatically and politically of the military as singular, but in fact it is plural, and there are elements who are not corrupt, who have a sense of idealism in their own terms, who want to do something for their own society, and who recognize that improved governance internally and better relations externally are part of that process. We should understand the potential diversity of the military and seek to identify and encourage positive thinking on their part.

The question will be asked whether dialogue and negotiations as suggested in the paper will provide an added degree of legitimacy to the present military regime or one evolving from the 2010 elections of which the United States may not approve. Any relationship involves a delicate equation in which one attempts to gauge the benefits and the disadvantages involved toward reaching the goals that have been set. In the case of Burma/Myanmar, I believe the advantages to the United States and to the peoples of Burma/Myanmar outweigh any slight fillip of legitimization the regime may claim. I believe the people of that country are more astute.

We should also negotiate with the Burmese on the basis that their primary national goal of the unity of the Union is a shared goal of the United States, and that we do not want to see the balkanization of Burma, but that the actions of their own government and the attitudes of some of the military convey the impression that they are an occupying army in some minority areas, and this undercuts the willingness of some of the minorities to continue under Burman rule, and thus the ability of that government to reach its goal. It is in the interests of the region and the world not to see a breakup of the country, but that unity can only be achieved through internal respect and dignity among all the peoples of the state, and through real developmental efforts to which the United States could contribute under conditions to be negotiated.

I am not sanguine about early progress, but what has been done in the past months and this hearing itself are important beginnings and should be continued and expanded.

Thank you for giving me this opportunity to contribute to the process of dialogue.

Senator WEBB. Thank you very much, Dr. Steinberg. We thank you for your presence at this hearing today.

Professor Williams, welcome.

**STATEMENT OF DAVID C. WILLIAMS, PROFESSOR, INDIANA
UNIVERSITY, BLOOMINGTON, IN**

Mr. WILLIAMS. Thank you.

Chairman Webb, I thank you for the opportunity to testify on this second anniversary of the Saffron Revolution. Let me congratulate you on your recent trip to Southeast Asia, and let me express my gratitude that you want to consider the many ways that the United States can help promote democracy in Burma, beyond just the narrow issue of sanctions.

If you will permit me a personal note, I would also like to thank you for trying to secure the release of Le Cong Dinh, who is the general secretary of the Democratic Party of Vietnam. I actually advise the DPV on constitutional reform. He hosted my family for a 2-week visit last spring, and he was arrested on the day we left. We pray for his well-being, and we thank you for your efforts in trying to get him out.

But, we're here to talk about Burma, not Vietnam. It's important to focus on the realities, as you so often said, even when they're uncomfortable. And I'd like to highlight two realities that I know from personal experience. Here is the first: The SPDC is committing mass atrocities against the ethnic minorities. I know this

because I advise many of those groups on constitutional reform, and I've seen conditions on the ground.

Here's the second reality: Even if the 2010 elections are free and fair, which they won't be, by all accounts, they won't bring about civilian rule, because this constitution does not provide for civilian rule. A partially civilian government, yes; but that government won't rule. I teach constitutional law, and I consult in a number of countries, and this is one of the worst constitutions I've ever seen. But, the SPDC—

[Laughter.]

Mr. WILLIAMS [continuing]. The SPDC has done a good job of disguising what they've done, so we need to go through, article by article.

Now, regarding the ethnic minorities, when you leave Rangoon and get up into the hills, things seem a lot different. Chairman, I think you'd like the Karen, because again if you'll permit me a personal note, they're the Scots-Irish of Southeast Asia. They're a hill people; they're musical; they're clannish; they're tough. They've long been dominated by a distant government, which they have learned to distrust. As a group they are the most loving and gentle people I know. But, they were, all of them, born fighting, because their government is making war on them as we speak, and they need our help.

Burma's problems began in ethnic conflict, and they will continue until the underlying issues are addressed. The resistance groups are not strong enough to overthrow the regime, and I don't think they ever will be, but the regime is not strong enough to crush the resistance, either. Conditions in central Burma are bad, but there is suffering on a Biblical scale in the ethnic areas.

The military is making war on a civilian population, and its actions likely constitute crimes against humanity. The United Nations has found that soldiers routinely commit rape with impunity, and rape appears to be a policy for population control. By one U.N. estimate, officers commit 83 percent of these rapes, and 61 percent are gang rapes. When outsiders try to investigate, officers commonly threaten to cut the tongues and slice the throats of any villagers who cooperate.

But, these bald statistics cannot tell the human dimension of the suffering. Reading the individual accounts is excruciating. As just one example, Ms. Naang Khin, age 22, and her sister, Ms. Naang Lam, age 19, were reportedly raped by a patrol of SPDC troops when they were reaping rice at their farm. Their father was tied to a tree. Afterward the two sisters were taken to a forest by the troops. Their dead bodies were found by the villagers some days later, dumped in a hole.

The Tatmadaw also uses forced labor, and is probably the greatest conscriptor of child soldiers in the world. The military does not generally attack the armed resistance forces, instead it burns or mortars villages, over 3,000 villages since 1996. And this has been going on for years, creating one of the worst refugee crises in the world. One million-plus between 1996 and 2006, and one-half million still displaced today, by U.N. estimates.

One particular woman had to run for days through the jungle immediately after giving birth, carrying her baby in her arms. That

baby grew up, got an American law degree, and she is now a research fellow in my center, and she is a miracle of survival.

China cannot ignore the ethnic minorities, because it has had to deal with a wave of refugees driven there by the SPDC's attacks. Beijing publicly rebuked the regime for creating regional instability, which, of course, would be grounds for Security Council intervention. In other words, on this point, this narrow point, China and the United States appear to be on the same page; we all want the attacks to end.

So, what policy recommendations follow from this reality? I think there are three. First, the United States should supply humanitarian aid, not just through Rangoon, but also across the borders to the ethnic minority areas. The programs in central Burma cannot get out into the hills, and, as a result, the people who are suffering the most are receiving the least.

Second, if we are going to enter dialogue with the junta, we must demand an immediate end to the attacks on civilian populations. Otherwise, we will be directly dealing with murderers who are in the midst of a killing spree.

Third, Burma will never know peace or justice until there are trilateral talks—and I think all three of us are agreed on this—between the SPDC, the Democracy Forces, and the ethnic minorities. We must, therefore, insist that the junta engage not just with the NLD but also with the minorities.

Now, my second subject is the 2010 elections. We all would like to hope that they will usher in a new era of possibility. But, in fact, it's very unlikely they'll bring peace, and they won't bring civilian rule. The runup to the elections has already caused more violence, not less. Overwhelmingly, the resistance armies have rejected the SPDC's demand that they become border guard units after the elections, and the SPDC has responded by attacking the Kokang. The conflict will increase, as larger groups are pulled in, if the regime attacks them.

We know for a fact that the Burmese military is gearing up for offenses around the country—they're right now putting in supplies and resources—and that the resistance groups are gearing up for—to resistance. The mountains will run with blood as the elections approach. So, the elections won't bring peace. They also won't bring civilian rule. Some think that we should try to ensure that the elections are free and fair, and that's a good idea, but it really matters only if the elections will lead to civilian rule, which they won't. The constitution allows the Tatmadaw to keep however much control it likes.

Now, in my written testimony I go into the constitution at some length, parsing text, but, on the view that only constitutional law professors really enjoy parsing constitutional text, I'll omit that part and just get to the bottom line.

A lot of people worry that the Tatmadaw will dominate the government because they will appoint 25 percent of the various legislative bodies, but that's not the big problem. There's a much bigger problem. The big problem is that, under the constitution, the civilian government has no power over the Tatmadaw, which can write its own portfolio. It can do anything it wants to do. And if it ever gets tired of dealing with the civilian government, it can declare a

state of emergency and send everyone else home. In other words, it can seize control just as it did in 1962. The only difference: This time it'll be legal. This constitution is not a good-faith gesture toward democracy. It's a cynical attempt to buy off international pressure.

So, what policy recommendations follow from this reality? Well, we should certainly try to ensure that the elections are free and fair, but our greatest focus should be on constitutional change, just as Secretary Campbell suggested, so that someday Burma might witness civilian rule. That change should occur before the elections, but if it must wait until after, then we should hold the SPDC to its word. It has always claimed that it could not negotiate with the opposition because it was only a transitional government, transitioning for 20 years. After the elections, that excuse will be gone.

If the United States opens dialogue with the regime, it must demand that the regime simultaneously open dialogue with its own citizens. But, in order to make demands, we must be able to give the regime something. If we relax sanctions now, rather than in response to real progress, as Secretary Campbell suggested, then we will have that much less to offer.

And let us speak plainly. If we try to compete with China for influence over a military autocracy, we will always lose, because there are some things that we just won't do. We win only if we can shift the game, only if, through multilateral democracy and diplomacy, we can get the regime to stop killing its people, and to allow civilian rule. Making premature concessions won't shift the game, it will only give the game away.

[The prepared statement of Mr. Williams follows:]

PREPARED STATEMENT OF DAVID C. WILLIAMS, EXECUTIVE DIRECTOR, CENTER FOR CONSTITUTIONAL DEMOCRACY, JOHN S. HASTINGS PROFESSOR OF LAW, INDIANA UNIVERSITY MAURER SCHOOL OF LAW, BLOOMINGTON, IN

Chairman Webb, Senator Inhofe, I thank you for the opportunity to testify during this second anniversary of the Saffron Revolution. Chairman Webb, please let me congratulate you on your trip to Southeast Asia. I am grateful that you want to consider the many ways that the United States might promote democracy in Burma, beyond just the issue of sanctions. Finally, and on a more personal note, please let me thank you for trying to secure the release of Le Cong Dinh, who is the secretary general of the Democratic Party of Vietnam. I advise the DPV on constitutional reform. Dinh hosted my family for a 2-week visit in the spring, and on the day we left, he was arrested and remains in prison. We pray for his well-being and thank you for your efforts.

But we are here to talk about Burma, not Vietnam, which is a very different place. And when thinking about U.S. policy toward Burma, it is important to focus on the realities, even when they are uncomfortable. I would like to highlight two realities that I know from personal experience.

Here is the first reality: The SPDC is committing mass atrocities against the ethnic minorities. I know this because I advise many of the ethnic groups on constitutional reform, and I've spent a lot of time with them, witnessing conditions on the ground.

Here is the second reality: Even if the 2010 elections are free and fair, which they won't be, they won't bring about civilian rule because the Constitution does not provide for it—a partially civilian government, yes; but civilian rule, no. I teach constitutional law, and I consult in a number of countries, and this is one of the worst constitutions I have ever seen. The SPDC has done a good job of disguising what they've done, but underneath the attractive labeling, there is a blueprint for continued military rule.

Regarding the ethnic minorities, when you leave Rangoon and get up into the hills, things seem very different. I work a lot with the Karen, who are the Scots-

Irish of Southeast Asia.¹ They are a hill people, musical, clannish, and tough. They have long been dominated by a distant government, which they have learned to distrust. As a group, they are the gentlest and most loving people I know. But all of them were born fighting, because their government is slaughtering them as we speak. And they need our help.

Burma's problems began in ethnic conflict, and they will continue until the underlying issues are addressed. Some people seem to think that Burma's struggle is between one woman, Aung San Suu Kyi, who wants democracy, and one man, Than Shwe, who doesn't. But even if democracy comes to Burma, the troubles will not end until the needs and demands of the minorities have been answered. The resistance groups are not strong enough to overthrow the regime, but the regime is not strong enough to crush the resistance.

Conditions in central Burma are bad, but in the ethnic areas there is suffering on a biblical scale, in every way comparable to Darfur. The military is making war on a civilian population, and its actions likely constitute crimes against humanity. The United Nations has found that soldiers routinely commit rape with impunity, and rape appears to be a policy for population control.² By one U.N. estimate, officers commit 83 percent of these rapes, and 61 percent are gang rapes.³ When outsiders try to investigate, officers commonly threaten to cut the tongues and slice the throats of any villager who speaks to them.⁴

But these bald statistics cannot tell the human dimension of the suffering; reading the individual accounts is excruciating. As just one example: "Ms. Naang Khin, aged 22, and her sister, Ms. Naang Lam, aged 19, were reportedly raped by a patrol of SPDC troops . . . when they were reaping rice at their farm . . . Their father was tied to a tree. Afterward, the two sisters were taken to a forest by the troops. Their dead bodies were found by villagers some days later dumped in a hole."⁵

The Tatmadaw also uses forced labor⁶ and is probably the greatest conscriptor of child soldiers in the world.⁷ The military does not generally attack the armed resistance forces; instead, it burns or mortars villages, over 3,000 villages since 1996.⁸ And this has been going on for years, creating one of the worst refugee crises in the world—1 million-plus between 1996 and 2006 and ½ million still displaced today.⁹ One woman had to run for days through the jungle immediately after giving birth, carrying her baby in her arms. That baby grew up, got an American law degree, and she is now a research fellow in my Center. And she is a miracle of survival.

China cannot ignore the ethnic minorities, because it has had to deal with a wave of refugees, driven there by the SPDC's attacks. Beijing publicly rebuked the regime for creating regional instability, which of course would be grounds for Security Council intervention. In other words, on this point, China and the United States appear to be on the same page with respect to Burma: We all want the attacks to end.

So what policy recommendations follow from this reality?

First, the United States should supply humanitarian aid not just through Rangoon but also across the borders to the ethnic minority areas. The programs in central Burma cannot get out into the hills, and as a result, the people who are suffering the most are receiving the least.

Second, the State Department has told us that the regime wants closer relations and will appoint an interlocutor. But if we are going to enter dialogue with the junta, we must first demand an immediate end to the attacks on civilian populations. Otherwise, we will be directly dealing with murderers still in the midst of a killing spree.

Third, Burma will never know peace or justice until there are trilateral talks between the SPDC, the democracy forces, and the ethnic minorities. The international community has long known this truth, but the regime has proved unwilling. If we are going to open dialogue with the regime, we must insist that they engage not just with the NLD but also with the minorities.

¹For more on the Scots-Irish, see James Webb, "Born Fighting: How the Scots-Irish Shaped America" (2005).

²See "Crimes in Burma: A Report by International Human Rights Clinic at Harvard Law School" at 51-64. This definitive report analyzes and synthesizes the United Nations reports documenting human rights abuses in Burma.

³See *id.* at 59.

⁴See *id.* at 60.

⁵See *id.* at 55.

⁶See *id.* at 15-16.

⁷See Human Rights Watch, "My Gun Was as Tall as Me: Child Soldiers in Burma" (2002).

⁸See "Crimes in Burma," *supra* note 1, at 40.

⁹See *id.*

My second subject is the 2010 elections. We all would like to hope that they will usher in a new era of possibility. But in fact, they won't bring peace or civilian rule. The runup to the elections has already brought more violence, not less. Overwhelmingly, the resistance armies have rejected the SPDC's demand that they become border guard units after the elections, and the SPDC has responded by attacking the Kokang. The conflict will only increase when the regime moves against larger groups: We will soon see fighting with the United Wa State Army, the Kachin Independence Army, and others. We know for a fact that the Burmese military is gearing up for offensives around the country and that the resistance groups are getting ready to resist attacks. The mountains will run with blood.

So the elections won't bring peace; they also won't bring civilian rule. Some think that we should try to ensure that the elections are free and fair—but that really matters only if the elections will actually lead to civilian rule, which they won't. The Constitution allows the Tatmadaw to keep however much control it likes.

I clerked for Ruth Bader Ginsburg years ago, and she always taught us to read laws very closely. This Constitution bears particularly close reading, because it is much worse than is generally reported. A lot of people worry that the Tatmadaw will dominate the government because they will appoint 25 percent of the various legislative bodies. But there's a much bigger problem: Under the Constitution, the Tatmadaw is not subject to civilian government, and it writes its own portfolio. It can do whatever it wants.

The Constitution guarantees the power of the Tatmadaw in its section on "Basic Principles"—a clear sign that the framers thought the role of the Defence Services to be fundamental. Article 20(b) provides that the military will run its own show without being answerable to anyone: "The Defence Services has [sic] the right to independently administer and adjudicate all affairs of the armed forces." The Constitution defines the "affairs of the armed forces" so broadly as to encompass anything that the Tatmadaw might want to do. Article 6(f) provides that among the "Union's consistent objectives" is "enabling the Defence Services to participate in the National political leadership role of the State." Article 20(e) further assigns the Tatmadaw primary responsibility for "safeguarding the nondisintegration of the Union, the nondisintegration of National solidarity and the perpetuation of sovereignty." This regime has frequently found a threat to "National solidarity" when people merely disagree with it; it is prepared to slaughter peacefully protesting monks. There is no reason to think that after 2010, the Tatmadaw will think differently.

Because the Tatmadaw's responsibilities are so broadly and vaguely defined, the question of who will have the power to interpret their scope is critical. The Constitution answers that question clearly: The Tatmadaw will have the power to determine the powers of the Tatmadaw. Article 20(f) assigns the Tatmadaw primary responsibility "for safeguarding the Constitution." But if the military is the principal protector of the Constitution, then the military will presumably have the final authority to determine its meaning, so as to know what to protect. And indeed, Article 46 implicitly confirms this conclusion: It gives the Constitutional Tribunal power to declare legislative and executive actions unconstitutional, but it conspicuously omits the power to declare military actions unconstitutional. In other words, the Tatmadaw has the final authority to interpret the scope of its own constitutional responsibilities. Most first year law students have read a famous portion of Bishop Hoadly's Sermon, preached before the King in 1717: "Whoever hath an absolute authority to interpret any written or spoken laws, it is he who is truly the lawgiver, to all intents and purposes, and not the person who first spoke or wrote them."¹⁰ And under the Burmese Constitution, the Tatmadaw will be "truly the lawgiver," not the people elected in 2010.

The Constitution further ensures that the Tatmadaw will have the power to control the citizenry on a day-to-day basis. Under Article 232(b)(ii), the Commander-in-Chief will appoint the Ministers for Defence, Home Affairs, and Border Affairs. The military's control over home affairs is especially ominous because it gives the Defence Services broad power over the lives of ordinary citizens in their daily lives.

The military's control over Home Affairs (as well as Defence and Border Affairs) will constitute a military fiefdom, not part of the civilian government in any meaningful sense. The Commander-in-Chief will have power to name the Ministers without interference from any civilian official. The President may not reject the Commander-in-Chief's names; he must submit the list to the legislature. See Article 232(c). The legislature may reject those names only if they do not meet the formal qualifications for being a minister, such as age and residence. See Article 232(d).

¹⁰See Choper, Fallon, Kamisar, and Shiffrin, "Constitutional Law: Cases—Comments—Questions," page 1 (Ninth Edition 2001).

Theoretically, the legislature could impeach those ministers under Article 233, but the Commander-in-Chief would merely reappoint a new minister acceptable to him.

In addition, these ministers will continue to serve in the military, so they will be under orders from the Commander-in-Chief, not from the President. See Article 232(j)(ii). In other words, the Commander-in-Chief will be administering home affairs, immune from interference by the civilian government. Theoretically—again—the legislature might try to pass statutes controlling the Tatmadaw, but recall—again—that under Article 20(b), the Tatmadaw has the “right to independently administer and adjudicate all affairs of the armed forces.”

The independent power of the Tatmadaw over ordinary citizens includes the power to impose military discipline on the entire population. Article 20 provides: “The Defence Services has the right to administer for participation of the entire people in Union security and defence.” In other words, the military may forcibly enlist the whole citizenry into a militia so as to maintain internal “security.” And, again, the civilian government has no control over the military’s operations. After the elections, Burma will be a military dictatorship just as much as now.

In short, during normal times, the Tatmadaw has constitutional power to do anything it wants without interference from the civilian government. But if it ever tires of the civilian government, it can declare a state of emergency and send everyone else home. On this subject, the Constitution uses a bait-and-switch approach: in one section, it creates a process for declaring a state of emergency in which the civilian government will have a role; but in another section, it specifies that the military may retake power entirely on its own initiative. Thus, in Chapter XI, the Constitution provides for the declaration of a state of emergency in which the military would assume all powers of government, see Article 419, but it would require Presidential agreement before the fact, see Article 417, as well as legislative ratification afterward, see Article 421. But in Chapter I on Basic Principles, Article 40(c) provides for a very different, alternative process in which the Commander-in-Chief can act at his own discretion: “If there arises a state of emergency that could cause disintegration of the Union, disintegration of national solidarity and loss of sovereign power or attempts therefore by wrongful forcible means such as insurgency or violence, *the Commander-in-Chief of the Defence Services has the right to take over and exercise State sovereign power in accord with the provisions of this Constitution.*” (emphasis supplied). To be sure, the Tatmadaw may seize power only if “national solidarity” is threatened, but as already shown, the military has unreviewable authority to decide whether such a threat exists.

In other words, the Tatmadaw can seize control just as it did in 1962, and this time it will be legal. The whole Constitution is based on a “wait and see” strategy: If the civilian government does what the Tatmadaw wants, then it will be allowed to rule; if not, then not. This Constitution is not a good faith gesture toward democracy; it’s a cynical attempt to buy off international pressure.

So what policy recommendations follow from this reality? We should certainly try to ensure that the elections are free and fair, unlike the referendum on the Constitution, if the regime will permit us. But our greatest focus should be on constitutional change, so that someday Burma might witness civilian rule. That change should occur before the elections, but if it must wait until after, then we should hold the SPDC to its word: it has always claimed that it could not negotiate with the opposition because it was only a transitional government—for 20 years. After the elections, that excuse will be gone.

If the United States opens dialogue with the regime, it must demand that the regime simultaneously open dialogue with its own citizens. But in order to make demands, we must be able to give the regime something. If we relax sanctions now, rather than in response to real progress, then we will have that much less to offer—as Secretary Clinton and the 66 cosponsors of the sanctions have recognized. And let us speak plainly: If we try to compete with China for influence over a military autocracy, we will always be at a disadvantage because there are some things we just won’t do. We win only if we can shift the game, only if through multilateral diplomacy we can get the regime to stop killing its people and to allow civilian rule. Making premature concessions won’t shift the game; it will only give the game away.

Senator WEBB. Thank you very much, Professor Williams, for being with us today. And, for the record, I don’t think there is anyone in this process who is advocating continuing current abuses by any government, nor is there anyone that I know of who is advocating lowering the standards of the United States to those of China when it comes to international relations.

Let me ask you a question. You indicate that you're involved in the democracy movement in Vietnam.

Mr. WILLIAMS. It may be too strong to say there's a real movement in Vietnam. There are people who want democracy. And there's something called——

Senator WEBB. I don't think it's too strong, I've been——

Mr. WILLIAMS. OK. Well, good, I'm glad to——

Senator WEBB [continuing]. Working on it for 18 years——

Mr. WILLIAMS [continuing]. I'm happy to hear that, good.

Senator WEBB. Actually for 40 years——

Mr. WILLIAMS. OK.

Senator WEBB [continuing]. Since I fought there as a marine, Professor.

Mr. WILLIAMS. Yes, I know.

Senator WEBB. And I started working with respect to democracy in Vietnam 18 years ago, on my first visit to Hanoi.

Mr. WILLIAMS. Yes.

Senator WEBB. I don't take a back seat to you or anybody else when it comes to aspiring for democratic governments in that part of the world.

Mr. WILLIAMS. I'm sure that's right.

Senator WEBB. Do you favor sanctions against Vietnam?

Mr. WILLIAMS. I do not.

Senator WEBB. Do you favor sanctions against Burma?

Mr. WILLIAMS. I favor keeping sanctions against Burma, and relaxing them only in response to real progress.

Senator WEBB. But, in conceptual terms, you are not opposed to the idea of lifting sanctions.

Mr. WILLIAMS. In response to real progress, I am in favor of the idea of lifting sanctions.

Senator WEBB. OK. Well, let me just say to you, I was one of those who resisted lifting the trade embargo against Vietnam, for a number of years. And when I first went back to Vietnam in 1991, the conditions inside Vietnam were worse than I saw in Burma in 2001. And I think probably the major contributor to the openness that we have seen—however imperfect—in Vietnam was lifting the trade embargo; allowing people from Western society to interact with people on the street, allowing situations such as an open Internet—there are now an estimated 40 million Internet users in Vietnam—you have to take what you can get, no matter what the eventual aspirations are that all of us share, wouldn't you agree?

Mr. WILLIAMS. I would agree. We've got to focus on what we can get, that's right.

Senator WEBB. Actually, Dr. Steinberg, I was going to start with you. I can't resist this. I received a letter, when I returned from this last Southeast Asian trip, from an individual in London who is a historian, who had among his books written a very favorable biography of Aung San Suu Kyi. And at the end of his letter, I thought of you because of the fact that you had lived in Burma for 4 years, beginning in 1958. He said, "Scroll back to the mid-1950s, and those who could afford it traveled from Bangkok to Rangoon to shop. Burma was still a democracy; Thailand was under the cosh of the military. Today the situation is exactly reversed. Why?"

I mean, that—it's his "why," not my "why." What happened?

Dr. STEINBERG. I think that his statement is accurate. If all of us had sat in the Mayflower Hotel bar and tried to think at that time which country would develop most rapidly, Thailand, Burma, or South Korea, we all would have said Burma. South Korea would have been out of it completely.

And the reason I think that Burma has failed has been twofold. One, of course, is absolutely disastrous economic policies and, I would argue, disastrous social policies, toward the minorities especially developed over time, and not only authoritarian rule, but authoritarian rule by a single man, General Ne Win, who was absolutely a dictator with whom nobody could disagree. And the result his whim was, in fact, law. And although he in fact, had a lot of experience traveling abroad, he had very limited concepts of what was going on. He was very good at manipulating people, and stayed in power. He was in power, in fact, from 1961 until he died in—well, he died in 2002, but until 1988, and then he was behind the scenes in power even for some years after that.

But, these policies have been unique in the sense that there is no mechanism in that society for dissent. Under Ne Win, there was no mechanism for dissent. Under the present government, there is no mechanism for dissent. There's no Chinese Imperial Censorate to tell the emperor, "That's not a good idea, don't do it that way." There's no free press that in the modern world says the same thing. This means that there is arbitrary rule, and arbitrary rule based on ignorance leads to disaster.

Senator WEBB. Thank you.

I'd like to go back to an important point that Professor Williams made, that Burma's problems began in ethnic conflict, and will continue until the underlying issues are addressed. And I'm wondering the thoughts of the panel on, first of all, how important the ethnic conflict issues are, as opposed to the political issues that we invariably discuss here, in terms of resolving the problem, and what steps we could take.

And, Dr. Myint-U, maybe I can start with you on that.

Dr. MYINT-U. I think, in the long term, the ethnic issues are extremely important. It is a country where the ethnic majority Burmese people are anywhere between 60 and 70 percent of the population. You have so many other ethnic groups, you have many of the ethnic groups—many of the armed groups are based on specific ethnic communities. None of the underlying issues that began the ethnic conflict in the 1940s and 1950s have been addressed, and I think it'll be very hard to see them addressed unless we have a much more open political system, if not an actual democracy.

I think—in the short term, though, I think certain improvements can be made without addressing these underlying issues. As you know, the fighting in Burma, which went on for many decades, largely ended in the late 1980s and 1990s, except on the Thai border. The cease-fires remain intact. We'll know over the coming year or so whether those cease-fires collapse, or whether—or if the government will be able to deal—or the Burmese Army will be able to do a deal with the leadership of some of these groups to move the cease-fires forward to something a little bit more sustainable.

Though I think in the short term it's unlikely that we'll see a resumption of full-scale hostilities, but I think whatever happens in

the short term, this need to address the underlying ethnic grievances, the sense of discrimination, not just by the ethnic groups that are fighting now, but by other big ethnic minority communities in Burma, religious minority communities in Burma, will remain.

And again, we haven't even begun the process of any sort of dialogue between minority communities, or between those communities and the Burmese majority, because of the lack of political freedom that exists in the country right now.

Senator WEBB. Dr. Steinberg.

Dr. STEINBERG. I agree that the ethnic issues are the most important issues facing the country over the longer term. Unfortunately, the military has said, since 1962, that federalism is an anathema; it is the first step on the road to secession. In fact, federalism—some form of federalism by some name is, in fact, I would argue, necessary for the future of that country. And the NLD platform in 1989 called for a form of federalism, even though the NLD is basically a Burman party. And there is a need for the minorities who have been separated to get together. They have tried that on a number of occasions. But, the Burmans are terribly fearful of the secession issue. This is their primary objective, the unity of the country.

So, I am trying to explain, when I have contact with the military, that—"Forget the issue of U.S. interests, but talk about your own interests. You're not going to get unity the way you're going. You are destroying the very concept you are trying to initiate." The atrocities on the border are certainly true. The disdain that the military have for some of the minorities, the glass ceilings that exist within the military and civilian government for some of the minorities, both religious and ethnic, are real, and they are felt very strongly by the people.

Senator WEBB. Professor Williams.

Mr. WILLIAMS. Well, we're all in agreement on this issue, that this is critical to the future of Burma, both long term and short term. I agree with Professor Steinberg that some kind of federalism is the only possible solution. I also agree that the current regime, and many ordinary Burmans, are very uncomfortable with the idea.

On the ethnic side, I would like to say, just because it's often misrepresented, I think a lot of ordinary ethnic people do want independence. None of the leaders formally want independence. Sometimes they say that, but they know they're going to be part of a single country. And that's critical, and that has to be the basis for future negotiations. It's going to be one country, but with some devolution of power.

I would also add that, in a certain sense, that's what Burma has had for some time now. What those cease-fires are, in a certain sense, is they're federalism on the ground. And all of a sudden a lot of those powerful ethnic armies are realizing that this is about to roll backward.

I agree with Dr. Thant Myint-U that it would be great if the military would figure out some way to maintain those cease-fires. That will almost surely be unconstitutional, because the constitu-

tion provides that the Tatmadaw will be the only military force in Burma. And so, there's a crisis brewing here.

The other difficulty that happened is that there are some very large ethnic armies, very well equipped. Much of that money is off methamphetamines and opium. The regime has, in the past, played ball with those groups. It's taken a cut off of the drug proceeds and allowed them to do their own thing. Those are the people in the pipeline right now for conflict, because all of a sudden the regime wants to undo those cease-fires. And that could be terrible, bloody fighting in the next little bit.

Senator WEBB. Thank you.

I should have made this my first follow-on question—I'd like to give Dr. Myint-U and Dr. Steinberg the opportunity to discuss their view of the issue that Professor Williams raised about the notion that the election process will not provide a civilian government. What are your thoughts on that? Either one.

Dr. STEINBERG. The new constitution will provide military control, as Dr. Williams has said, over the society. It will be civilianized. The military are training all kinds of military people to assume what we would regard as civilian positions. Now, in that government, there will be some openings. But, at the same time, as Dr. Williams has said, the military will control its own budget, its own personnel, its own activities. The civilians will have no control over that. And the military have a—basically a get-out-of-jail-free card. Nobody can be tried for any actions committed officially in the previous administration.

So, it is a flawed constitution. It does, though, offer some avenue for some minority—I mean, minority parties and opposition parties, which are now being attempted to be formed, or formulated, even before the law on political party formulation has been set forth.

We don't know what's going to happen in the elections. I assume that the government assumes that it will win. But, remember that, in the 1990 elections, in which certainly the campaigning was completely unfair, they counted the votes fairly, otherwise how would the opposition get 80 percent of the seats? So, therefore, it's a little bit more mixed.

One other thing that I wanted to mention on the question of narcotics. I do not believe the United States Government has ever claimed that the Burmese Government officially, at the center, gets money from the narcotics trade. Individual military and those in local areas, I'm sure certainly do; otherwise, the trade couldn't exist. But I think that is a distinction that we should make. Burma is not a narcostate, in those terms.

Senator WEBB. Thank you.

Dr. Myint-U.

Dr. MYINT-U. Yes, I think it—I think the answer to the question really depends on whether or not General Than Shwe is around, or not. I think if he's around, and active, then he's going to be the man in charge. And the difference between ex-military, military, army, parts of this new government, may not make that much difference if he's, overall, in charge. I think he's going to try to bring younger blood into the top ranks of the army; he's going to try to make sure that the army commander in chief, the new one, is going to be someone who is going to be loyal to him. And then I think

many of the current top generals will retire from the army, but be given new posts in the civilian government. It'll be a civilian government, in the sense that most of the people will be civilians, but many of these people will be people with former army backgrounds.

And I think if General Than Shwe steps back, or he becomes ill, or is no longer active, or when he finally dies, then I think you'll have a very different picture. Because what he is setting up, essentially, is a system that guarantees that there will not be a single strongman who replaces him while he's still alive. But, what that means is that when he's no longer there, you will have a very fractured system on the ground. And where that leaves the country afterward is very difficult to tell.

If you look at the local—state and regional governments, it sets up a local assembly and a local chief ministership—what you're going to have there is, you're going to have regional army commanders, some of these younger officers who are in their forties right now, who become brigadier generals to become regional army commanders, and their incentives will be still with the army, and their loyalty will still be with the army. Next to them, though, you will have a chief minister, who will likely be an ex-general, who will be older than them, 10 years more senior to them. So, it remains a question mark—and their incentive structure will no longer be with the army, but will likely be with local business interests, or other interests, in their region or state—so, it remains a big question mark, in terms of who's going to be in charge at that point. Is it going to be the army guy, or is it going to be his former superior in the army, who's nominally a civilian?

So, again, as long as General Than Shwe is in charge, or there in the background, I think a lot of these differences might not make that much difference. But, the moment he goes, or loses a degree of control, this constitution will set up, again, a very fractured system, both at the local level and at the top, for better or for worse.

Senator WEBB. Well, intellectually, the questions are, first of all, whether this document and the implementing legislation are basically final documents, No. 1. No. 2, whatever the document ends up being as the final document, even if it is this document, is it a transitional process, or, as Professor Williams was intimating, is it—I don't want to put too strong a word in your mouth, Professor Williams—but basically fraudulent? And if we don't do this, what do we do? What's the step forward?

Dr. STEINBERG. I think the Burmese military regard this as a final document. The NLD executive committee, with whom I met in March, said they want to see the constitution renegotiated. I said I don't believe the military will ever do that before the elections. So, they regard it as final at the moment.

A transitional process? Over time, perhaps. Yes, it will take 75-percent vote in the assembly to amend the constitution, and the military have 25 percent of the seats automatically, and will pick up a good many more through the elective process. But, that does not mean that things will not change over time. And this is the only game in town. We can say, "We won't deal with you," and go back to isolation, and pretend that the elections never were held, or we can say, "OK, what can we do to make things better?" And

again, I go back to what I said earlier, concentrate on the Burmese people. They are in a socioeconomic crisis. The U.N. has said this for years, the international NGOs have said that. So, we need to start somewhere, and it seems to me one starts by saying, How can we alleviate their poverty and their social conditions, at the same time, try and move the military and the new government, this mixed government, to some understanding of its own issues? I argue that the leadership of the military is partly in a Potemkin Village society. I believe that they are not informed of the real problems facing the people, by their own mid-level people.

I know that—I have been told by the government that statistics are manipulated, because the target is to please the military.

Senator WEBB. And in terms of governmental systems, and particularly in East Asia, these processes are unavoidably incremental. And this is one of my points with respect to the involvement that I've had over the years in Vietnam. Let's not forget that the Vietnamese Communists agreed in 1972 to internationally supervised elections, at the Paris Peace Talks. We obviously haven't gotten there yet. You can't even really have an active opposition party in Vietnam yet. But, again, our aspirations should not be deterred by the different roads that we have to take to achieve them. And this is the reason, from my perspective, in good faith, I believe that the administration's proposal right now, its decision to engage, is beneficial. And if it does not work, we're not anywhere different than we were 5 days ago.

Dr. STEINBERG. I would agree.

Senator WEBB. And if it does work, step by step, over a period of time, we have the potential to assist the Burmese people and the country of Burma, which has such a rich history, in achieving the level of prosperity and freedom and full participation in international affairs that they deserve. And for me, that is my bottom line on the process that is now in place.

Dr. STEINBERG. I would agree with that.

Senator WEBB. And I will give each of you gentlemen a chance to have one final observation, and we're going to end the hearing on these notes.

Mr. WILLIAMS. Just in response to your most recent question about the nature of this constitution, it's not too strong to say that I think it's a fraudulent constitution. But, though it may have been born in fraud, that doesn't mean it can't become a transitional constitution. And that's what we all need to hope, that there will be some sort of process, some dialogue, among Burmese people, on transforming this into a genuinely democratic constitution, rather than a recipe for further military dictatorship. The goal of our government, and I heard Secretary Campbell say this earlier, ought to be to try and take this document, move it from fraud into transition, in a step-by-step process by, in fact, yes, directly talking to the regime, as Aung San Suu Kyi has said she would do, for a very long time.

Senator WEBB. Dr. Myint-U.

Dr. MYINT-U. I'm not too worried about the constitution as a constitution. I mean, as Professor Williams said, you know, past constitutions have been torn up by the military. They can do that to this constitution, as well, in the future.

I think the most important thing in thinking about 2010 is not thinking about this as necessarily a first step toward—in a democratic transition, but to think about 2010 as a huge reorganization of this system that's going to throw up unexpected dynamics, that's going to bring fresh blood and new people to the top of the regime. And I think we need to think strategically about what happens the day after the election, the day after a new government is created. It will have some fresh faces, it will have a lot of ex-military people as well as military people. And I think the message needs to get to them that, whatever the process has been up to that point, that they will also be judged by their policies, their media policies. If, at that point, they release remaining political prisoners, if they move forward on economic reform and other issues, that that will be welcome.

So I think we shouldn't get too hung up on the process. I think the elections may or may not be free and fair. I doubt they'll be fully free and fair. I think what's more important is going to be whether or not the new leadership is going to be pragmatic and more outward-looking, or if it's going to be hard-line in every way.

I think—in general, and in conclusion, I think, you know, the great tragedy will be that you have this big reorganization, you have this generational transition, you have new people coming up in the leadership, but because of a lack of imagination of outside exposure of an unawareness of other options, they fall back on the status quo, and then we're stuck with the same situation that we've had for the past 40 years. I think now is when there's fluidity. But, I think if we're going to exploit that fluidity we have to think beyond the process itself, and think a little bit more creatively about how to exploit the changes that are going to take place within the system.

Thank you.

Senator WEBB. Dr. Steinberg, you have the final word.

Dr. STEINBERG. I think the document has to move, the constitution has to evolve. And—but I think it is also hubris for the United States to think that we can move that document. I think we can encourage rethinking about it, but it is up to the Burmese themselves.

As the Burmese always used to say, "We do things bama-lo," in the Burmese manner. Now, the military wouldn't approve of that, they would say, "We do it Myanmar-lo," in the Myanmar manner. But, at the same time, it will be Burmese. They have been put upon as a people, and they feel that the foreigners have played too great a role in the economy under the Colonial period, let alone the Colonial period itself; in terms of support to dissident groups and insurrections; in terms of disdain for the society. All of these things are cumulative. And we have to understand that we should be encouraging the Burmese themselves to deal with this change. And we should provide whatever assistance we can. We all agree on humanitarian assistance, training, those sorts of things.

So, we should encourage the Burmese, but let's understand our limitations. And I think that engagement is one way of beginning the process, but ensuring to the Burmese that they, in fact, will carry the ball.

Senator WEBB. I thank all three of you for your testimony today, for taking the time to be with us, and Dr. Thant Myint-U for making the long journey from Bangkok to be here.

And, as I mentioned earlier, the record for this hearing will remain open for 24 hours, in case other members or other organizations wish to submit testimony.

Thank you very much. I think this has been a very illuminating hearing.

The hearing is now closed.

[Whereupon, at 4:25 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF HON. RICHARD G. LUGAR, U.S. SENATOR FROM INDIANA

Thank you, Chairman Webb, for holding this hearing to review U.S. policy toward Burma, and I also extend appreciation to Senator Inhofe for his work as ranking member on the East Asian and Pacific Affairs Subcommittee.

This hearing is timely given the Obama administration's review of the United States policy on Burma.

As the United States contemplates policy options, we will, I hope, compare notes with other countries actively engaged in Burma. China, Japan, India, Thailand, Singapore, and South Korea are among those nations who are direct witness to the deteriorating education and health care infrastructure within Burma. The mismanagement of Burma's economy started long before imposition of U.S. sanctions.

At a massive cost to themselves and the United Nations, Thailand and Malaysia receive hundreds of thousands of migrants and refugees, largely ethnic minorities, who continue to flee Burma. More than 50,000 persons have now applied through UNHCR offices in Malaysia and Thailand for resettlement to a third country. Ten thousand Burmese refugees have now resettled in my home State of Indiana.

The Obama administration's policy review includes reference to the growing North Korea-Burma relationship. The United States has a responsibility to our friends and allies throughout Asia to oppose actively the possible proliferation of weapons of mass destruction to or from Burma. Since I first discussed the troubling prospects of renewed ties between these two countries in 2004, the Foreign Relations Committee has repeatedly raised the issue of Burma's growing relationship with North Korea with a wide array of U.S. administration officials.

For example, we have questioned the basis for hundreds of Burmese officials going to Russia for technical education which included nuclear technology training. The number of persons traveling to Russia for specialized training seemed to be far beyond the number needed for the eventual operation of a nuclear reactor for medical research purposes, intended to be built by the junta with Russian Government assistance.

Burma's multiple uranium deposits, reports of uranium refining and processing plants, and its active nuclear program reportedly assisted by North Korea collectively point to reason for concern in a country whose officials resist transparency.

Dr. Sigfried Hecker, director emeritus of Los Alamos National Laboratory and now codirector of the Center for International Security and Cooperation at Stanford University recently wrote, "The A.Q. Khan network connected companies, individuals, and front organizations into a dangerous proliferation ring. The revelations of the North Korean reactor in Syria, along with developments in Iran and Burma, appear to point toward a different type of proliferation ring—one run by national governments, perhaps also assisted by other clandestine networks."

Mr. Chairman, today's witnesses represent distinguished experts on Burma. I am pleased to introduce a Hoosier, Prof. David Williams, executive director of the Center for Constitutional Democracy at Indiana University, who has extensive background on Burma-related issues.

Again, Mr. Chairman, thank you for holding today's hearing.

PREPARED STATEMENT OF CONGRESSMAN MARK E. SOUDER,
U.S. REPRESENTATIVE FROM INDIANA

Mr. Chairman, members of the committee, thank you for the opportunity to contribute some remarks on this important topic. I represent the Third District of Indi-

ana, which is home to the largest concentration of people from Burma in the United States. In recent years, resettlement agencies have placed well over 2,000 refugees in Fort Wayne, IN. Fort Wayne has also become a “community of choice” amongst the refugee community, and secondary migrants have increased Fort Wayne’s population of people from Burma to over 6,000. As a result, the Third District is acutely aware of the atrocities and suffering that the people from Burma have faced at the hands of the State Peace and Development Council (SPDC).

I am disappointed that this hearing, which is intended to evaluate U.S. policy toward Burma and the role our country can play in facilitating democratic reform, did not invite testimony from a single representative of Burma’s democracy movement or one individual who has endured the violence of the Tatmadaw. A thorough evaluation is impossible without their perspective.

Over the years, U.N. reports have documented some of the military regime’s harrowing crimes, including widespread rape, conscription of child soldiers, torture, and the destruction of thousands of villages. It is clear that the SPDC has in part been conducting a war against its own citizens.

In spite of these realities, the administration has recently engaged in direct dialogues with the Burmese regime and the committee’s hearings today are in part seeking to reevaluate the role of sanctions in U.S. policy. I support the establishment of a peaceful and democratic Burma. However, it is improbable that this can be achieved through negotiations with the junta—a dictatorship will not act in good faith and broker a deal that will lead to its own demise.

Before such dramatic changes in policy can be made, it is necessary for the military dictatorship to demonstrate a clear movement toward democracy. This must include ending the current violence against its citizens, installing Daw Aung San Suu Kyi to her rightful place as Burma’s democratically elected Prime Minister, and drafting a constitution that creates the possibility for true civilian leadership. Until we see this kind of progress, the United States cannot give validity to this illegitimate government.

RESPONSES OF ASSISTANT SECRETARY KURT CAMPBELL TO QUESTIONS SUBMITTED BY
SENATOR RUSSELL FEINGOLD

Question. Secretary Clinton has made clear that the United States will maintain sanctions until substantial, concrete progress has been made. Does this mean that the United States will continue to implement financial sanctions from the Treasury Department, as authorized by the Jade Act? What is the status of U.S. cooperation with Europe on implementing financial sanctions, and will this effort change given the policy review?

Answer. Yes, the Treasury Department will maintain existing financial sanctions until Burmese authorities make concrete progress toward reform.

With regard to cooperation with Europe, Treasury’s Office of Foreign Assets Control, in coordination with the State Department, continues outreach to the Council of the European Union and European Commission staffs to exchange information and provide technical expertise on the implementation of economic sanctions with respect to Burma.

Question. Section 7 of the Tom Lantos Block Burmese JADE Act of 2008 (Public Law 110–286) requires the President to appoint a Special Representative and Policy Coordinator for Burma. The Senate has not yet been notified of a nomination for this position; when do you anticipate this will be? What role will the policy coordinator play in the proposed engagement policy?

Answer. The administration places a high priority on the appointment of a Special Representative and Policy Coordinator for Burma, as required by the JADE Act, and hopes to appoint an individual soon. Consistent with the language of the JADE Act, the Special Representative would play an important role in promoting an international and multilateral effort to promote positive change in Burma. While the day-to-day responsibility for U.S. diplomacy toward Burma remains with the Department of State, the Special Representative could contribute in many ways.

Question. Many of the opposition and ethnic groups have demanded negotiations to amend the Constitution before agreeing to participate in the elections. Does the administration support holding elections under the current Constitution? Under what conditions would the administration provide assistance to facilitate the elections? Should there be a substantial increase in violence as elections move forward, as some human rights groups have warned there may be, how would this effect the new policy of engagement?

Answer. The administration unequivocally supports the initiation of a credible dialogue among the regime, the democratic opposition, and ethnic minority groups to discuss a shared vision for Burma's future. Our policy review reaffirmed that position. We also have raised and will continue to stress to the Burmese the conditions necessary for a democratic electoral process. For example, there should be credible competition (including the early release of political prisoners and the full participation of all political stakeholders, including Aung San Suu Kyi), elimination of restrictions on media, and a transparent, free, and open campaign, including freedom of expression, association, assembly, and movement. The 2010 elections will only bring legitimacy and stability to the country if they are broad-based and include all key stakeholders. At this point the Burmese have neither set a date for the elections nor issued an electoral law; in addition, many opposition and ethnic groups have not yet decided whether they will participate. Until more of the electoral process is known, it is too soon to speculate whether the United States should or would provide technical assistance for the elections.

Our dialogue with the Burmese leadership has just begun. We will examine the conditions in Burma and evaluate the progress on our core concerns as we continue this process.

INTERNATIONAL BURMESE MONKS ORGANIZATION,
Elmhurst, NY, September 30, 2009.

Senator JIM WEBB,
Chairman, Subcommittee on East Asian and Pacific Affairs, Senate Committee on Foreign Relations, Washington, DC.

SENATOR WEBB: On behalf of the International Burmese Monks Organization (IBMO), an organization of Burmese Buddhist monks from over 20 countries, as well as monks who remain inside Burma, I hereby submit the written testimony attached to this message, to be included in the official record of the hearing on Burma, which you will chair on September 30, 2009, 2:30 pm at 419 Dirksen Office Building.

We are disappointed that neither monks nor members of Burma's democracy movement were invited to testify at the hearing, even though you claim that "you intend the comprehensive hearing to evaluate the effectiveness of U.S. policy toward Burma." Your hearing will not be comprehensive without hearing the true aspirations of the people of Burma.

The IBMO is a voice of the people of Burma, as well as our fellow monks, who believe in the power of non-violence to bring change in Burma. The IBMO was formed after the Saffron Revolution in September 2007, in which many monks, who were peacefully reciting the Lord Buddha's teaching of the Metta Sutra (loving and kindness), were brutally attacked, arrested, imprisoned, beaten, and even shot and killed by the Burma's military regime. The IBMO raises international awareness about the suffering of the people of Burma and their continued non-violent struggle for democracy and human rights.

Sincerely yours,

Venerable ASHIN CANDOBHASACARA,
Secretary, International Burmese Monks Organization.

Attachment.

PREPARED STATEMENT OF THE INTERNATIONAL BURMESE MONKS ORGANIZATION

Mr. Chairman, ranking member and members of the subcommittee, we are compelled to submit this testimony in writing since your hearing is intended to evaluate the effectiveness of U.S. policy toward Burma, yet no monks or members of Burma's democracy movement were invited to testify.

We would like to take this opportunity to extend our deepest gratitude to the United States Congress, administration and people for their consistent and unwavering support for the nonviolent struggle for democracy and human rights in Burma, led by detained Nobel Peace Prize Recipient Daw Aung San Suu Kyi. We especially thank the 66 U.S. Senators and many Members of the House of Representatives who cosponsored the resolution to maintain sanctions on Burma contained in the Burmese Freedom and Democracy Act of 2003. We strongly believe that the United States should maintain current sanctions against the Burmese military regime and strengthen these sanctions to the maximum level, unless the regime commits to the positive changes that we all are trying to achieve.

Recently, Secretary of State Hillary Clinton announced the review of new U.S. policy toward Burma. She said, "We will maintain our existing sanctions until we

see concrete progress towards reform. But, we will be willing to discuss the easing of sanctions in response to significant actions on the part of Burma's generals that address the core human rights and democracy issues that are inhibiting Burma's progress." This is in line with our views and we support the policy of using sanctions and diplomacy, together.

We would like to make the following recommendations

Over the years, Burma's regime has shown expertise in manipulating the international community with hollow promises and false hopes. U.S. officials should be aware of the regime's tricks, and must stay focused on the goals stated by Secretary Clinton. U.S. direct diplomacy with the regime should not be an open-ended process, but should take place within a reasonable timeframe and with clear benchmarks. We also urge the U.S. Government to try to reach out those in the regime that make all major decisions.

While keeping current sanctions in place, the United States should prepare to increase pressure on the regime if the regime refuses to negotiate with the democratic opposition and conducts more abuses against the people of Burma, including ethnic minorities. The U.S. should support and lead a campaign calling on the United Nations Security Council to impose a global arms embargo on Burma and establish a Commission of Inquiry to investigate crimes against humanity and war crimes committed by the military regime. The U.S. should also extend current targeted financial and banking sanctions against the regime's officials and Burmese business cronies who are partners of the regime. Finally, the U.S. also should coordinate with the European Union in imposing financial sanctions against targeted individuals in Burma.

Effectiveness of sanctions

U.S. imposition of an investment ban in Burma began in 1997 and continues to this day, thanks to President Obama, who extended those sanctions in May of this year. Further economic sanctions were imposed in 2003, after the Depayin Massacre, in which Daw Aung San Suu Kyi and her entourage were brutally attacked by the regime's militias and scores of her party members were bludgeoned to death. The Tom Lantos Block Burma Jade Act was approved in 2007, in which rubies, jades, and precious stones from Burma are banned from entering the United States directly or indirectly. These sanctions are effective and hurting the regime's finances severely.

The European Union has also imposed sanctions on the military regime, along with Australia and Canada. The United States and its allies together block hundreds of million dollars of earnings for the regime each year. Without these sanctions, this money would be used by the regime to enrich themselves and to strengthen its killing machine. The more the regime has money, the more it can expand its military in terms of manpower, sophisticated weapons, intelligence equipment, and expensive machinery. If there were no sanctions, Burma's regime may have already obtained weapons of mass destruction, with the help of other rogue regimes.

Sanctions also deny the legitimacy the regime is seeking desperately. When the United States and many other countries impose sanctions on Burma's regime for its human rights abuses and illegal rule, the regime's claims of legitimacy are undermined. Perhaps most importantly, sanctions provide strong encouragement for Burma's democrats, who are risking their lives everyday to restore democracy and human rights through peaceful means.

Sanctions also help change the attitude of Burma's neighbors, especially ASEAN. By placing sanctions against Burma's regime, the U.S. proves its seriousness about national reconciliation and democratization in Burma and it makes ASEAN members realize that ASEAN can't ignore human rights violations in its member countries if it wants to improve relations with the U.S. In recent years, ASEAN has started to change its tone, abandon its policy of noninterference, and criticize the regime for its use of violence against peaceful demonstrators, as well as demand the release of all political prisoners, including Daw Aung San Suu Kyi, and establishment of a meaningful political dialogue. Without U.S. sanctions, ASEAN would not change.

Moreover, sanctions help preserve the natural resources of Burma for future generations. At present, the Burmese regime is simply looting the country and attempting to sell resources to the highest bidder. The Burmese regime is not simply corrupt and skimming profits off the top of international business deals—it is literally looting the country and keeping all proceeds for itself. By placing sanctions on Burma, our country's natural resources are more likely to remain in the hands of

the people so that a true representative government and market-based economy can put them to good use.

To sum up, sanctions deny money and legitimacy to the regime, help change the attitude of ASEAN, boost the morale of Burma's democracy activists, and keep Burmese resources in the hands of the people. Sanctions are both highly effective and necessary.

Sanctions and engagement

The United Nations Secretary General has appointed a Special Envoy and sent him to Burma many times to encourage the regime to implement positive changes as demanded by successive General Assembly resolutions. However, dozens of visits by the Special Envoy in more than a decade and even two visits by the Secretary General himself have not produced any positive outcomes. This is because the Secretary General has no power or leverage to reinforce his diplomacy with the regime. This is a clear example that engagement without pressure does not work. At the same time, imposing sanctions and then ignoring diplomacy will not be effective either. Sanctions are important tools to help make diplomacy effective. We support the Obama administration's decision to use a combination of sanctions and diplomacy in our country.

2010 Elections

Burma's generals are planning to hold the elections in 2010. This election is designed to put the regime's new Constitution, unilaterally written and forcibly approved in the aftermath of the Cyclone Nargis, into effect. The majority of the people of Burma refuse to accept the Constitution and reject the proposed election as well. The regime's Constitution does not guarantee democracy and human rights, nor does it protect the right of ethnic minorities to self-determination. The Constitution grants supreme power to the military and its Commander in Chief. This Constitution is designed to establish permanent military rule in Burma. The United States should make it clear that unless there are changes to the regime's Constitution, no election in Burma will be free and fair.

The National League for Democracy Party, ethnic political parties and most of the ethnic minority groups have refused to participate in the election, until and unless the regime: (1) releases all political prisoners, including Daw Aung San Suu Kyi; (2) allows everyone to participate freely in the country's political process; (3) reviews and revises the Constitution through a tripartite dialogue between the military, NLD and ethnic representatives; and (4) holds free and fair elections under the supervision of the United Nations. We fully support the call made by our leaders and urge the United States and the international community to not recognize the elections until and unless the regime meets these reasonable, pragmatic demands.

Conclusion

Changes should come from inside Burma and not be imposed by the international community. By lifting sanctions, the United States would impose its own will on the people of Burma, something President Obama has pledged to not do in U.S. foreign policy. We and our colleagues inside Burma, millions of democracy activists and monks, have been working tirelessly to save our country from its darkest days. Problems in our country are not confined within our borders, but are crossing international boundaries and spreading into the neighboring countries. Many of these problems now present threats to the peace and stability of the region. Under these circumstances, the international community has an important role to play in stopping atrocities in Burma. We are hoping that U.S. Government will lead the international community in making collective and effective action to achieve national reconciliation and democratization in Burma. This must begin with the immediate and unconditional release of all political prisoners, including Daw Aung San Suu Kyi, and the establishment of a meaningful and time-bound dialogue between the military, National League for Democracy Party led by Daw Aung San Suu Kyi, and ethnic representatives.

ALL BURMA MONKS' ALLIANCE,
Utica, NY, September 30, 2009.

Senator JIM WEBB,
Chairman, Subcommittee on East Asian and Pacific Affairs, Senate Committee on Foreign Relations, Washington, DC.

SENATOR WEBB: On behalf of the All Burma Monks' Alliance, which was instrumental in staging peaceful protests of Buddhist Monks in Burma in September

2007, I would like to submit an article written by me which is attached for the official record of the hearing you will chair on September 30, 2009, 2:30 pm at 419 Dirksen Office Building.

I am greatly disappointed that no Buddhist Monks or members of Burma's democracy movement were invited to testify in this hearing. The Burmese military regime has attempted to silence our voices, and this hearing would have presented a strong opportunity for the Senate to hear directly from the legitimate leaders of Burma.

I was in prison twice: three years between 1990 and 1993, and seven years between 1998 and 2005. I was arrested, severely tortured, forcibly disrobed and unfairly imprisoned for my peaceful activities, joining together with my fellow monks in calling for the regime to stop human rights violations in Burma and to start a meaningful and time-bound dialogue with the democratic opposition, led by Nobel Peace Prize recipient Daw Aung San Suu Kyi.

I was a founding member of the All Burma Monks' Alliance (ABMA), which led the peaceful protest of monks and nuns in Burma in September 2007. As you are aware, Burma's military regime brutally crushed the monks' movement, killed many monks and arrested and imprisoned many more. I managed to escape to the Thailand-Burma border and then reached the United States as a refugee.

I wrote this article in August when you visited Burma, met with the dictator, Than Shwe, and brought Mr. Yettaw back from the prison. I hope my opinion, which is also shared by my fellow monks inside and outside Burma, will be included in the subcommittee's examination of the effectiveness of U.S. policy toward Burma.

Sincerely yours,

VENERABLE ASHIN PYINYA ZAWTA,
Executive Director in Exile,
All Burma Monks' Alliance.

Enclosure.

[From the Huffington Post, Aug. 31, 2009]

WEBB'S MISGUIDED VIEWS

(By U Pyinya Zawta)

U.S. Senator Jim Webb recently traveled to Burma to lean not on Burma's military regime, but to pressure my country's democracy movement into giving up economic sanctions—the most important tool in our struggle for freedom.

Although he emphasized the necessity of the release of Aung San Suu Kyi, this falls far short of the demands of the U.S., the United Nations and the European Union for the immediate and unconditional release of all my country's 2,100 political prisoners.

Webb's ignorance of the situation in my country was revealed in his book "A Time to Fight" in which he came down squarely on the side of the oppressors in Burma. He wrote about the demonstrations which took place in Burma in 2007 led by Buddhist monks such as myself.

"If Westerners had remained in the country this moment might never have occurred, because it is entirely possible that conditions may have improved rather than deteriorated."

Webb's statement is either shockingly naive or willfully misleading. We Buddhist monks, who Webb discounts as a "throng," marched for an end to military dictatorship in Burma not because we wanted marginal improvements in our economy. We marched because we believe in freedom and democracy and are willing to make sacrifices to reach those goals.

Webb claims that the Burmese people would benefit from interaction with the outside world, as if we need to be condescendingly "taught" by Americans about our rights and responsibilities. Had Webb spent some time with real Burmese people apart from the military regime and others who share his views, he would better understand the sacrifice we made for democracy, and he would know that we Burmese value the longstanding support we have had from the U.S. Congress.

Webb, an author, has proven extremely manipulative in his use of language, calling for "engagement" and "interaction" instead of sanctions. His implication is that the Burmese people are solely set on sanctions and confrontation—the exact same language used by Burma's military regime, which couldn't be further from the truth. The truth is that the world is not as black and white as Webb would have it. We want the United States to talk to and negotiate with Burma's military regime, but this shouldn't preclude increasing international pressure. The U.S. appears to be able to carry out this policy with other countries such as in North Korea where it is willing to talk to the North Koreans while at the same time increasing sanctions if Pyongyang doesn't respond. Webb is intent on driving a wedge into this process

in the ease of Burma. We must choose, he explains, between sanctions and engagement—there can be no sophisticated strategy, only complete involvement or none at all.

What Webb proposes—lifting sanctions on Burma—translates to basically handing over the Burmese peoples' natural resources to rapacious multinational corporations, particularly Big Oil. If the U.S. lifts sanctions on Burma, there will be a rush of companies into Burma intent on looting my country's natural heritage and the benefits of such "engagement" will flow directly to the military regime.

In terms of human rights, Webb has remained focused only on Suu Kyi's freedom and ability to participate in scheduled elections in Burma, never mind the fact that the Burmese regime has already rigged the elections so that no matter who participates there will be many more decades of complete military rule.

The new constitution is an air-tight document that gives no room whatsoever for reform from within. At the same time, Webb has completely ignored the purposeful, massive human rights violations carried out by Burma's military regime. The human rights nightmare in Burma includes the recruitment of tens of thousands of child soldiers, pressing hundreds of thousands of Burmese into forced labor and the widespread rape of ethnic minority women.

Luckily for the Burmese people, Webb is not the only U.S. Senator. Recently, the U.S. Senate voted unanimously to extend sanctions on Burma. President Obama signed the bill into law.

Secretary of State Hillary Clinton is a student of politics and more likely to examine the facts on the ground instead of falling for blanket ideological generalizations. While Webb may seek to sell out Aung San Suu Kyi, our courageous Buddhist monks, and all the people of Burma, we hold out hope that Secretary Clinton and President Obama will take a more nuanced view in formulating policy toward Burma.

In particular, the U.S. should seek to negotiate with Burma's military regime—but, at the same time, carry forward along the lines of the advice offered by South Africa's Nobel Peace Prize recipient Desmond Tutu: seek a global arms embargo on Burma's military regime, start a U.N. Security Council investigation into crimes against humanity committed by the regime, and begin the process to full implementation of financial sanctions against the regime and its cronies.

Webb is now despised by the people of Burma. If he succeeds in achieving a shift in U.S. policy to abandon sanctions, he will have secured his place in history as one of the most important supporters of Than Swe's military dictatorship.

U Pyinya Zawta, Buddhist monk, was actively involved in the 1988 demonstrations. He was sentenced to three years in prison in 1990 and again sentenced to three years in 1998. He is one of the founding members of the All Burma Monks' Alliance (ABMA) which lead the 2007 Saffron Revolution. He is now in exile in New York after fleeing the country due to the threat of arrest.

SANGKHLABURI, KANCHANABURI,
Thailand, October 20, 2009.

Senator JIM WEBB,
Chairman, East Asia Subcommittee, Senate Foreign Relations Committee,
Washington, DC.

DEAR SENATOR JIM WEBB: I am pleased to introduce myself to you and make comment on your stand and U.S. policy toward Burma.

My name is Nai Sunthorn Sripangern, presidium member of ENC (Ethnic Nationalities Council, Union of Burma) and head of Mon delegation in ENC. I have just arrived from a meeting with Mon leaders inside Burma and now on the way to ENC's CEC meeting in northern Thailand. I heard that some agreement from Burmese friends in exile to the ENC General Secretary's letter to you and I hope we will review it again in this meeting.

We have no argument over Senator Jim Webb's stand to lift up sanctions completely and new U.S. foreign policy which will be more likely "carrot and stick" policy, because both of them focus only on the ruling Burmese military government. But we would like U.S. policy makers consider on other stakeholders such as ethnic nationalities in making their foreign policy on Burma for a unified, peaceful, prosperous, and democratic Burma that respects the human rights of its citizens. We believe in U.N. resolution of 1994 calling for tripartite dialogue in solving political problem of Burma, that comprises of ruling Burmese military government, Burmese democracy forces led by NLD and ethnic nationality forces. Our Ethnic Nationalities are working hard for a strong foundation of their community based organizations and state based organizations in order to build a unified, peaceful, prosperous, and

democratic of Burma, however many weakness and difficulties in their respective organizations, while Burmese military government and Burmese democracy forces are much stronger than ethnic nationality forces.

We therefore would like to comment the U.S. foreign policy makers on Burma to consider how to facilitate and support ethnic nationalities' effort in building a strong foundation that could solve their political problem by themselves and then it will lead to a unified, peaceful, prosperous, and democratic country.

Sincerely,

Sunthorn Sripangern.

PREPARED STATEMENT OF FREDERICK C. GILBERT, M.A., FORT WAYNE, IN

Senator Webb, Senator Lugar, and committee members, first, I want to thank the Committee and Senate Staff for making this possible, for the first time in my memory of serving our Fort Wayne Burma Community for 18 years.

You have asked for our input. Thanks to Keith Luse, whose tireless efforts are known to you all, has made it one of his many missions to visit us often and deeply. We are all richer for it and for the dedication of Senator Lugar in charging him with such extraordinary respect for our peoples of Burma, now numbering nearly 5,000. As you embark on a historic elevation of Burma to proper Foreign Policy status, let this be only a beginning of more input.

As we did with Keith, let me first ask that you come to Fort Wayne to host some deep consultations with our wide and varied community, leadership and common folk as well.

You see, it is a lot like Burma itself. In these many years of service, they have taught me much about serving refugees from now 29 nations over 34 years. The most powerful lesson is: "I do very little . . . they are the real power, especially as a free people."

My frustration over the years has been to watch as Washington and the U.N have constantly focused on a narrow group of experts who have frankly become inbred. I refer to some as "Chalabee Wanabees" in honor of our Iraqi "specialist" who has become the international example of how not to learn about a country. Our community in Fort Wayne was established by the Children of '88 and their mentors who brought a spirit of freedom fighting I have seldom seen even among our usually active refugee populations. They (and I) know ABSDF and KNU and Mon Forces to be the essence of freedom, much like our own Revolutionary Forces. We were regarded as "rabble" by many elitists who were too full of themselves to see that all who fought for freedom were heroes. I believe they and similar "defensive" Burma forces are a prime key to the future. My first recommendation is then: Repeal the Material Support Legislation that has branded them as "terrorists." Period!

The feeble "waivers" are seen as pandering to some well connected Thai and other supporters as a way of emptying the camps and ignoring other minority groups of IDPs. It is also an obstacle to many in Fort Wayne seeking citizenship, including some very brave Shia from Iraq who believed us in 1991 when we asked them to "rise against Saddam." Indeed, our own American Revolutionaries and first President could never become citizens under current law.

Current Burma refugees are very different from those early patriots. Some call the current new Karen Moslem and Christians as real "refugees" rather than those in danger for fighting for freedom. They are the true victims of International neglect of the peoples of Burma. With our current economic disaster in Fort Wayne, gone are the days of many jobs and cheap housing that brought Burmese to Fort Wayne from all over the U.S. in the boom years of the mid and late '90s. For the first time in my many years people are saying they want to go back to the camp and camp folks are fleeing to avoid refugee resettlement. Especially considering the multitude of humanity waiting, I further recommend:

A Moratorium on Burma Refugees until local communities can be consulted, with emphasis on local Burma community members and federal funds can be dedicated to long term needs in this terrible economy. Too often, folks from Washington see only a very narrow representative group who are often colored by VOLAG's narrow self-interest, especially from pressures from Washington headquarters. I have one hard, fast rule for this: if you are spending money for me and I am not made a part of supervising that money, you are wasting not only my wisdom but also my power. Placing refugees in charge of the money is the only accountability. Refugees are not the answer!

U.S. Sanctions on Burma have been useless in the face of Thai, Chinese, Russian and Indian complicity in the genocidal history of the Burmese Junta. Indeed, even among our Burmese we see items from Burma (usually thru Thailand) bought, worn

and used on a daily basis. In your hearing room today I am certain of that fact. With China benefiting from land and business confiscation all over Burma, with Thailand aiding in the rape of natural resources, with India, Russia and China arming the Junta, where are U.S. Sanctions of these third country participants with the Junta?

Our Burma refugees are the first to recognize this international fraud, along with Darfur and many peoples of the world who see business and governmental exploitation in their nations flying in the face of human tragedies.

Human Services, with International Supervision, must be the first "thaw" in Sanctions. The International impotence in the face of the Cyclone and the Monks' Rebellion were the most recent examples of those failures. It is the next recommendation that will be the most difficult, as several traditional State Department practices will have to be changed.

The Future of Burma Freedom depends on Free Burmese Empowered to Take Over. How do we do this? We ask the Burmese. In my many years here, in countless hours of meetings and consultations, I am never the one who moves the community together. However, in the face of a common enemy or credible opportunity, unity of action is possible. Like in our nation, veterans are a prime group with the respect of the People. This is the pride the freedom fighters carry and General Aung San is their national hero. The Burma Military (Tatmadaw) is held in the highest esteem and free Burmese all over the world who were once proud military people are ready to take back the Honor of Aung San.

The Free Burmese of the World must form a New Tatmadaw with international support in a new defensive effort against genocide by the Junta. The Mon and Karen forces, at their peril, now form limited defensive efforts among their peoples, even at the risk of Thai savagery. We must recognize and support that need. Removal of the "material support" legislation is key to beginning this process. Fighting a government that rapes your children is honorable and a most basic human drive. In my consultation with current and former freedom fighters (am I a terrorist?), one of the forces needed in a transition is this military force, an ex-patriot National Guard as it were. They could have also been a force to carry out Human Aid Assistance as in the Cyclone, with U.N. and international support. I know several hundred ready to serve right now. There is also general consensus that this Tatmadaw is critical to a transition to protect military staff who wish to fight the Junta in a transition. With this, political leadership is a last critical component.

Aung San Suu Kyi is the only leader capable of instituting a Free Burma. Without her active and conspicuous involvement in these plans there will be no success. The government must free her and she must be free to be a candidate as in 1990, with a security force of her own choosing to protect her, with International protections. In a primary Buddhist nation, the concept of Ana (anointed or military power) and Awza (power that rises from the people) must be balanced in any leader. Like her father, Aung San Suu Kyi has both. The monk leaders of the Rebellion had both. When either is corrupted, the people mistrust. In this, the last element are the Minorities. In our Fort Wayne Burma Community, the ethnic minorities thrive and have become some of the most integrated and successful members.

U.S. Policy must openly invite, listen to and empower all Burma Minorities just as we did the Kurds in Iraq! The recent formation of the minority Ethnic Organization is a critical sign of health in the extant free Burma communities. In my work here, the health of all our refugee minorities has been the key to locating "best practices."

After next July, on retirement, I will dedicate the rest of my life and time to these causes and will be much more free to be open and honest with recommendations. My son and his wife are both now in Washington and this will allow many opportunities for visits in support of these efforts. I will soon send to the Committee more detailed references in support of these recommendations and I pray the committee members be thanked and protected in this great initiative. I have said for the last 20 years: Burma is the keystone to a free Asia. Without 8888, there would have been no Tianenmen Square.

MONLAND RESTORATION COUNCIL [MRC],
Fort Wayne, IN, September 30, 2009.

Senator JIM WEBB,
Chairman, East Asia and Pacific Affairs Subcommittee, Senate Committee on Foreign Relations, Washington, DC.

DEAR MR. CHAIRMAN: We, the Monland Restoration Council, would like to thank you and Senator Richard Lugar for the opportunity to express our views on the U.S.

policy toward Burma. The Monland Restoration Council (MRC) was founded in 1993, by the Mon refugees who resettled in the United States after the 1988's people uprising for democracy in Burma, which was brutally cracked down upon by the Burmese military regime. We came together to continue our hard work for democracy and human rights in Burma and for the rights of self-determination of the Mon people.

First and foremost, we are greatly appreciative and thankful for the opportunity to enjoy freedom and democracy in the United States. As our life here is peaceful and stable, it constantly reminds us of our moral responsibility to help those who have long been suffering from various human rights abuses, insecurity, and poverty. In this respect, please also let us take this opportunity to thank you and all those who are working hard to bring about the changes much needed in Burma.

If we look back at the last ten years, the actions taken by the United States have shown the Burmese junta that their human rights violations are not acceptable to the civilized world. Even though the economic sanctions imposed by the U.S. did not achieve the political change in Burma, they have put the Burmese regime on edge during those years. Moreover, the actions have provided strong moral support to the opposition parties, especially to those who have been detained and jailed for their work to help bring democracy and to end human rights violations in Burma. Therefore, we have fully supported the sanctions against Burma as ruled the Burmese military. We have no doubt that a review or reevaluation of the policies based on the time and circumstances will lead to fruitful solutions.

Mr. Chairman, before we offer our views on the U.S. policy, please let us present our analysis of the ongoing political problems and the current situations in Burma.

Burma is a multi-ethnic country comprised of eight major ethnic groups, namely Arakanese, Burman, Chin, Kachin, Karen, Kayar, Mon, and Shan. Nearly one-half of the country's population is made up of the non-Burman ethnic nationalities. The Arakan, Burman, and Mon were once separate sovereign kingdoms, and all other ethnic nationalities also enjoyed their autonomy in their own governing systems. Later, the Arakan and Mon kingdoms were annexed by the Burman kingdom. Other autonomic regions were incorporated into Burma under the British rule. All the people of Burma joined hands in fighting for independence from the British, but none of the ethnic groups except the Burman truly gained independence. As of the Pan Long Agreement signed between the Burman and non-Burman leaders in 1947, there was a democratic federal union on paper. In reality, however, since Burma gained her independence from the British in 1948, the successive Burmese governments have adopted the policy of chauvinism and have never recognized the basic rights of non-Burman ethnic nationalities. The Burmese government assassinated non-Burman ethnic leaders and employed systematic ethnic cleansing policies against the non-Burman ethnics. The brutality, violence, and various kinds of oppression committed by the Burmese government left the non-Burman, including the Mon, with no choice but to resort to armed resistance. Unfortunately, this resistance led to over five decades of ongoing civil war in the country. If the current Burmese military government, also known as the State Peace and Development Council (SPDC), continues to deny national reconciliation and equal rights for all ethnic nationalities, civil wars will continue in Burma.

In our view, political problems in Burma are primarily rooted in ethnic conflicts rather ideological conflicts (democracy vs. military dictatorship). Indeed, democratic values, respect for human rights, and freedom from oppression are the critical building blocks for every country or society. Clearly, in order to solve the political problems in Burma, one should consider the ethnic issue as equally important as the democratic issue. Moreover, we believe that democracy will not be sustainable as long as ethnic conflicts are ongoing in the country. While restoring democracy is vitally important, ethnic issues must be resolved in order to achieve a long lasting and continuing peace in Burma.

The current situation in Burma not only shows no signs of improvement, but rather appears to be going backwards. In 1990s, many ethnic armed resistance groups entered into a cease-fire agreement with the SPDC with the aim of solving political problems through peaceful means. The SPDC, however, has dishonored its promises and refused to hold political talks. Instead, the Burmese regime has expanded its military forces in ethnic areas and committed various kinds of human rights abuses including land confiscation, forced relocation, forced labor, rape, and murder. The SPDC troops have used sexual violence against the ethnic women and girls as a weapon of war towards the ethnic nationalities; thus the raping, torturing and murdering of ethnic women and girls is widespread. As a result of the illegal land confiscations and economic oppression by the Burmese army, several thousands of ethnic women and children have become internally displaced persons and refugees. Many of the ethnic women and girls have fallen victim to human trafficking

due to the deterioration of political, economic and social situations in their homelands.

In addition, the SPDC has demonstrated an absolute lack of interest in a genuine transformation to democracy and has only pursued finding the means to continue to stay in power. The SPDC unilaterally drafted and approved the constitution of Burma and plans to hold a general election in 2010 in order to legitimize itself, following the steps laid out in its sham "Seven Steps toward Democracy." Recently, the SPDC convicted a democratic icon, Daw Aung San Suu Kyi, for illegitimate reasons just to deny her role in the upcoming election. At the same time, the regime has pressured ethnic cease-fire groups to transform their armed forces into "Border Guard Forces" under the SPDC's military command. Most of the cease-fire groups, including the New Mon State Party, have rejected the regime's proposal because the SPDC has ignored the rights of ethnic nationalities, and it is apparent that SPDC's plans will not lead to any meaningful democratic reforms.

The tension between the regime and the ethnic armed groups has risen and it leads to a fresh civil war. The recent attack on the Kokang ethnic group (Shan State) shows that the SPDC would not hesitate to militarily attack a cease-fire group who refuses to transform into "Border Guard Forces." If war between the junta's and the New Mon State Party's troops breaks out, thousands of Mon refugees would flee to neighboring Thailand, while a large number are expected to be internally displaced.

We believe that the upcoming election will not solve Burma's political problems due to two fundamental flaws. The first is the lack of ethnic rights in the SPDC's constitution. Consequently, most ethnic parties will not participate in the election, since they do not approve of the one-sided constitution. The second flaw is the lack of freedom and fairness in the election process. While some prominent opposition and ethnic leaders are in jail or under house arrest and their parties are not allowed to conduct any political activities, the parties backed by the SPDC have already started their public campaigns. Further, unless sufficient international monitoring is in place during the election, the election results could easily be manipulated by the subordinate associations of the SPDC. Thus, in our opinion, the most reasonable approach for reaching meaningful political resolutions in Burma is a tripartite dialogue among the Burmese military regime, the opposition party (National League for Democracy), and ethnic nationalities.

The SPDC has ignored all the voices of its own people and those of the international community who continually demand to solve Burma's political issues through dialogue. The economic sanctions imposed by the United States in the last ten years could not bring the SPDC to the table. Even though sanctions are not working, it is not right to say that the sanctions have failed and should be lifted completely. We do not believe the sanction policy failed, but rather we want to argue that the U.S. unilateral sanctions failed. We firmly believe that if U.S. sanctions are matched by the major regional players, ASEAN, China, and India, they will prove successful.

Lifting the U.S. sanctions immediately would not reflect the reality of the situation and the aim of democratization expected by the people of Burma. We believe the U.S.'s new policy toward Burma, which implies a "Carrot and Stick" approach, is fundamentally more logical. The sanctions should still be in place and in force to use as a "stick" in encouraging and in pressuring the Burmese military regime for a change. At the same time, the U.S. should engage with the SPDC and its main ally, China, as an incentive ("carrot") in encouraging change and political development in Burma. However, the U.S. engagement in Burma should not go one-sidedly with the SPDC alone. The U.S. should also reach out to the opposition parties and ethnic nationalities and should support ethnic nationalities' coalitions such as the Ethnic Nationalities Council (ENC) to help strengthen the unity among the ethnic nationalities.

We also welcome and appreciate the U.S. administration's commitment to "push for the immediate and unconditional release of Aung San Suu Kyi and all political prisoners, an end to conflicts with ethnic minorities and human rights violations, and initiation of a credible internal political dialogue with the democratic opposition and ethnic minority leaders on reconciliation and reform." We believe that this is the right direction to help bring unity, peace, prosperity, and democracy to Burma.

The people of Burma including the Mon, have suffered enough under the military dictatorship and decades-long civil war. All those sufferings will cease only with the creation of a genuine federal union where the fundamental rights of all citizens are respected, and all people can enjoy freedom and equal opportunity.

Therefore, we respectfully recommend that the current U.S. foreign policy of sanctions against Burma should still be upheld, with changes and adjustments to how the sanctions can be applied effectively in order to attain the intended purpose of

the sanctions. The U.S. should engage constructively with the Burmese military regime, the opposition groups and ethnic nationalities for a tangible change and political development in Burma, but the U.S. sanction policy should still be in place and in force until the democracy is restored and the individual (citizen's) and collective (ethnic nationalities') rights of people in Burma are recognized and guaranteed.

Thank you.

Sincerely,

JARAI MON,
Chairwoman,
Monland Restoration Council.

PREPARED STATEMENT OF MIN ZAW OO

KEY POINTS

- The opposition movement in Burma has been crippled after 20 years of the military rule.
- The only way to revitalize the efficacy of the National League for Democracy (NLD) is its participation in the coming elections in 2010.
- Border-based exile groups, funded by the United States, are conducting covert operations to incite another mass uprising inside the country.
- The military regards mass protests as a paramount security challenge to defeat its rule. The junta is determined to crack down on any potential mass unrest.
- Hundreds of civic organizations in development sectors now enjoy relative tolerance by the regime. Consequently, the extent of civil society in non-political sphere is growing.
- Alternative opposition forces are too weak to emerge as a national opposition front unless they form a viable coalition in the 2010 elections.
- Mid-level and some senior official in the government overwhelmingly support the prospect of transition away from absolute military rule after 2010.
- The military is concerned with the dominance of hard-line opposition members in the parliament after 2010.
- The military is also troubled by the prospect of instability after the transition.
- The military appears to be determined to retake power if the new government fails to tackle instability.
- Both the military and the opposition must be willing to foster working trust to promote reconciliation to avoid instability or the revival of military rule after 2010.

RECOMMENDATIONS

- The United States should continue to promote national reconciliation in Burma.
- The United States should reconsider funding priorities out of Economic Support Fund a significant portion of which is usually channeled to assist exile groups conducting covert operations inside the country.
- The United States should financially support growing civic organizations inside the country.
- The United States should tie the conditions to the removal of sanctions with the legitimacy of the 2010 elections in addition to measured progress in human rights.
- The United States should actively support disarmament and demobilization initiatives after 2010.
- The United States should proactively strategize to restore intellectual and human capacity in Burma to strengthen democratization after 2010.

(1) The State of the Burmese Opposition

The core components of Burmese opposition include domestic opposition movement led by the National League for Democracy (NLD) and exile and ethnic-minority groups based in neighboring countries, especially in Thailand. The NLD is still the most popular, albeit weak, opposition party which has potential to revive its strength in the 2010 elections. The border-based exiles have consistently pursued a mass uprising strategy to overthrow the regime and conducted covert operations inside the country.

(I.a) The NLD-led Domestic Opposition

The NLD's initial strategy, right after the party had secured a nationwide electoral victory in the 1990 elections, was to convene a national Parliament with elected representatives to facilitate power-transfer by pressuring the military to con-

cede the party's demands.¹ The call to power-transfer gradually faded away in early 2000s especially after the Depayin incident where proregime supporters clashed with NLD's followers in 2003. Subsequently, the NLD refused to participate in the National Convention, which was tasked with drafting the current constitution. Instead, the NLD has focused its call for a dialogue. The NLD insists that a transition in Burma be facilitated by a negotiated settlement, not by the regime's self-proclaimed "roadmap."

Despite adherence to its moral high ground, the NLD has lost crucial capacity to mobilize general public under current restrictions. Although Aung San Suu Kyi remained the most popular politician in Burma, people were hesitant to take to the streets to show their support to the NLD even when she was nearly killed or injured by proregime attackers during the Depayin confrontation. The crackdown in 2003 dismantled the NLD's grassroots bases by incarcerating organizers and shutting down local offices across the country. A large majority of NLD members resigned from the NLD facing intimidation and systemic discrimination.

Another reason for the party's frailty was the NLD's own leadership failure. In the last 20 years, the NLD failed to nurture younger generation leaders to take over aging members of Central Executive Committee (CEC).² The NLD's youth wing was unable to attract new breed of talents either. Aung San Suu Kyi has become the only caliber to preserve the NLD's political efficacy as a major opposition party. Without her, the future of the NLD is bleak and obscure. Having realized the party's crippling debility, the NLD's leaders resolved to their last resort, an appeal to the United Nations Security Council.³

Apparent unwillingness of the Security Council to decisively act on Burma has exhausted the NLD's strategic alternatives. At the onset of the 2010 elections, the NLD has shown some signs of divisions among its leaders whether to contest the military-sponsored elections. Some senior leaders, especially close to U Nyunt Wai,⁴ and the NLD's youth wing, well influenced by U Win Tin, are known to take a hard-line position refusing to participate in the elections in 2010.⁵ A few CEC members are considering contesting the election as they deem it the only opportunity to revitalize the NLD's organizational capacity under current constraints. The choice between conscientiousness and pragmatism may fracture the already debilitated main opposition party in coming months if the NLD fails to participate in the elections decisively. If the NLD decides to contest the elections, it is still capable of securing substantial number of seats in the Parliament.

(1.b) Border-based Opposition Groups

There are dozens of opposition groups residing in neighboring countries, especially in Mae Sot, a small border town of Thailand. Border-based opposition groups characterize exiles from the NLD and other political parties, minority advocates, ethnic and nonethnic insurgent groups, various rights groups, NGOs and media groups run by opposition-cum-journalists. Most exile groups play advocacy roles by disseminating information to the international community. But a few major groups are involved with covert operations inside the country. National Council of Union of Burma (NCUB) has become the constellation of opposition groups, and its operational wing Political Defiance Committee (PDC) is responsible for covert operations inside the country.

Although most exile groups usually supported the NLD's political stance in the past, their approaches differed from the NLD, especially to the perspective of mass uprising. Since the exile groups were formed in 1989 and early 1990s, they have dreamed of emulating another mass uprising similar to the 1988 massive protests. Their vision of political transition in Burma was the collapse of the junta at the

¹ See paragraph 13 of the NLD's Gandhi Hall Manifesto, dated July 19, 1990. The statement also called for a dialogue, but it was an instrumental to hand over power to the NLD.

² Most CEC members of the NLD are in their eighties. Chairman Aung Shwe, 91, and U Lwin, one of the secretaries, are seriously ill. U Win Tin, 79, outspoken hard-liner, is suffering from a heart problem. Imprisoned NLD vice-chairman Tin Oo, 82, is frequently ill. See more at <http://english.dvb.no/news.php?id=2322> and http://www.irrawaddy.org/article.php?art_id=14490.

³ NLD spokesman U Lwin said in an interview, "The ball is now in the court of the U.N. . . . we'll have to see what Kofi Annan will do." Democratic Voice of Burma. September 26, 2004. "Burmese Democracy Party Welcomes U.S. Senate Resolution." Oslo, Norway.

⁴ U Maung Maung, U Nyunt Wai's son, is the general secretary of the National Council of Union of Burma (NCUB), border-based umbrella organization. The regime frequently accused U Maung Maung of funding terrorist operations inside the country. Democratic Voice of Burma. June 27, 2004. "Burmese Government Blames Opposition Leader's Son for Bombs." Oslo, Norway. See more at <http://www.myanmar.com/pressconference/9-4a.html> and http://www.irrawaddy.org/article.php?art_id=6638&page=5.

⁵ Win Tin has consistently rejected the election in 2010. See more at <http://www.washingtonpost.com/wp-dyn/content/article/2009/09/08/AR2009090802959.html>.

apex of mass upheaval. The uprising strategy calls for destabilizing economy, undermining security confidence among general public, mass mobilization and instigation, recruiting sleeper cells and operatives, and media campaigns.⁶ Although Aung San Suu Kyi and most NLD leaders were hesitant to support the border-based uprising approach, some senior leaders and the NLD's youth wing were sympathetic to the clandestine operations. In return, they received financial support from the border exiles.⁷

In the last 20 years, most border-based groups have lost up to 95 percent of their members to refugee resettlement programs. Even a few major groups are running their organizations with less than a dozen or so people. Almost every organization, except a few exceptions, at the border depends on funds from foreign governments and NGOs, especially from the United States and Europe. Consequently, the border exiles are susceptible to funder pressures in their campaign directions. Some European funders have warned their recipients that they will no longer be funded if they reject the coming elections. Some major groups have heeded funders' demands and are prepared to embrace the elections. But the uprising strategy is still alive and kicking. NCUB's Political Defiance Committee (PDC) and Federation of Trade Unions-Burma (FTUB), extensively funded by the National Endowment for Democracy and its subgrantees, are likely to continue their covert operations inside the country in coming months.

Attenuating border-based exile groups were revitalized by the monk protest in 2007 although the exiles played very little role in the emergence of the uprising.⁸ The crackdown on the monks antagonized lay people and reignited antiregime sentiment among Burmese citizens. Subsequently, new flows of recruits and increased funding⁹ from the West after the protest enabled the exiles to expand their operations inside the country. The purge of intelligence faction in the military in 2004 debilitated the regime's intelligence capabilities for several years until the protests erupted in 2007.¹⁰ Consequently, the number of sleeper cells and operatives inside the country increased after 2007.¹¹

Nevertheless, quantitative proliferation of recruits is modest. The exiles are not capable of transforming recruits into effective operatives for several reasons. Most veterans of the Saffron protest reached the border and applied refugee status to resettle in the West rather than returning to Burma as operatives. Some recruits, especially from migrant workers, joined the dissident groups for financial benefits. Some sleeper cells simply disappeared after taking money from the exiles. Most hidden cells simply become collectors of low-value intelligence. The quality of training was not sufficient to breed effective operatives inside the country either.

Another serious drawback of the border-based exile groups has been financial accountability. It is almost impossible, for the Western financiers, to properly audit the use of funds in exiles' covert operations.¹² As a result, corruption is not uncommon.¹³ Many exile leaders enjoy lavish lifestyle, secretly invest in businesses and possess pricy properties.

⁶These activities have been consistently embedded in operational plans of the National Council of Union of Burma (NCUB), border-based umbrella organization.

⁷The regime accused the NLD of its connection with outlawed groups. Both the exiles and the NLD categorically denied the allegations. But the border sources indicate that some elements in the NLD are linked to exile groups which train and finance the NLD members. The government's Press Conference No 6, 2005 [cited September 28, 2009]. Available from <http://www.myanemb-sa.net/news/press%20release/28-8-05%281%29.htm>. Phanida. 2009. "I Was Accused of Being a Bomber." Mizzima. 2009 [cited September 28, 2009]. Available from <http://www.mizzima.com/edop/interview/2785-q-i-was-accused-of-being-a-bomberq.html>.

⁸The outbreak of protest surprised many exile groups. Even the NCUB was off guard and still could not figure out how to capitalize the gain from the protests and carry them to an endgame by the time monks were taking to the streets.

⁹The NED and Open Society Institute increased regular funding to the border-based exiles during and right after the protest. See more at <http://www.ned.org/grants/08programs/grants-asia08.html>.

¹⁰According to the sources close to the regime's security apparatus, the regime summoned previously sacked intelligence officers to consult the crackdown. They were asked to train new intelligence operatives.

¹¹Interview with an exile leader in Mae Sot, Thailand.

¹²Project coordinators cook book in most cases to secure funds necessary for other functions of their organizations. Cooking book is ethically acceptable to most dissidents along the border. The only difference is whether the fraud intends for the goodness of the organization or for personal interests. A leader who shoulders the task of seeking projects from NGOs said, "I felt guilty for making faulty lists of expenses during last 10 years at this position."

¹³In 2004, a leader from the NCUB, who is the deputy-in-charge of Political Defiance Committee, fled to Bangkok with over 1 million baht unaccounted for—it was about one-third of the

The United States annual Economic Support Fund (ESF), which was earmarked at approximately US\$13 million, was channeled to Burmese exile groups in neighboring countries and refugees and internally displaced persons.¹⁴ Significant portion of ESF went to the exile groups via the National Endowment for Democracy and its subgrantees. However, the impact of the ESF has yet to be questioned.

(1.c) Alternative Forces: Civil Society and “Non-NLD Democrats”¹⁵

In the last 20 years of political deadlock, some dissidents inside Burma broke rank with the mainstream opposition movement especially on the NLD’s policy on economic sanctions and its adherence to the 1990 election victory. This so-called “Third Force” consists of former political prisoners, elected representatives from the NLD, former student leaders, intellectuals, journalists and entrepreneurs. The third force represents mostly nonpolitical sphere of civil society, especially in local NGO sectors. Aftermath of the Cyclone Nargis that devastated the country in 2008, literally hundreds of community-based organizations have emerged to provide humanitarian services the government fails to fulfill.¹⁶ There are at least 120 registered local NGOs and over 90 international NGOs currently operating in Burma.¹⁷

The government’s tolerance to civil society in nonpolitical sphere has expanded the growth of civic institutions and their impact on the community. Although the regime is determined to crack down on any potential threat in disguise of humanitarian organizations,¹⁸ the military shows constraint on groups not related to dissident organizations. The censor board allows publications discussing democracy, political transitions, and even comments on other authoritarian regime, but any critiques to the junta. Many community-based organizations are allowed to conduct various types of capacity-building seminars, including discussions on democratization. The regime tacitly permits batches of young trainees to attend capacity-building programs run by moderate exiles in Thailand.¹⁹

Despite the growth of civic institutions, alternative forces are not likely to consolidate their strength to foster a viable political force in near future. Currently, there are at least seven soon-to-be political parties in addition to the NLD and a promilitary party. National Unity Party (NUP), the residue of former Burmese Socialist Program Party, is the second largest party in strength and intends to contest about 300 constituencies.²⁰ However, it is still unclear if the NUP will emerge independently from the influence of the military. Democratic Party, recently organized by veteran opposition leaders, is another potential party to grow. Ethnic parties from cease-fire groups, such as Kachin State Progressive Party, New Mon Land Party, will field their candidates in constituencies populated by respective ethnic groups. Except the NUP, other prodemocracy parties are too weak to emerge as a national party unless they form a coalition.

(2) Security Challenges

The regime is facing security challenges from cease-fire groups, still-fighting insurgent forces, and growing, albeit ineffectual, incidents of terrorist acts across the country. Although the government is militarily capable of containing insurgency in remote areas, the collapse of cease-fire with major armed groups can seriously impair security.

NCUB’s annual budget. However, other leaders were reluctant to investigate the fraud because the probe would reveal other corruptions linked to some leaders in the coalition.

¹⁴Lum, Thomas. 2008. U.S. Foreign Aid to East and South Asia: Selected Recipients, edited by U.S. Congress. Washington DC: Congressional Research Service. P. 12.

¹⁵The term was coined by Dr. Khin Zaw Win, former political prisoner who was imprisoned for 11 years.

¹⁶Post, Washington. “Strategies of Dissent Evolving in Burma.” Washington Post. 2009 [cited September 26, 2009]. Available from http://www.washingtonpost.com/wp-dvn/content/article/2009/08/23/AR2009082302437_2.html?hpid=sec-world&sid=ST2009082302845. See also ICG. 2008. Burma/Myanmar: Time to Normalize Aid Relations. Brussel International Crisis Group, P. 16

¹⁷Myanmar, NGOs in 2009. NGO Directory NGOs in Myanmar 2009 [cited September 26, 2009]. Available from http://www.ngoinmyanmar.org/index.php?option=com_sobi2.

¹⁸The exile groups occasionally use community-based organizations as cover to engage covert activities inside the countries.

¹⁹Vahu Development Institute, led by moderate exiles, has been running a series of training sessions for Burmese youngsters in Chiang Mai, Thailand. Dr. Zaw Oo, director of Vahu, was later allowed to return to Burma. See more at Moe, Wai. 2009. “Exiled Dissident Visits Burma.” Irrawaddy 2008 [cited September 26, 2009]. Available from http://www.irrawaddy.org/article.php?art_id=14189.

²⁰Myint, Ni Moe 2009. “NUP To Contest Election With Fresh Blood.” Mizzima 2009 [cited September 28, 2009]. Available from <http://www.bnionline.net/news/mizzima/7121-nup-to-contest-election-with-fresh-blood.html>.

(2.a) Insurgency

The recent collapse of cease-fire between Myanmar National Democracy Alliance Army (MNDA) and the regime has stirred up speculations that the military will extend its operations to defeat other cease-fire groups, especially United Wa State Army (UWSA), the strongest cease-fire group, if they refuse to accept the regime's proposal to transform their units into border guard.²¹ The collapse of cease-fire agreements will significantly elevate security challenges because the strength of cease-fire groups combined reaches between 40,000–55,000 troops (See the appendix). Despite the speculations, the author of this statement assesses that both the regime and major cease-fire groups are likely to constrain potential conflict to avoid full-scale confrontation.

In addition to 22 official and unofficial cease-fire groups, approximately 2,000 troops from existing four insurgent groups are fighting the regime in remote part of the country. The current strategy of the still-fighting groups aims to survive as a political and symbolic-military force while pressuring the regime by various available means. The groups maintain small hands of fighters in disperse geographical areas to exert their presence and to operate political functions. They assist internally displaced persons in remote jungles, document human rights abuses committed by the government's troops, and coordinate with political-action teams who are infiltrating into the government-controlled areas. Some of them are responsible for smuggling banned materials, such as communication equipment and explosives, and transporting trained sleeper cells to populated areas. The government implicated all still-fighting groups with terrorist incidents in major cities.

(2.b) Protest Terrorism

The use of terrorism as a tactic is a sensitive political issue among Burmese opposition groups. Exile groups, even insurgent organizations, do not want to undermine support from the West, let alone risking critical lifeline of financial assistance.

Despite the numerous bomb attacks in the past, no group, with the exception of the Vigorous Burmese Student Warriors (VBSW), took responsibility for bombings. The VBSW, a small group of radical dissidents who raided the Burmese Embassy in Bangkok in 1999, pronounced their willingness to use "any methods" to attack the regime and its supporters.²² VBSW receives financial support from individual exiles in the U.S., Canada, Europe, Australia, and Thailand. The regime accused that the VBSW was financed and assisted by other exile groups in Thailand.²³ In addition to the VBSW, a few other exile groups based in Thailand, including those receiving funds from the U.S., are involved with sabotage operations inside the country.

The VBSW has consistently used terrorism as vindicated responses to the regime's repression with little regard to strategic outlook. But bombings and sabotages orchestrated by other opposition groups are part of a larger political strategy to destabilize the regime. The groups that fall under this description believe that well-publicized attacks in the heart of major cities undermine public confidence on the government's ability to provide security. Moreover, they believe that people's frustration will ignite a mass uprising, akin to the 1988 protests.

The average number of terrorist attacks in populated areas, excluding insurgency-related incidents close to conflict zones, is around 16 incidents per year since 2005 (See Appendix). There have been at least 13 Improvised Explosive Device (IED) blasts in 2009 alone. The perpetrators usually go after soft targets, especially the government's infrastructure and public venues, but hardly direct their attacks against military installations. Except for two attacks in 2005 which killed 27 and wounded 215 in Yangon and Mandalay, the fatality was usually low—less than five per year except 2005. The fact that almost all IEDs used in public venues in Burma lacked metal shrapnel indicates that causing civilian casualties is not the main interest of the perpetrators.²⁴

Although occasional bombing is still a minor security problem to the regime, it regards such attacks as a part of major conspiracy abetted by foreign governments to overthrow the junta. Consequently, the regime is suspicious of other opposition members in connection with subversive activities. Protest terrorism fails to effec-

²¹Mungpi. 2009. "Burmese Army Might Be Targeting UWSA: Observer." Mizzima 2009 [cited September 28, 2009]. Available from <http://www.mizzima.com/news/inside-burma/2720-burmese-army-might-be-targeting-uwsa-observer-.html>.

²²The VBSW continues to claim to escalate more attacks inside the country. See VBSW's Statement 4/2008 dated October 20, 2008, in Burmese.

²³See more details in the government's press conference, dated August 7, 2009, in Yangon.

²⁴A source close to the investigation revealed that even the twin explosions which killed 27 people in 2005 did not package metal shrapnel. It was likely that the perpetrators might not properly understand the confinement effect of the blast in crowded shopping centers.

tively threaten the regime but undermines liberalization potential under the military regime.

(3) *The Military Regime*

Unlike General Ne Win's 1962 military coup which consolidated its power by institutionalizing a one-party state 12 years after the military takeover, the State Peace and Development Council (SPDC) successively claimed that it was a coup d'état government. The junta has been constantly under domestic and international pressures to proceed to political reform.

In the last 20 years, the military has become the most pervasive institution in all walks of life in Burma's sociopolitical spheres. On one side, the military appears to believe that it is entitled to have a significant role in national politics. On the other hand, the military feels threatened by the lack of support from general public to preserve its institutional interests. The only way out to resolve this dilemma to an end is a new constitution which guarantees the military's interests after a transition.

The transition plan is based on the regime's orchestrated constitution which the junta forced through in a rigged referendum amidst the cyclone crisis in May 2008. According to the Road Map, the regime will hold a new election in 2010 and form a new government.

In the military's views, any transition facilitated by mass uprising is a zero-sum defeat. Popular uprising is a major security predicament that can lead to disintegration of the country challenged by 50,000-strong insurgency.²⁵ The military is determined to crack down on any potential uprising at all cost. The regime proved its capability to subdue mass protests without risking major institutional fragmentation in the recent monk uprising as well. Security forces remain loyal during and aftermath of all mass protests.²⁶

Lack of defection does not necessarily mean the regime enjoys unconditional support from its subordinates. Mid-level and even some senior official realize that a change is critically needed in the country.²⁷ But they also understand the cost of defection, and especially, career military officers bitterly reject defection as unprofessional conduct. Generally, possible transition from absolute military rule after the 2010 election will be welcomed by supporters of the military. But many officers contemplate that the military will still be an influential institution in national politics.

In anticipation of the transition, regional commanders ordered their subordinates to wrap up counterinsurgency operations against still-fighting groups because they expected that a new government will constrain their operational capacities.²⁸ Senior officials, including ministers, have informed their subordinates and personal assistants that their positions may not last after the 2010 election.

To prepare for the 2010 elections, the ministers are touring various townships outside major cities. The sources said the military will form a new political party with existing ministers, older generation senior officers and community leaders with the support of the United Solidarity and Development Association (USDA), the regime's civilian-based support pillar. But the USDA will likely remain a civic organization rather than a party. The post-2010 military will likely be dominated by "new blood" of younger officers.

Despite the enactment of constitutional clauses to guarantee the military 25 percent of parliamentary seats and dominance in security sector, civilian representatives can overpower promilitary parliamentarians in the government if pro-democracy candidates acquire majority of seats in the elections. This possibility of opposition dominance worries the military especially if opposition hard-liners take majority of seats in the Parliament.

The regime is facing four dilemmas. First, the military is reluctant to allow opposition to campaign for their candidates prior to the election because the regime is worried by the possibility of another mass protest inspired by relaxation of political restrictions.²⁹

²⁵The military viewed the 1988 uprising as a major crisis equivalent to state failure Burma experienced right after the independence. Anarchy indeed ensued during the period of the uprising. No organization or leaders, including Aung San Suu Kyi, were able to command hundreds of protest organizations and angry publics.

²⁶During the 1988 uprising, the highest rank to defect to the protestors was a captain without his unit.

²⁷The author has engaged a series of discussions with various levels of government officials. All of them say the country needs a change.

²⁸In a leaked meeting minutes of a regional command in 2008, the regional commander asked battalion commanders to speed up operations to subdue existing insurgency before the election.

²⁹The regime learned a hard lesson after it had released former student leaders and allowed them to organize limited political actions after 2005. Liberalization snowballed to the monk-led

Second, the regime is concerned with the repetition of the NLD's another landslide victory in the 2010 election. In the regime's view, the dominance of the NLD in the Parliament will encourage the oppositions to challenge the military after the election.

Third, the regime is bothered by the possibility that the emerging civilian-dominated government will undermine the military's institutional interests. The military wants to avoid creating a Frankenstein's monster by its own Road Map. Moreover, there has been no viable moderate "third force" to which the military can build civilian partnership in the new government.

Fourth, the military is uncertain of the outcomes of the transition, especially security concerns. The military is fully aware of potential post-transitional instability.³⁰ Despite its intention to hold the elections, the military is not very confident with an eventual outcome.

POTENTIAL INSTABILITY AFTER 2010

Some opposition members to contest the election are hard-liners who view the election as an opportunity to revive mobilization after 2010. Many exile groups in Thailand also share this perspective. For them, a chance to emulate another mass protest to force the military out of politics is still thriving. Dissidents in this hard-line camp will endeavor to revise the constitution to strip away the military's political privileges by instigating popular unrests.

Burma's transition in 2010 will be an illiberal democracy. Illiberal transition accompanied by economic destitution and political factionalism is a perfect recipe to instability.³¹ According to the U.N. figure, more than 30 percent of overall population is facing acute poverty, not being able to meet basic needs of food and shelter.³² The situation is much worse in remote areas and conflict zones, especially populated by ethnic minorities. Local NGOs operating in cyclone-devastated Delta areas have observed the beginning episode of robbing riots among villages because of rice shortage.³³

In the last 20 years, Burma suffers relatively the worst brain drain in Southeast Asia. New generations of intellectuals have left the country to resettle in the West or more developed countries in the region. As a result, almost no Ph.D.-level researchers, who are trained in accredited institutions, remain in Burma except those who belong to older generations, which are closer or beyond retirement age. Government ministries lack capable technocrats to properly run administrative functions. Even security sectors are suffering from deficit of technical and intellectual capability.

Another challenge for the new government is disarmament and demobilization of cease-fire groups. It is unlikely that the current regime will be able to disarm all existing cease-fire groups. Many of them will still possess functional armed forces after 2010 even if they accept token transformation into the government's border guard units. Any misstep in the 2010 transition can trigger the revival of major armed conflicts as well.

The new government will inherit the legacies of 50-year-old political and economic predicaments. Regardless of the characteristics of transition, any new government will not be able to revive the country from economic pauperization in a short term. Poverty will remain pervasive. Post-2010 Burma will be a country with a lot of angry people who are just granted relative civil liberty to vent out their frustration. Under poverty, people are vulnerable to political instigation.

The military is well aware of potential repercussions from the transition. Purposefully, the current constitution is designed to allow the military to intervene in national crisis if the government fails to tackle the impediment. According to the

protest in 2007. The regime is very careful this time not to repeat the previous mistake. See more details about the nature of regime crackdown at ICG. 2008. Burma/Myanmar: After the crackdown. Brussels. International Crisis Group. <<http://www.crisisgroup.org/home/getfile.cfm?id=3290&tid=5273&type=pdf&l=1>> Hlaing, Kyaw Yin 2008. Challenging the Authoritarian State: Buddhist Monks and Peaceful Protests in Burma. The Fletcher Forum of World Affairs 32 (1). <<http://fletcher.tufts.edu/forum/archives/pdfs/32-1pdfs/Kyaw.pdf>>.

³⁰ In a discussion with government official, they expressed their concerns on post-transitional instabilities based on Burma's post independence turmoil where insurgency drove the country to state failure.

³¹ A number of studies on transitions have stressed the potential for instabilities. Low quality of life and factionalism are the most potent drivers for instability after transition. See more at Goldstone, J., Robert Bates, Ted Gun & et al. (2005). "A Global Forecasting Model of Political Instability."—Annual Meeting of the American Political Science, Political Instability Task Force.

³² U.N. resident Coordinator. 2008. End of Mission Report. Yangon: United Nations.

³³ In an unpublished report compiled by a research team from Harvard University in early 2009 concluded that Burma is facing food shortage in coming years.

constitution article 40(c), “the Commander-in-Chief of the Defense Services has the right to take over and exercise State sovereign power” if the country faces serious crises which threaten disintegration of the union. Post-transitional instability will reverse the course of political progress benefited by the 2010 elections.

The only way to avoid potential instabilities, destructive confrontation and the revival of military rule is to pursue realistic reconciliation after 2010. The transition will create political space to collectively explore common grounds between the military and the opposition to restore confidence. Both civilian politicians and the military representatives will be sitting under the same roof in the Parliament. It will be the venue for both the military and the opposition to interact in policymaking and mutually envisioning the future. Against all odds, the transition in 2010 will offer an opportunity to jump-start confidence building to seek much need reconciliation for the country.

Min Zaw Oo is a pro-democracy activist in exile who was extensively involved with student protests during the 1988 mass uprising. He later joined the All Burma Students' Democratic Front and fought a guerrilla war for four years in the Burmese jungle before he came to the United States to continue his education in 1996. Min Zaw Oo is currently a PhD candidate at George Mason University, completing his dissertation on the analysis of 115 worldwide transitions to democracy from 1955 to 2007. He received M.S. in conflict analysis and resolutions from George Mason University, and M.A. in security studies from Georgetown University.

Appendix

Table 1: List of armed organizations that the SPDC officially recognized as ceasefire groups

	Organization	Strength ¹	Ethnicity	Date of ceasefire	Region
1	Myanmar National Democracy Alliance Army (MNDA) ³⁴	2,706	Kokang	31 March, 1989	Special Region-1, Northern Shan State
2	United Wa State Army (UWSA) (a) Myanmar National Solidarity Party	9,994-20,000	Wa	9 May, 1989	Special Region-2, Shan State
3	National Democratic Alliance Army (NDAA)	3,300	Shan	30 June 1989	Special Region-4, Eastern Shan State
4	Shan State Army (SSA) or Shan State Progress Party	2,130	Shan	24 September 1989	Special Region-3, Shan State
5	New Democratic Army-Kachin (NDA)		Kachin	30 January, 1990	Special Region-1, North-East Kachin State
6	Kachin Defense Army (KDA)	2,000	Kachin	15 Jan 1991	Special Region-5, Northern Shan State
7	Pa-O National Organization (PNO)	1,400	Pa-O	April 11, 1991	Special Region-6, Southern Shan State
8	Palaung State Liberation Army (PSLA)	1,404	Palaung	May 2, 1991	Special Region-7, Northern Shan State
9	Kayan National Guard (KNG)	80	Kayan/Karenni	Feb 27, 1992	Special Region-1, Kayah(Karenni) State
10	Kachin Independence Organization (KIO)	6,050	Kachin	Feb 24,	Special Region-2, Kachin State

³⁴ The government sent its troops to oust the MNDAA leaders in a recent offensive in September 2009.

				1994	
11	Karenni State Nationalities Peoples' Liberation Front (KNPLF)	1,619	Karenni	May 8, 1994	Special Region-2, Kayah(Karenni) State
12	Kayan New Land Party (KNLP)	1,496	Kayan/Karenni	26 July 1994	Special Region-3, Kayah(Karenni) State
13	Shan State Nationalities Peoples' Liberation Organization (SSNPLO)	2,448	Shan	Oct 9, 1994	Southern Shan State
14	New Mon State Party (NMSP)	3,000-8,346	Nai Shwe Kyin	June 29, 1995	Mon State
15	Burma Communist Party(Rakhine State)	298	Arakanese	April 6, 1997	Arakan State

ⁱ The strength of the ceasefire groups is reported in the government's official document released to public. Actual strength can be different from the list. Moreover, the listed number of troops includes non-combatants such as family members. Some groups, such as the UWSA, are reported to be stronger than the officially reported while some groups, such as the NMSP, may be less than their claimed strength.

Table 2: List of armed organizations that unofficially went into ceasefires with the SPDC

	Organization	Strength ⁱⁱ	Ethnicity	Date	Region
1	Democratic Karen Buddhist Army (DKBA)	500	Karen	Dec 1994	Karen State
2	Shan State National Army, aka SSA-Central (SSNA)	Disarmed/some merged with SSA-South	Shan	1995	Northern Shan State
3	Karenni National Defence Army (splinter faction from KNPP)	100	Karenni	1996	Karenni State
4	Karen Peace Force (ex-KNU 16th Battalion)	70	Karen	24 Feb 1997	Karen State
5	Mon Mergui Army (splinter faction from NMSP)	500	Mon	1997	Tenasserim Division

6	KNU Special Region group (Toungoo)	100	Karen	Nov 1997	Karen State
7	Karen Peace Council (former KNU 7 th Brigade)	300	Karen	Feb 2007	Karen State

ⁱⁱ These numbers come from estimation and reports from the groups.

Table 3. List of still-fighting insurgent groups

	Name	Strength	Ethnicity	Active Areas
1	Karen National Union (KNU)	1000	Karen	Tenasserim and Pegu divisions, Karen and Mon states
2	Karenni National Progressive Party (KNPP)	300	Karenni	Kayah state
3	Shan State Army (SSA-south)	500	Shan	Shan state
4	All Burma Students' Democratic Front	200	Mixed, mostly Burman	Karen and Mon states, Pegu division

Figure 1: A target-based compilation of terrorist attacks in Burma (excluding incidents related to conventional guerrilla attacks in conflict zones) (sources: National Counterterrorism Center's Worldwide Incidents Tracking System Database and news wire reports)

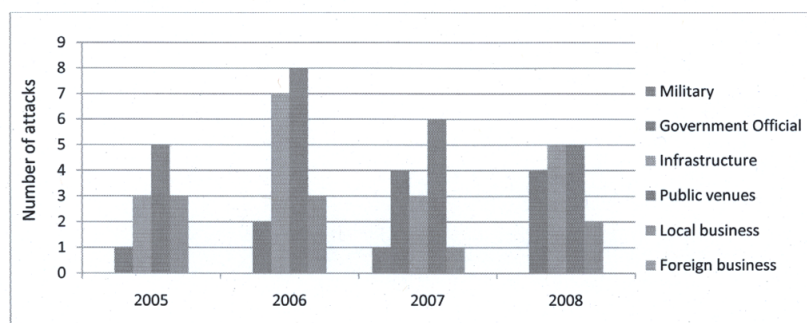


Table 4. A target-based compilation of terrorist attacks in Burma (sources: National Counterterrorism Center's Worldwide Incidents Tracking System Database and news wire reports)

Terrorist Attacks in 2005 (excluding incidents related to conventional guerrilla attacks in conflict zones)			
<i>Target</i>	<i>Frequency</i>	<i>Dead</i>	<i>Wounded</i>
Military/Police	0	0	0
Government official	1	0	0
Infrastructure	3	0	0
General Public	5	35	230
Local business	3	0	0
Foreigner/business	0	0	0
Total	12	35	230

Terrorist Attacks in 2006 (excluding incidents related to conventional guerrilla attacks in conflict zones)			
<i>Target</i>	<i>Frequency</i>	<i>Dead</i>	<i>Wounded</i>
Military/Police	0	0	0
Government official	2	2	5
Infrastructure	7	0	1
General Public	8	6	4
Local business	3	0	0
Foreigner/business	0	0	0
Total	20	8	10

Terrorist Attacks in 2007 (excluding incidents related to conventional guerrilla attacks in conflict zones)			
<i>Target</i>	<i>Frequency</i>	<i>Dead</i>	<i>Wounded</i>
Military/Police	1	1	2
Government official	4	1	4
Infrastructure	3	0	1
General Public	6	8	17
Local business	1	0	0
Foreigner/business	0	0	0
Total	15	10	24

Terrorist Attacks in 2008 (excluding incidents related to conventional guerrilla attacks in conflict zones)			
<i>Target</i>	<i>Frequency</i>	<i>Dead</i>	<i>Wounded</i>
Military/Police	0	0	0
Government official	4	1	0
Infrastructure	5	0	1
General Public	5	2	11
Local business	2	0	0
Foreigner/business	0	0	0
Total	15	3	12

PREPARED STATEMENT OF THE INTERNATIONAL CRISIS GROUP

The International Crisis Group appreciates the opportunity to offer written testimony to the Senate Foreign Relations Committee on "U.S. Policy toward Burma: Its Impact and Effectiveness."

International Crisis Group is an independent, nonpartisan, nongovernmental organization that provides field-based analysis, policy advice and advocacy to governments, the United Nations, and other multilateral organizations on the prevention and resolution of deadly conflict. Crisis Group publishes annually around 90 reports and briefing papers, as well as the monthly "Crisis Watch" bulletin. Our staff are located on the ground in 12 regional offices and 17 other locations covering between them over 60 countries and focused on conflict prevention and post-conflict stabilization. It maintains four advocacy offices, in Brussels (the global head-

quarters), Washington, New York, and London; and as liaison presences in Moscow and Beijing.

For several years, the Crisis Group has called for a more pragmatic approach to the situation in Burma/Myanmar that would allow for greater engagement in several areas but particularly inhumanitarian action. We applaud Senator Webb's recent visit and courageous new approach to the issue. We believe the administration's new strategy, opening the door to dialogue with the military regime, also presents important opportunities.

The United States must be engaged because:

- Elections, however flawed, and a potential generational change in the military may open opportunities for change.
- Democracy, peace and prosperity will be denied even longer if the state fails.
- Lack of engagement expands the influence of others and raises tensions in U.S. relations with ASEAN.

The unfortunate reality is that there will be no rapid positive change in Burma. It has been at war with itself since the 1940s. It has been under military rule since the 1960s. Its economy has stalled since the 1990s.

None of the building blocks for democracy are in place: political parties have been crushed, the civil service destroyed, the judiciary reduced to impotence and the press silenced.

But next year the country will hold elections that may open up a small political space. A central legislature and seven regional Parliaments will open following the elections. All will have a significant military component and none of the elections will even remotely approach the "fair and free" standard. In a country where democracy has been stifled for decades, these polls are a first and therefore possibly important step away from an authoritarian past. They will coincide with a change in the top military leadership, which again opens up the possibility of movement. New figures are likely to emerge as potential interlocutors, particularly among ethnic minority groups that have signed cease-fires. We do not know how this will play out but the United States needs to be poised to make the best of any opportunities.

A reengagement by the United States also may offer the chance to put in place some of the building blocks needed for sustainable improvements. Burma needs educated people who are familiar with the outside world. It needs a civil service and a civil society. The people need contact with the outside world. If Burma continues down a path to collapse and failure it will become an enduring, possibly insoluble problem like Afghanistan or Somalia, societies that are struggling to get back to where they were 40 years ago. U.S. and international help could stop that decline.

The U.S. absence from Burma has left a vacuum that has been filled by China and Burma's other neighbors. That has meant investors who do not place a priority on the environment, training staff, labor rights or improving the skills of the Burmese workforce. We have seen U.S. investment in Vietnam and China have a profound impact on those societies, widening the political and social space for ordinary people. The U.S. and others need to reengage to ensure that the Burmese have as many opportunities as possible to bring change to their own country. More foreigners means more scrutiny and a greater likelihood that abuses will be uncovered.

Burma's military rulers will not relax their grip any time soon. Nor will the country do what it should in the way of releasing prisoners including Aung San Suu Kyi and allowing political activity. It will continue to jail the innocent and crush the outspoken. But the U.S. will only be able to influence change if it has a voice in Burma.

We have a number of suggestions for U.S. policy, even in the absence of removing targeted sanctions at this time:

- While recognizing that the polls will not be fair, keep an open mind to contacts with the government that will emerge. Many people in Burma think that while this election will not come close to meeting international standards, the next one could be a clearer step to enhance democracy in the country.
- Expand aid contacts, particularly at the local level. Following an initial intransigence by the military government, the eventual response to Cyclone Nargis shows that it is possible to get aid to people without it being lost of government corruption or mismanagement.
- Allow the World Bank and IMF to open offices in Naypyidaw or Yangon. Burma will not be eligible for help unless it makes substantial changes to its economy but if that time comes, it is better that the IFIs are prepared with expanded understanding and assessment of conditions and that they have had a chance to build managerial capacity in the country.
- Normalize the UNDP mandate, lifting restrictions on dealing directly with civil servants, teachers, and government health workers. These are people who

would be vital in any transition and exposure to international practices would enhance their role.

- Establish educational links for Burmese. Educational exchange programs open minds and expand capacity.
- Meet as often as possible with the leadership in Nyapyidaw to press the case for the release of political prisoners and for allowing greater democratic freedoms.
- Encourage microloans and programs that help the many women living in poverty and vulnerable to the abuses of the sex trade and trafficking.
- Slowly expand contacts with the Burmese military by expanding the search for U.S. MIAs from World War II.

This also should be a moment when the U.S. engages with China, particularly in the aftermath of the recent crisis along its border, and ASEAN members in discussing how to improve the conditions of the Burmese people and advance toward democratic change.

OPEN LETTER FROM NONGOVERNMENTAL ORGANIZATIONS
ON U.S. POLICY TOWARD BURMA

We, the undersigned, write to thank Senator Jim Webb and the Senate Foreign Relations Subcommittee on East Asian and Pacific Affairs for holding a hearing on U.S.-Burma relations, and applaud efforts to find new ways to encourage dialogue with the Burmese people. The policy review being undertaken by the Senate and the administration come in the wake of heightened U.S. involvement with Burma in response to the tragedy of Cyclone Nargis. We encourage the U.S. Government to continue to increase humanitarian assistance to the people of Burma to alleviate the suffering of ordinary Burmese, to strengthen civil society, and to encourage dialogue between the international community and the Burmese Government. At a time when so much of the world's relationship with Burma is deadlocked, humanitarian assistance is one of the few areas where concrete progress is being made.

Burma is one of the poorest countries globally. The United Nations Development Program estimates that the GDP per capita in Burma is the 13th lowest in the world. The average Burmese family spends 75 percent of that meager income on securing adequate food supplies. Less than 50 percent of children complete primary school and, according to UNICEF, under-5 child mortality averages 103 per 1,000 children. This is the second-highest rate outside Africa, after Afghanistan. Burma has the highest HIV rate in Southeast Asia, and malaria, a treatable and preventable disease, is the leading cause of mortality and morbidity.

While the Burmese military regime bears most responsibility for the situation in Burma, international humanitarian aid for the Burmese people has not kept pace with their needs. According to the Organization for Economic Cooperation and Development (OECD), for example, Burma receives less overseas development assistance, \$4.08 per person (2007), than any of the poorest 55 countries. The average assistance in this group of countries is more than \$42 per person. Many other countries with similar levels of poverty receive much larger assistance packages, such as Sudan (\$51/person); Zimbabwe (\$41/person); and Laos (\$58/person).

U.S. policy toward Burma has traditionally focused on the government and not the millions of people in Burma, whose living conditions have steadily deteriorated. The Burmese people perpetually live on the brink of a humanitarian crisis, and Cyclone Nargis proved that further disruption can have disastrous consequences. The U.S. was the second largest donor for the Cyclone Nargis response, contributing \$75 million to emergency efforts. This funding was carefully monitored and provided lifesaving emergency health care, shelter, and livelihood support to help Burmese citizens recover.

In fiscal year 2010, the Obama administration requested \$21 million for humanitarian assistance to assist people inside Burma, an important step toward greater U.S. involvement in alleviating their suffering. At a time when other countries are looking to the U.S. for leadership, such an increase will help ensure a more unified approach among major U.S. allies. Great Britain, the European Community, Australia and others are already moving to significantly ramp up their assistance. As the Senate and the administration consider new approaches to Burma, it should increase humanitarian assistance to Burma gradually, with at least \$30 million for FY 2010, \$45 million in 2011, and \$60 million in 2012. This type of assistance should be available to people in need not only in the delta and along the border but throughout Burma. It should also be expanded beyond the current emergency assistance and limited health interventions to include agriculture, health, education, microfinance, capacity-building, and income-generation.

Humanitarian assistance in Burma has the added impact of supporting the development of civil society organizations in a country where it is important to encourage nonstate actors. Almost all international aid agencies work closely with civil society partners throughout the country to implement their programs. Humanitarian aid organizations now employ over 10,000 Burmese citizens who are directly exposed to new ideas and international standards of work. Their experience has a multiplying effect, as these staff work in villages countrywide. These efforts should be supported and expanded to allow the Burmese people to have a greater role in shaping their own future.

The international community has also seen how engagement can produce concrete changes in government policy through dialogue that contributes to improving the well-being of the Burmese people who have suffered as a result of current circumstances. Because of their long-term presence in the country, principled engagement with the government, and the efficacy of their programs, many international NGOs have been able to have a direct role in shaping national policy. International actors have been pivotal in gaining changes to nationwide HIV/AIDS, tuberculosis, education, and disaster response policies. They have gotten to know which government officials are encouraging of greater engagement with the outside world, and how to best engage the government in sensitive issues. Promoting this type of dialogue should be supported.

Humanitarian assistance alone cannot solve Burma's problems. It is an effective tool for helping a suffering people with direct aid, and for encouraging some officials to adopt more effective social policies. And it provides space for civil society to grow in a country where few opportunities exist. It must be seen as only one policy amongst many whose aim is to improve the lives of all Burmese. But the U.S. should continue to embrace humanitarian assistance as a proven and effective way for achieving important policy goals.

International Agencies: Refugees International; Save the Children; International Rescue Committee; Oxfam America; Population Services International; International Development Enterprises Myanmar; World Concern; Church World Service; Médecins du Monde; International HIV/AIDS Alliance; Welthungerhilfe; Medical Action Myanmar; Norwegian Refugee Committee; Norwegian People's Aid; and Merlin.

Burmese Civil Society: Myanmar Egress; Capacity Building Initiative; and Tampadipa Relief and Development.

PREPARED STATEMENT OF THET WIN, FOUNDER AND PRESIDENT OF
US COLLECTION, HUMANITARIAN CORPS

"He did not need man's testimony about man, for He knew what was in a man." (John 2:25). Indeed, the Lord God knows what is in our hearts. All the problems of Burma are man-made. And now man seeks solutions to these problems he made for himself. Some say that in Burma, the world's "longest civil war" is going on. In recent decades, we have come to be very aware of the political struggle in Burma. And now, leaders have gathered and there is new activity and perhaps new hope and a chance for a new beginning for reconciliation and peace in Burma. However, we need one more element for success. Man cannot solve his problems alone. Only God can solve his problems. In the case of Burma, we need to give up. We need to let go . . . and let God.

"Fair is foul and foul is fair" (Macbeth). Things are not how they appear for the Western eye on Burma. The image of Burma has been reduced to a black-and-white picture. Even a caricature drawing of good vs. evil is the portrayal. But things are not this clear. Burma is beyond black-and-white; even beyond a murky grey-zone; it is colorful and complex. The reality hidden under decades of political spin and weaving to create the monochrome long drawn out tapestry of political stalemate we have today. Up to now sanctions have been the way to go. In the beginning sanctions backed up a moral stand. Now sanctions hurt the ordinary Myanmar people, a new moral stand takes its place. Lifting sanctions would help? How would it bring liberty to Burma? Nevertheless, at this time, allowing investments in the building of schools and hospitals funded by certain business models that are self-sustaining should be allowed.

How can the United States trust the SPDC of Myanmar? "I have but one lamp by which my feet are guided; and that is the lamp of experience." These are the words of Patrick Henry and serve as good guide for the way to move forward on Burma. However, as mentioned knowing the way forward is not all as it seems. If we judge from the past we can see that the prodemocracy exile movement has been

ineffective and at best gave the United States information about what is happening in Burma. But this information is provided through a narrow lens of the reality in Burma. It is purely from a biased perspective. It is not helpful for the people of Myanmar. We are all involved in this prodemocracy campaign as Americans because we have given moral support and funds that keep their industry functioning. To go forward in Burma requires persons and agencies that are in Burma to foster and forge good honest relations which are for the welfare and freedom of the people. Visit Myanmar to see the reality for yourself. Engagement does not legitimize the regime. Freedom loving people all want to see Aung San Suu Kyi free. And in the meantime, we must address the humanitarian crisis in Myanmar. Together we can visit, work, and pray and bid all comfort and peace. Please visit our US Collection Web page to see the work we do and to learn about Myanmar—www.USCollection.org. I invite you on behalf of US Collection to visit Myanmar and to see the reality for yourself.

It is my honor to provide this written testimony to the Senate committee. I have not indulged in facts and figures to impress you for you are already supplied with this information by your competent staff. However, I will supply you with feelings of hope and commitment for peace and justice. In the end, this is a problem of the Myanmar people. Tocqueville says that the future of a nation can be judged like by the way a baby rests in his cradle. Myanmar is no infant. It has an ancient, rich, and proud history. It has evolved in recent years in the Asian sphere but apparently out of sight in the West because the reality of its recent history has not been properly presented. The U.S. must learn all about Myanmar. After learning about the Myanmar reality, engaging will go more smoothly. Engagement must be done with understanding of Asian/Confucian values too. It is important for the SPDC to save face in order to move forward. There will be sacrifices needed from all sides to move forward for lasting peace and prosperity. Indeed it is my own fault too, for not having done more to tell the representatives of the United States in order to have greater security in the U.S. and to help those struggling with poverty in Myanmar. My conscience has always compelled me to help the people of Myanmar through my humanitarian cause.

US Collection, Humanitarian Corps is making a difference in the lives of those struggling with poverty in Myanmar. And it is securing greater peace between the United States and Myanmar through dialogue, collaboration, and friendship. The SPDC of Myanmar may stand before us with “spear, and helmet, and armor” but like young David, we come to them in the name of the Lord. With this stand, they are disarmed. There is no war between our nations, but a greater peace needs to be built. US Collection is an agent for change because it is an organization made up of Myanmar expatriates and Myanmar citizens who understand how to work in Myanmar. Please investigate us and consider supporting our work.

By consulting officials and experts in the U.S. and officials of the SPDC in Myanmar, and being deeply in touch with all the Myanmar people, US Collection has these five recommendations:

- (1) Appoint the Special Envoy to Myanmar.
- (2) First, the Special Envoy must lead a commission to resolve the ethnic rebels' resistances and establish the principles of nonviolence to which all parties in ethnic territories must adhere and subsequently lead to an armistice, peace negotiations, and reconciliation with Myanmar authority.
Ethnic rebel insurgencies lead to international security threats by fostering criminal activity, criminal industries, human trafficking, spread of HIV/AIDS, refugee flows, and terrorism.
- (3) The Special Envoy must be allowed to meet Aung San Suu Kyi. Envoy must discern the potential of the SPDC's tolerance to allow Ms. Suu Kyi to participate in the political process. Envoy must discern the potential pliability of Ms. Suu Kyi to deal with SPDC in a new way forward.
- (4) The Special Envoy must set the tone of sincere engagement—by first removing attitudes of animosity from the U.S. side. Animosity can be removed by reserving judgment and bid the SPDC to show proof that it has made overtures to Ms. Suu Kyi to participate in the political process in a new way forward. There must be verification that Ms. Suu Kyi has been entreated by the SPDC to participate in the political process.
- (5) The U.S. and Myanmar should engage in cultural, scientific and higher education, and humanitarian endeavors. Grants and scholarships should be created to support such projects.

Thank you for allowing me on behalf of US Collection to make this written statement. I am confident the Representatives of the United States have the desire and wisdom to move forward in engaging Myanmar. Please publicly and privately engage the SPDC, the individual officials of the SPDC, the political opposition, and

the ordinary people with finesse and patience. "There's no such thing as a conflict that cannot be ended. Conflicts are created, conducted and sustained by human beings. They can be ended by human beings."—George Mitchell (former U.S. Senator). But I must add, "only by the grace of God." I would like to end with the Serenity Prayer—God grant me the serenity to accept the things I cannot change; Courage to change the things I can; and wisdom to know the difference.

Thank you.

PREPARED STATEMENT OF CHRIS BEYRER, M.D., MPH, DIRECTOR, CENTER FOR PUBLIC HEALTH AND HUMAN RIGHTS, JOHNS HOPKINS BLOOMBERG SCHOOL OF PUBLIC HEALTH

All those concerned with the welfare of the Burmese people and with the hoped-for return of Burma to the international family of free nations welcome the engagement of Senator Jim Webb and his Senate colleagues. I would like to thank Senator Webb for his staff's kind offer to submit this testimony for the record.

As a physician, and public health and human rights researcher, I have been involved with health and human rights in Burma since 1993, and can say without hesitation that this is a critical moment for Burma and her people. Both opportunities and risks abound. The U.S. policy review, underway for much of the year, is near completion.¹ The policy calls for a new level of dialogue between the U.S. and the ruling State Peace and Development Council.¹ The new U.S. policy will increase much-needed humanitarian assistance, and could bring relief and improved health and well-being to the long-suffering Burmese people. And Assistant Secretary Campbell's statement that the U.S. will continue targeted financial sanctions, could keep political pressure on the dictatorship of Senior General Than Shwe and his financial partners.¹ Such pressure could assist in the beginning of genuine political dialogue with the democratic opposition led by Daw Aung San Suu Kyi, her party, and the leaders of Burma's Ethnic Nationalities.

In a letter dated September 25 of this year and released by the Central Executive Committee of the National League for Democracy in Rangoon on September 28, Ms. Suu Kyi called for direct dialogue with Senior General Than Shwe.² This call for dialogue should be vigorously supported by the United States. But it should be noted that Ms. Suu Kyi, as stated by United Nations Secretary General Ban Ki-moon, has called for direct dialogue with the SPDC in the past, and her overtures have been rebuffed:

Sept. 24, 2009—Excerpt: Ban Ki-moon, United Nations General Assembly

. . . the Special Adviser again encouraged the Government [Of Myanmar] to (a) raise the level of the Government interlocutor with Daw Aung San Suu Kyi, and (b) give further consideration to the proposal made by Daw Aung San Suu Kyi in March 2008 to issue a joint statement of commitment between her and the Government to work together in the national interest with a view to creating conditions conducive to the lifting of sanctions against Myanmar. Subsequently, on 24 February 2009, NLD issued a correction to its special statement No. 2/02/09, in which it stated that: ". . . Daw Aung San Suu Kyi had already informed the authorities through the Minister for Relations, that she is ready to cooperate to avoid these matters and to issue statements reached by both sides. Therefore it is declared once again that NLD requests with sincere intention that the two leaders who can make decisions regarding these matters shall unavoidably and practically hold [a] dialogue immediately."³

Supporting Ms. Suu Kyi's effort to begin genuine dialogue with the SPDC will require that the U.S. be consistent and unyielding in its call for genuine political participation for Burma's democratic leadership. This will also require the U.S. not yield on its call for the immediate and unconditional release of all political prisoners.¹ There may be an opportunity for real change in Burma, but all concerned must be realistic about the recent activities of the SPDC, most importantly their current treatment of the civilian political forces in the country and their recent activities in ethnic minority areas.

THE POLITICAL CONTEXT

This is also a period of enormous risks for all concerned with Burma's future. The SPDC, despite the recent release of some 200 political prisoners, continues to imprison more than 2,000 political prisoners.⁴ The junta's prisoners include Ms. Suu Kyi and many key leaders of her party, the NLD; ethnic leaders, including Khun Tun Oo, the Chairman of the Shan Nationalities League for Democracy; Generation

88 leaders, including MM Ko Niang; and labor activists such as the courageous Su Su Nwe.⁴ Other prisoners include leaders of the clergy such as Buddhist Monks from the nonviolent Saffron Revolution of 2007, including U Gambira and U Indaka and at least 237 other monks, according to the Assistance Association for Political Prisoners in Burma (AAPPB)⁵; humanitarian relief workers jailed for their work in the Cyclone Nargis response, including the beloved comedian Zarganar; and most recently, a United States citizen of Burmese origin, Kyaw Zaw Lwin (aka Nyi Nyi Aung) a resident of my state, Maryland, who is being tortured at this writing, according to Amnesty International.⁶ Indeed, the leaders of virtually every progressive force in Burma are currently in detention or prison, and many are being held in remote rural prisons far from families and far from the most minimal standards of nutrition, hygiene, and health care.⁴ As long as these leaders remain imprisoned and imperiled, genuine political dialogue within Burma will remain stalled no matter what discussions are underway between the SPDC and the wider world.

The SPDC's proposed roadmap for democracy in Burma hinges on the discredited constitutional referendum of May 2008, conducted just days after the devastation of Cyclone Nargis. The referendum was neither free nor fair. The possible elections of 2010 are based on this constitution, and deliberately exclude Ms. Suu Kyi from participation in her country's political process. An expanded engagement with Burma must not mean U.S. acceptance of the referendum, nor agreement to the terms of Burma's unfree and unfair constitutional process.

ATTACKS ON ETHNIC NATIONALITIES

The recent attacks on Burma's Ethnic Nationalities, including in the Karen, Shan, and Kokang ethnic areas, are the second major cause for concern in Burma today. In Shan State the attacks on civilians have been particularly intense: Some 39 Shan villages were attacked, with villagers forcibly displaced in July and August of this year—part of a systematic and brutal scorched earth campaign documented by the Shan Human Rights Foundation and the Shan Women's Action Network, and reported by Human Rights Watch on August 14, 2009.⁷ State Department Spokesman Ian Kelly addressed these attacks in an August 31, 2009, briefing: "The United States is deeply concerned over the attacks by the Burma Army in eastern Burma against several ethnic nationality groups, and we continue to monitor developments carefully. The brutal fighting has forced thousands of civilians to flee their homes for safety in Thailand and China, and reduced both stability and the prospects for national reconciliation. We urge the Burmese authorities to cease their military campaign and to develop a genuine dialogue with the ethnic minority groups, as well as with Burma's democratic opposition."⁸

Such mass atrocities are not new to Burma. In population-based health and human rights assessments conducted by our collaborative Burmese and American team in 2006–07, among over 2,900 ethnic households in eastern Burma, the Shan villagers suffered among the highest rates of abuses of any group.⁹ More than a quarter of all Shan families had been forcibly relocated in the last year, 24 percent had at least one family member taken by soldiers for forced labor, and an astonishing 9 percent of households had at least one family member injured by a landmine—one of the highest rates ever documented.⁹

Other ethnic groups, most recently the Karen in eastern Burma, have also faced intensified fighting and egregious rights violations this summer—some 5,000 Karen have recently fled into Thailand according to Human Rights Watch.⁷ The plight of the Rohingyas, a Muslim minority persecuted in Western Burma, has also caused international concern. Human Rights Watch called for an end to the junta's systematic abuses against the Rohingya in May of this year.¹⁰ And the attacks against the Kokang, a Mandarin-speaking minority in northern Shan State, drove some 37,000 refugees into China's Yunnan province in August 2009, raising concerns about regional stability, and eliciting a rare rebuke from China. China took the unusual step of officially calling on the SPDC to maintain peace along their shared border.¹¹ PRC Foreign Ministry spokeswoman, Jiang Yu, stated "Safeguarding stability along the China-Myanmar border is in the vital interest of the two peoples and is the common responsibility of the two governments."¹¹

These renewed assaults on Burma's ethnic peoples appear to be part of the junta's strategy for the 2010 elections. The generals are attempting to force their ethnic opponents to become border patrol forces and to participate in the proposed elections. Most of the larger ethnic groups and political parties have rejected these offers, and have rejected the junta's new constitution. Two of the largest and most heavily armed groups, The United Wa State Party and Kachin Independence Organization, also appear likely to reject the junta's offers, increasing the likelihood of more ethnic conflicts. In preparation for the potential refugee flows from this fight-

ing, China has taken the extraordinary step of preparing three refugee camps on its border with Kachin State.¹² The junta is creating new humanitarian emergencies with its current campaign for political control of ethnic areas and destabilizing its border regions with China. Burmese refugees continue to flee not only into China, but to Thailand, India, Bangladesh, and Malaysia, making this a truly regional concern.^{7,8,10,11}

In the central and urban regions of Burma the health and humanitarian situation remains dire as well. As reported by the Australian Economist Sean Turnell, the SPDC is estimated to hold more than US\$5 billion in foreign exchange reserves, yet expenditures on health and education remain among the lowest worldwide.¹³ The official government expenditure on health is some \$0.70 per capita per annum, or 0.3 percent of the national GDP according to Doctors Without Borders—a figure that does not reflect the gross disparity of care within the country: health and social services are markedly scarcer in rural and ethnic minority areas.¹⁴ The SPDC can and should do much more, and any calls for increased humanitarian support should be coupled with calls for the SPDC to spend the resources of the Burmese people on their well-being. The argument that Burma's remarkably poor health outcomes are due simply to limited foreign aid ignores the reality that the SPDC has divested in health and education funding, while spending lavishing on its military.¹⁵ Policy reform, as Professor Turnell has argued, could have enormous impacts on the social sector in Burma, with or without increased overseas development aid. Without such reform, aid may have limited impacts on the outcomes all wish to see—improved well-being for the people of Burma.

WHAT CAN BE DONE?

What can the United States do at this critical juncture to support democracy in Burma and alleviate suffering?

- Expand humanitarian assistance throughout the country and through support for community-based organizations (CBOs), faith-based organizations (FBOs), local civil society groups, and Ethnic National health services that can work in border regions and other areas that are restricted by the SPDC—and couple this giving with pressure on the SPDC to expand its own funding for humanitarian assistance, health care, and education.
- Continue to exert positive political pressure for true progress toward democracy and freedom in Burma. This means continuing to call for the release of all political prisoners, including U.S. citizens, and mandating that the NLD and the ethnic leadership be part of the greater engagement of the U.S. with all potential dialogue partners in Burma.
- Support Daw Aung San Suu Kyi's recent call for her party's direct engagement in dialogue with the SPDC leadership.
- Continue and implement targeted “smart sanctions” against the SPDC and its business partners to maintain pressure on the junta for real and meaningful change. Make explicit the pathway toward which sanctions could be progressively lifted as political reform occurs.
- Expand multilateral diplomacy with the U.N., the EU, ASEAN, with India, and Russia, and most importantly with China, where the U.S. has a unique strategic opportunity, given China's public discord with the junta over refugees and China's legitimate concerns over the treatment of both ethnic Chinese Burmese nationals, and Chinese nationals resident in Burma.
- Work with the international community on an expanded arms embargo which should be in place as long as the Burmese military continues to terrorize civilian populations.
- Actively support the U.N. investigation of the regime's crimes against humanity to continue political pressure and to hold the SPDC accountable for any crimes it has committed. Tolerance for the SPDC's impunity will not further democratization but could hinder the long-term prospects for lasting national reconciliation in Burma.

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PREPARED STATEMENT OF USA*ENGAGE

USA*ENGAGE appreciates the opportunity to comment on U.S. relations with Myanmar on the occasion of the Senate Foreign Relations hearing. A part of National Foreign Trade Council (NFTC), USA*ENGAGE is a broad-based coalition representing Americans from all regions, sectors, and segments of our society concerned about the proliferation of unilateral economic sanctions at the federal, state, and local level. Despite the fact that unilateral sanctions fail to achieve their intended policy goals, but instead harm U.S. companies, they continue to have political appeal. Unilateral sanctions give the impression that the United States is "doing something," while American workers, farmers, and businesses absorb the costs.

The U.S. approach to Myanmar's human rights violations over the last 12 years perfectly illustrates the counterproductive nature of sanctions. President Clinton instituted a ban on new investment in Myanmar by U.S. citizens in 1997. More than 6 years later, President Bush ratcheted up sanctions by banning imports from Myanmar into the U.S.¹ These measures have the commendable goal of aiming at toppling the regime or pressuring it into democratic reforms. The result, however, has been to increase the regime's independence from the U.S. and the West.

Other countries that have not adopted similar sanctions have adroitly filled the void created by our absence. China, India, and members of the Association of South-East Asian Nations (ASEAN) have stepped up trade and investment with Myanmar. Myanmar's combined exports to China, India, Malaysia, Vietnam, Thailand, Cambodia, and Indonesia increased fivefold from 1998 to 2003. Following the second round of U.S. sanctions, Myanmar's exports to these countries more than doubled by the end of 2007.²

Foreign Direct Investment (FDI) by other countries has also risen substantially. Russia and Vietnam invested USD 94 and 20 million respectively in September 2008 in Myanmar's energy sector but the most striking investment came from China. Myanmar "received USD 985 million during fiscal 2008–2009, ended March 31 this year, up 5.7 times from fiscal 2007–2008's USD 173 million, the official statistics released by the National Planning Ministry showed."³ The increase was mostly from new investment in Myanmar's mining industry.

Despite exemptions for investment in certain humanitarian nongovernment organizations (NGO) in Myanmar, the sanctions have constrained NGO efforts, as the example of Caterpillar illustrates. Caterpillar in Myanmar donates to Helen Keller International, participates in the Myanmar Business Coalition on AIDS, and has started an apprenticeship program for service technicians aimed at young people. It would like to do more but without the ability to invest more in its business, the humanitarian activities Caterpillar supports are effectively frozen.

The United Nations' (U.N.) appeals to Myanmar's regional allies have yielded little. Some hoped the crackdown on protesting Buddhist monks that took place in September 2007 would trigger more cooperation with the West from Myanmar's

¹ <http://www.treas.gov/offices/enforcement/ofac/programs/burma/burma.pdf>.

² IMF Direction of Trade (DOT) Statistics: <http://www.imfstatistics.org/imf/>.

³ <http://www.thehindu.com/holnus/006200907191570.htm>.

regional allies. Those hopes were soon dashed. One month later, the United Nations' special envoy to Myanmar visited Asia and received very tepid responses from its leaders. Malaysia even refused to entertain the suspension of Myanmar from ASEAN.⁴ This episode has increased the leadership's confidence that it can survive with just its regional enablers.

Reevaluation of U.S. policy is long overdue, as the administration recognizes. Political prisoner Daw Aung San Suu Kyi, whom Washington has considered the legitimate leader of Myanmar since 1990, enjoys well-deserved admiration among Members of Congress. She has endorsed the new engagement efforts of the administration.⁵

USA*ENGAGE recommends that Congress go further and adopt the position described in Senator Jim Webb's recent public statement that sanctions should be reduced "carefully but immediately."⁶ USA*ENGAGE believes a diplomatic approach based on engagement that generates incremental reform is preferable to a hostile one that has demonstrably generated none. We hope, after its review of U.S. policy toward Myanmar that the committee will agree that an easing of sanctions is the correct course.

SEPTEMBER 29, 2009.

Senator JIM WEBB,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR WEBB: We were happy to hear of your intent to hold a hearing on U.S. relations with Myanmar/Burma on September 30th. Your recent trip to the region helped bring light to the complex and difficult situation on the ground, and we applaud your intention to open the discussion on U.S. policy to wider debate.

On May 8th, The National Bureau of Asian Research, the US-ASEAN Business Council, and the Atlantic Council, with the support of Refugees International, co-sponsored a forum held in the Senate Foreign Relations Committee Room entitled, "Burma/Myanmar: Views from the Ground and the International Community." Representatives of the international community, humanitarian workers with on-the-ground experience, experts, and the policy community in Washington, D.C., joined together for a wide-ranging discussion. Experts and aid workers addressed questions about the humanitarian situation, which is on the verge of crisis, highlighting what programs have been successful and where the needs are greatest. Members of the international community shared their approaches and explored avenues for better international coordination.

We respectfully request to submit the report from our forum for the record.

Sincerely,

RICHARD ELLINGS,
*President, National Bureau of Asian
Research.*

ALEXANDER FELDMAN,
*President, US-ASEAN Business
Council.*

JOEL CHARNY,
*Acting President, Refugees Interna-
tional.*

Attachment.

⁴"Asia: Sticks and Carrots; Myanmar Diplomacy," *The Economist*. London: Oct. 20, 2007. Vol. 385, Issue 8551; p.84.

⁵"Burmese Opposition Supports New U.S. Approach," *New York Times*. Seth Mydans (9/25/2009).

⁶"We Can't Afford to Ignore Myanmar," *New York Times*. Senator Jim Webb (8/26/2009).

THE NATIONAL BUREAU *of* ASIAN RESEARCH

NBR

Project Report | June 2009

BURMA / MYANMAR

Views from the Ground and the International Community

Forum report by
Catharin Dalpino
Georgetown University



*Photo courtesy of Frances A. Zwenig
Pagan, Myanmar, February 2009*

*This narrative report results from a half-day
forum presented by The Atlantic Council of
the United States, The National Bureau of
Asian Research (NBR), and the US-ASEAN
Business Council in cooperation with
Refugees International on May 8, 2009*

Executive Summary

This report outlines discussion at a conference held on May 8, 2009, one year after Cyclone Nargis, to assess humanitarian needs and international responses to Myanmar. There was no attempt to guide the discussion toward consensus on findings or on policy measures.

Discussion Themes

Ongoing multi-faceted insurgencies and Cyclone Nargis have strained social safety nets and stretched Myanmar's economy to the breaking point. Politically, the government of Myanmar poses a significant challenge to the international community's common goal of improving conditions for the Myanmar people and urging reform. Since Cyclone Nargis however, the regime has allowed the international community to operate in greater capacity with local civil society and government officials. In addition, the upcoming 2010 Myanmar elections and recently increased Myanmar-ASEAN cooperation could be steps towards longer-term political progress. Opinions diverge within the international community on the nature of the Myanmar regime. Some believe the Myanmar government to be shielded from reality, while others see it as both rational and well connected to the outside world. Governments in the region emphasize dialogue and work on the ground, and Western countries with greater geographical and political distance favor a mixed application of carrots and sticks.

Policy Implications

- Humanitarian assistance to Myanmar needs to be increased and quickly expanded. Doing so would help address the deteriorating humanitarian situation, expand civil society, and create a cadre of younger generation moderate officials and non-governmental actors.
- A more realistic, coordinated, and long-term policy agenda in Myanmar should be implemented by the international community. Expanding capacity-building efforts would be a positive first step in bridging economic and political development, as well as improving relations between Myanmar and the outside world. This approach must include the government of Myanmar, but in the near-term should involve engaging younger generation officials in lower levels of the regime.

Project Report

A year after Cyclone Nargis struck Myanmar, making it the worst disaster in the country's recorded history, a conference to assess humanitarian needs and international responses to Myanmar was convened in Washington, D.C. Co-sponsored by The Atlantic Council of the United States, The National Bureau of Asian Research, and the US-ASEAN Business Council, in cooperation with Refugees International, the discussion was both retrospective and forward-looking. Beyond Myanmar's recovery from the cyclone, the broader humanitarian situation and the impact of the current global economic crisis were central concerns. Discussion also focused on the impact of ASEAN's (Association of Southeast Asian Nations) ongoing institutionalization on Myanmar, the review of policy toward Myanmar currently underway in the U.S. Government, and prospects for change with the 2010 elections in Myanmar.

The conference brought together a broad spectrum of participants, including representatives from international assistance groups working on the ground in Myanmar; officials from governments including Australia, China, Japan, Indonesia, Malaysia, Norway, Thailand, Singapore, the United States, and Vietnam; United Nations and congressional staff; and analysts and scholars who follow developments in Myanmar closely. The dialogue was conducted under Chatham House rules; as a result, none of the discussion reported in this paper should be attributed to any individual or institution. No attempt was made to forge a common position in the conference. Accordingly, this paper reports salient points and recommendations but does not represent a formal consensus, although informal agreement (or disagreement) is noted in places.

The Humanitarian Crisis

A majority of participants who operate inside Myanmar described a country in a state of silent collapse. An NGO representative reported that the rural economy is stretched to the breaking point and that the country's natural resilience is fading as social safety nets erode. The current economic crisis has forced crop prices to unprecedented lows, and most rural households are deeply in debt. They are forced to sell most of their crops to repay this debt, leaving meager rice stocks for household consumption. Many farmers lack the infrastructure to get their goods to market, further impoverishing them.

According to UN surveys, significant numbers of people in Myanmar live below the poverty line or just above it—90% of the population lives on 65 cents a day and has no margin to guard against economic shocks. Further economic hardship could push large numbers into poverty. Rural credit has dried up, and landlessness is increasing rapidly: 60–70% of village inhabitants are landless and try to survive as casual day laborers. Remittances from overseas workers have been sharply curtailed, and the workers themselves are returning to swell the ranks of the unemployed.

Beneath the hardship of the current economic crisis is a more long-standing humanitarian situation that is expressed most dramatically in the lives of children. 10% of all children in Myanmar die before their fifth birthday. The three main causes of childhood death—malaria, pneumonia, and diarrhea—are all easily preventable. Less than half of children finish primary school, and one-third are malnourished. Those children who do survive often work in hazardous environments, including the sex trade.

Two additional circumstances have exacerbated the humanitarian situation in Myanmar. First, recovery from Cyclone Nargis is incomplete. Many cyclone victims live in makeshift housing and per capita aid to them is a fraction of what victims of the 2004 tsunami received in Aceh. An NGO representative indicated that the international community has been able to help avert a second wave of deaths from a subsequent cyclone but has not been able to provide the second tier of assistance—boats, nets, seeds, and livestock—needed for victims to be self-supporting. One participant estimated that an additional \$690 million in cyclone relief will be needed over the next three years but noted that the per capita amount of \$100 per severely affected survivor is not excessive.

A second, more long-standing and more complex contribution to humanitarian distress has been Myanmar's multiple civil wars, the longest-running set of armed conflicts in the world. Although the majority of the two dozen or so armed ethnic-based groups have signed cease-fire agreements with the central government, large areas of the country remain outside formal state control. A Southeast Asian participant believed that there could be a significant push from the Burmese armed forces in the coming months to persuade these groups to accept the new constitutional order, and that campaign could have a negative impact on the humanitarian situation.

Humanitarian Space and the Impact of Aid

Despite these worsening conditions, or possibly because of them, many field-based participants maintained that the “humanitarian space”—the ability of international and local groups to provide assistance—is expanding. This is partly a function of the government of Myanmar’s eventual acquiescence to international assistance for the areas affected by Cyclone Nargis—which represented a quantum leap in international aid and access—but is also the result of steady, low-key efforts by international assistance groups over the past decade. Aid organizations are currently involved in all areas of the country except active conflict zones on the Thai-Burmese border, which can usually be accessed only by local groups or by cross-border programs. Beyond a geographic expansion, aid groups have noted that the issue agenda is also growing; they observe increased latitude to work in some sensitive areas, such as HIV-AIDS.

Much of this new openness might be described as accidental. One participant maintained that the central government tries to control aid activities in various ways but that they are often unable to do so at the local level. There are multiple factors that contribute to this de facto centralization, including limited administrative capacity and a high degree of fragmentation. This dynamic thwarts some central government officials who attempt to co-opt aid activities and direct aid toward groups loyal to the government and away from opposition groups. One participant indicated, for example, that there is no centrally directed policy of excluding supporters of the National League for Democracy or ethnic or religious minorities from humanitarian aid. Interlocutors reported government corruption in processing aid, but they did not view such corruption as greater than in other poor countries. Ironically, the government’s inability to maintain control over some areas has had the effect of curbing, but by no means eliminating, rent-seeking in the aid sector.

A second trend that field-based organizations observe is the quiet expansion of Burmese civil society at the local level, which serves to increase citizen participation and empower local communities. They attributed this in significant part to the capacity-building effect of the negotiation and delivery of humanitarian assistance. International aid organizations employ and train thousands of Burmese staff in entrepreneurial and

results-based projects. Some participants believed that this trend has encouraged more open and intense policy debate at the local level.

The primary emphasis of this conference was on the need to address Myanmar's deteriorating humanitarian situation, and presenters were largely positive on the role of humanitarian assistance for the country at this time. Some participants, however, believed that humanitarian assistance can be "a band-aid at best" and that many persistent problems in Myanmar require a longer-term, locally based development approach. A short-term humanitarian approach excludes some key areas where support is needed—particularly multi-year efforts to alleviate poverty and build sustainable human resource capacity—and tends to be disbursed in single-year increments. Another participant discouraged a strong focus on humanitarian assistance if it causes donor governments to substitute this type of aid for political action when that is required or to underestimate the political causes of the humanitarian crisis.

However, other participants did not see humanitarian assistance as conflicting with a development approach. On the contrary, they reported that humanitarian aid has been a mechanism for dialogue with government, particularly at the local level, that could open the door to broader cooperation on development at a future time.

Some discussants considered the primary problem to be an over-emphasis on a democratic transition at the national level. One participant remarked that in the 1990s international policy toward Myanmar was rooted in the assumption that such a transition was a near-term possibility, and that the best and most efficient course was to withhold aid and put political and economic pressure on the regime. That perception of an imminent democratic shift has eroded in this decade, and support for a more gradualist approach has strengthened, but there is little consensus in Western capitals on policy objectives for a more incremental and long-term approach, if indeed one is adopted.

These overarching issues notwithstanding, participants believed that enough humanitarian space now exists in Myanmar to make significant progress on disease control, disaster relief and even poverty alleviation with greater international attention and funding. However, one NGO representative cautioned that this room to maneuver could shrink in the run-up to the 2010 elections and aid organizations could face a more difficult operating environment. It may become more difficult to obtain necessary

approvals from the government as decision-makers focus on other priorities and as bureaucrats become more reluctant to make decisions without political guidance. Another discussant noted that humanitarian space has fluctuated significantly in recent years: for example, in the early 2000s, the presence of a group of more internationally oriented officials enabled humanitarian space to expand dramatically; but this space contracted in 2004 when many of those individuals were purged from government. Given this volatility, it is important to take advantage of humanitarian space and even attempt to enlarge that space when it is possible.

Perspectives on the Regime

Throughout the meeting, participants cautioned that ultimate responsibility for public welfare in Myanmar resides with the government and cannot be assumed by the international community. Beyond the moral obligation to safeguard human security, the monetary scale required is beyond the scope of international assistance organizations. Although firm statistics were difficult to obtain because of the opacity of the regime, speakers uniformly believed that the government contribution to public welfare was seriously lacking. One participant believed that the government spends at least eight times more on the military than on health care, and that combined health and education spending is less than a dollar per person per year. That said, many participants attributed Myanmar's persistent humanitarian crisis to a combination of state failure and relative international neglect.

Despite the short-term potential for expanding and utilizing humanitarian space in Myanmar, few participants believed that a quantum leap in international cooperation with the government, which would be required for more ambitious and long-term development plans, is possible with the current regime. Nor are most Western governments inclined to try, for the past two decades policy has focused on the top level of government, resulting in a stalemate that has made it difficult to maintain aid flows. Some participants argued that as a first step international partners should cease viewing the Myanmar government as a monolith. They should focus attention on middle and lower levels of the bureaucracy and the armed forces as well as more generally on younger generation Burmese. One

participant argued that the international community should focus on “creating new facts on the ground, not simply focusing on regime change at the top.”

In considering the current regime, however, there were sharp differences over the degree to which top political leaders are aware of conditions in Burma, particularly of the current humanitarian situation. At the heart of this debate is the issue of whether there is any point in attempting to engage the current regime. Some participants articulated a view of the regime as a Potemkin-like structure in which the upper levels are shielded from reality by underlings who fear retribution for bearing bad news. Decades of self-isolation and estrangement from the international community have left regime members unaware of their image in the world.

Other participants saw a more rational, but by no means more progressive, regime. One discussant characterized the leadership as a “sixty-year-old counter-insurgency operation,” victorious over a host of armed minority groups and able to fend off foreign threats by withdrawal from the international community. This regime views everything through the lens of national security, to a xenophobic degree, but is more coherent and united than a leadership structure that survives mainly through self-delusion.

Another participant presented a third portrait—this one, of a regime whose leaders are not only rational but also well-connected to the outside world, being able to secure overseas banking arrangements for their money, foreign education for their children, and health care outside the country that is far superior to that available in Myanmar. In this view, foreign aid acts as a buffer between the regime and the people and relieves the regime of the responsibility of addressing the country’s humanitarian crisis. “This is working for them,” he said, “why would they change?”

The 2010 Elections and Other Transitions

The one constant in the debate over the regime was that all sides harbored a pessimistic view of the top leadership in Myanmar. The prospects for democratization in Myanmar were not a central topic of the conference, but an assessment of the international community’s relationship with the country must by definition include the political sector. Although few discussants held out hope that the current senior leadership can be influenced by dialogue, they saw greater possibilities for engaging the younger

generations. In the humanitarian sector, international aid groups have already begun working with these generations.

In the political sector, some participants viewed the elections scheduled for 2010 as the first tangible possibility in Myanmar for change, however slight, in twenty years. They believed that with the violent suppression of demonstrations and the regime's moves to marginalize political opposition leaders by imprisoning them, a growing number of domestic groups consider the 2010 elections to be the only near-term possibility for political participation.

Speakers took a cautious and even pessimistic approach to the elections, but viewed them as significant nevertheless. Few participants were inclined to believe that the polls would deliver a new democratic government, however, pointing out that the new constitution was essentially lacking in "democratic content." The constitution specifies formation of a bicameral legislature and civilianization of non-security ministries. It also contains a decentralization component with the introduction of fourteen regional assemblies and administrations. These structures could easily be manipulated by the regime, but some participants observed that the introduction of new structures at the local level may provide modest openings for greater humanitarian space. Obviously, new openings could backfire and trigger further repression by the government; yet the regime might also see them as opportunities to undertake reforms.

An interesting variation on this view came from some younger generation Southeast Asian participants who saw the elections as an opportunity for political organization. They did not rule out the emergence of new parties, or at least of a significant group of candidates running as independents without party affiliation. Although they did not necessarily believe that opposition parties and independents would carry the election, they saw value in political participation of any kind at this point.

Whatever structural changes are made, elections under the new constitution mandate a crew change, with a new president and a new commander-in-chief. Whether or not this process creates an opening for more independent voices, it could lead to a large-scale shake-up of existing systems of authority and patronage. In navigating these new dynamics, international assistance groups may find opportunities to forge contacts with new levels of authority, though they may also encounter new resistance and obstacles.

Even without a new constitutional order and elections, some participants anticipated that leadership will inevitably change through generational shifts. One participant believed that one-man rule in Myanmar will end with the departure of the current leadership. Another pointed out, however, that the international community made the same assumption when General Ne Win left the regime—after a brief interval, one-man rule returned with no diminution of power. It is natural to expect that younger generations will be open to the international community, and anecdotal experience on the ground with civilian groups provides some evidence of this. However, a participant cautioned that new generations in the armed forces of Myanmar are, like the government, opaque. A generational transition in the military will bring an unknown cadre of senior officers to the top. These officers have had little contact with their counterparts in the West; moreover, they have been trained to view the West as a strategic threat. This participant did not rule out the possibility of a future clash within the new generations.

The ASEAN Approach

Two Southeast Asian diplomats commented on the situation in Myanmar and on the state of international cooperation to encourage reform there. Of particular interest is ASEAN's experience with Myanmar as a member government in the wake of the 2007 crackdown and the 2008 cyclone. A Singaporean diplomat indicated that in the 2007 crisis, the regime in Myanmar made clear that ASEAN was not central to its communications with the international community, and the association was thus forced to stand aside.

In the wake of Cyclone Nargis, however, ASEAN ultimately became the regime's interlocutor of choice. In response to the cyclone, ASEAN convened an emergency ASEAN Foreign Ministers' meeting, which led to the formation of the ASEAN Humanitarian Task Force and the Tripartite Core Group (TCG). The latter comprised the government of Myanmar, ASEAN, and the UN and became the mechanism which oversaw the flow of international relief for cyclone victims. Through an *ad hoc* ASEAN-UN International Pledging Conference, the TCG was able to raise levels of aid. ASEAN has since monitored the use of assistance, and the Singaporean discussant indicated the group had not discovered any substantial diversion of humanitarian supplies. She credited

ASEAN's capability for flexible response and the nature of the crisis for creating a larger opening for international cooperation.

A diplomat from Thailand indicated that ASEAN had seen the frustration of other external partners over the lack of progress in Myanmar but suggested that some of that frustration may be due to an unrealistic agenda from the international community. Other sources of frustration are the skillful maneuverings by the regime in Myanmar and the difficulty of coordinating international partners with diverse national interests. He also pointed out that, as aggrieved as the international community often is by developments in Myanmar, the country is not a central priority for any of the external powers.

This combination of factors strengthens support for an incremental approach to Myanmar. A participant maintained that any such approach must accept the presence and participation of the armed forces in any reforms, however unattractive that option may appear to some. For example, younger generation military might be included in capacity-building programs. This Thai diplomat also advocated that the international community reinforce and reward any steps forward by the Myanmar government, rather than insist on a democratic transition upfront. Lastly, he advocated an open-minded approach to the 2010 elections and argued that condemnation of the process before it begins could become a self-fulfilling prophecy.

Another ASEAN diplomat observed that an approach that only criticizes the government of Myanmar would not have the intended impact, because of the diversity of international actors. "If you are critical of Myanmar," he said, "[the regime] gravitates to other countries that are less critical." A representative from another ASEAN country challenged the view that the top leadership in Myanmar refuses to meet with the international community and rejects suggestions from international partners out of hand. He described more of a hit-and-miss approach, but did note that a consistent attempt to promote dialogue can yield modest gains. These concerns underline ASEAN's more pro-engagement approach to Myanmar, which manifests itself in a preference for dialogue over sanctions. In contrast to some Western governments, which attempt to pair targeted sanctions with cautious attempts at dialogue, ASEAN rules out sanctions as an effective instrument with Myanmar.

External Actors

Although there were several speakers from the outer circle of international actors, not all of the major powers participated. This discussion should therefore not be taken as a comprehensive account of perspectives from all of the major actors in Myanmar policy.

Nevertheless, some broad generalizations are possible. Among the external powers, governments in the Asia-Pacific region are more inclined toward dialogue and work on the ground than are Western countries with greater geographic and political distance from Myanmar. More distant external powers, particularly in the west, tend to favor a more mixed application of carrots-and-sticks, although there is a spectrum of views even within this group.

Japan has maintained high-level dialogue with the government of Myanmar and has been able to establish fairly regular contact at the prime minister level on a range of topics, including democracy promotion. In addition, Japan provides limited economic assistance through bilateral and multilateral mechanisms. Such assistance takes the form of humanitarian aid (post-Nargis levels are at \$46 million), capacity-building projects, and cross-border aid. Japan also strongly supports a role for the United Nations in Myanmar.

Among the external actors, Japan has been relatively forthcoming in its view that the 2010 elections are significant and that any substantial political progress should meet with a positive response from the international community. As did representatives from other countries, a Japanese participant called for closer coordination and a unified message to the Burmese regime, but did not deny the difficulty of those tasks in the current international environment.

An Australian diplomat agreed that this is “the time to work on the international approach” to urge Myanmar toward reform but, like other participants, also expressed frustration at the pace of reform to date. He joined ASEAN and Japanese participants in urging that the international community not dismiss the 2010 elections out of hand; however, he was pessimistic that the polls would be the mechanism for significant short-term political change. Instead, he envisioned a more gradual process rooted in generational shifts.

Australia imposed targeted financial sanctions against a senior regime member after the 2007 crackdown, but the discussant underscored the importance of Canberra's humanitarian assistance to Myanmar. It will provide \$16 million in aid in 2009 but expects to increase that amount in the near-term. In its approach to assistance, Australia is not averse to sending up trial balloons, and earlier in the decade it launched a modest training program in human rights for junior government officials. The program was suspended in 2003. Australia also helps train police to address the problems of drug trade and human trafficking. Beyond the objective of curbing transnational threats, the program assumes that a more professional police force can contribute to stronger civilian government in Myanmar at a future point.

A Norwegian diplomat described his country's emphasis on humanitarian assistance to Myanmar. He remarked that the aftermath of Cyclone Nargis demonstrated that providing assistance is challenging but possible. Norway advocates a longer-term approach to political change in Myanmar that emphasizes engagement over isolation. Moreover, Oslo is inclined to defer some degree of judgment on this matter to Asian countries, particularly Myanmar's Southeast Asian neighbors.

A U.S. official indicated that the United States was the second-largest provider of humanitarian assistance to Myanmar after the cyclone, providing over \$75 million in aid. He reported that there is support for continuing this assistance, as long as Washington is confident that the aid is reaching people in need. He also indicated that the U.S. government is in the process of reviewing Burma policy and remarked that policymakers appreciate the long-term nature of any attempt to encourage a different relationship between the government and the people in Myanmar.

Policy Options and Recommendations

Despite broad agreement that stronger coordination on policy toward Myanmar is needed in the international community, the discussion uncovered a range of approaches for pursuing the common goal of improving conditions for the Burmese people and urging that the government undertake reforms. As a result, there were few specific recommendations for improving coordination at the formal level. However, the discussion also suggested that the aftermath of Cyclone Nargis provided opportunities

and new models for cooperation. The conference further revealed strong common concerns for the humanitarian situation, thus raising the possibility of improving international coordination in that sector first.

As noted above, though there was no attempt to guide the discussion toward consensus, either on findings or on policy measures, recommendations were offered by discussants throughout the meeting. Some pertained to concrete actions, whereas others favored changing policy paradigms:

- *Strengthen and expand the humanitarian assistance window in Myanmar to the fullest extent and at the earliest opportunity.* This recommendation was proposed consistently throughout the discussion for a host of reasons, not least of which was the deteriorating humanitarian situation. However, interlocutors also saw significant value in this option for expanding civil society and helping to create a cadre of younger generation moderate officials and non-governmental actors that may be an important bridge to the international community.
- *Do not assume that it is not possible to partner with the current government on humanitarian assistance projects.* Southeast Asian participants in particular objected to the notion of attempting to “pry” funds from the government of Myanmar for humanitarian and development purposes and believed instead that the best approach would be to propose matching arrangements. They acknowledged that this recommendation was untested but considered it worth trying.
- *Aim for a more realistic policy agenda in Myanmar and a longer timeline to achieve it.* To many participants, this recommendation translated into a fresh look at the relative benefits of engagement and isolation. While acknowledging Secretary of State Hillary Clinton’s point that neither approach has been effective to date, the discussants were more inclined toward engagement than isolation.
- *Until a time when sanctions can be dropped altogether, modify them to avoid harming ordinary Burmese.* This recommendation was articulated by a Southeast Asian participant, who suggested that restraints on Western business be removed, and that companies should be encouraged to work in areas with the most severe humanitarian conditions.

- *Introduce new dialogue mechanisms in international policy toward Myanmar.* Participants from the United Nations, Japan and other Asian countries stressed the importance of the international community speaking with one voice on Burma/Myanmar policy. Specifically, Southeast Asian participants urged the United States to both establish a formal U.S.-ASEAN summit and delegate a significant part of U.S. policy toward Myanmar to that instrument. They pointed out that regular dialogue may be more productive than an ad hoc effort that would likely be affected by short-term developments.
- *Consider Southeast Asian experience with elections in the lead-up to the 2010 polls in Myanmar.* Southeast Asian discussants pointed out that the West often holds Myanmar up to standards for democratic development that are not always achieved in neighboring Southeast Asian countries. They believed that any election should be welcomed in Myanmar at this point, to prime the pump.
- *Although a comprehensive development program may not be possible at this point, expand humanitarian assistance to include more capacity-building efforts.* Capacity-building was viewed as a critical bridge to economic and political development, as well as to improved relations between Myanmar and the international community. Southeast Asian participants believed that an ASEAN capacity-building project would be a good mechanism, but pointed out that it would require significant funding from the external powers.
- *Realize that any effective, long-term approach must involve the government of Myanmar. In the near-term, engage with the lower levels where there are more opportunities to work with younger generation officials.* This may be more difficult in the run-up to the 2010 elections, but should be incorporated in future plans.
- *In a low-key manner, identify and provide training for a broad spectrum of future leaders in Myanmar.* Participants were very positive about the results of the Fulbright Program thus far, and saw any attempt to bring the younger generation out of isolation as providing exponential benefits.

PREPARED STATEMENT OF KYI MAY KAUNG

"We must take sides. Neutrality helps the oppressor, never the oppressed. Sometimes we must interfere . . . There is so much injustice and suffering crying out for our attention . . . writers and poets, prisoners in so many lands governed by the left and by the right."—Elie Wiesel, Nobel Peace Prize Acceptance Speech, 1986, Oslo.

Senator Webb, I was disappointed by your hearing yesterday, which I saw as rather one-sided. No representatives of Daw Aung San Suu Kyi, her lawyer Jared Genser, representatives of the National League for Democracy, or the NCGUB (the Exile Government, elected to their constituencies in Burma in the 1990 elections), Burmese refugees and dissidents, Burmese monk survivors of the 2007 Saffron Revolution, the U.S. Campaign for Burma, scholars who have not advocated removing sanctions, representatives of major non-profits working for change in Burma, other stakeholders or known strong supporters of Aung San Suu Kyi such as Speaker Nancy Pelosi, Barbara Boxer, Diane Feinstein, or Mitch McConnell were present. Here is Sen. McConnell's "two tests for the new U.S. policy from his Web site: <http://mccconnell.senate.gov/record.cfm?id=318402&start=1>.

I request that you place this statement on the official record of the hearing of September 30, 2009.

You conducted the Hearing single-handed and was noticeably harsher in your questions toward Kurt Campbell, who explicated the new U.S. policy and took a measured approach, and toward Professor David Williams, who was the only one among the witnesses who mentioned gross human rights violations in Burma and the stepped-up military campaigns against the ethnic minorities, being conducted right now as military attacks against the Kokang Chinese, the Rohingya in the west, the Kachin in the north and in addition to the on-going longest civil war against the Karen in the east. In many cases it was the Naypyidaw (former Rangoon government) which violated the cease-fires.

Professor Williams said, "Before the 2010 elections, the mountains will flow with blood." The continuous and constantly increasing stream of refugees into all the neighboring countries are evidence of this.

Dr. Williams also testified that he thought after 2010 it would not be a civilian government, though it would be civilianized. As Burmese, we have seen too much of the trick of army brass changing into civilian clothes and continuing in power, directly or from behind the scenes, to think much of the promises of the 2010 so-called "election." Professor Williams concluded by saying "This effort won't shift the game, it will only give the game away."

I am relieved that the U.S. State Department's new Burma policy will in fact be a limited engagement policy, subject to concrete and substantial changes (political and economic reforms of a structural nature) on the part of the Burmese military regime, and that the U.S. Government reserves the right to impose or extend sanctions whenever it sees fit.

Please allow me to tell you who I am and my qualifications for talking about Burma.

I am a Burmese-born scholar and long-time democracy advocate who has been studying Burma all her adult life. My 1994 Ph.D. dissertation from the University of Pennsylvania was on the detrimental effects of a highly centralized command economy and the political economy of Burma in relation to those of Zaire, the then-Soviet Union, India, and the People's Republic of China. I studied the design of political-economic systems and the rundown economies produced by having a dictatorship or one party system. My thesis is on Scholarly Commons (<http://repository.upenn.edu/dissertations/AAI3116650/>) available from Proquest (<http://repository.upenn.edu/dissertations/index.221.html>) and a summary available from Asian Survey (<http://caliber.ucpress.net/toc/as/35/11>).

I also study the economic relationship between nations and I was the first to start pointing out in 2002 that to study Burma we also need to look at China and India. Today, I am happy to see this view is being increasingly taken up, including by you at yesterday's hearing.

In addition I have publicly debated David Steinberg and others about sanctions and Burma several times since 2002. Here are some links: <http://www.fpiif.org/fpifxt/3917>; <http://news.bbc.co.uk/2/hi/programmes/hardtalk/7026645.stm>.

For the BBC "Hardtalk" interview, I went at the request of the NCGUB or National Coalition Government of the Union of Burma or the Exile Government, as one of the members of their Technical Advisory Network.

I have been closely associated with The Free Burma Coalition when it was working on sanctions, with The Burma Fund and the NCGUB. Most recently (winter of 2008–2009), I worked on a Transition Plan for Burma, commissioned by the NCGUB. I compiled the plans and ideas of 6–7 internationally recognized scholars

and Burma experts; several economists; including an expert on money and banking and economic development; a human geographer who has studied Burmese agriculture extensively and is alarmed about the mass landlessness taking place in Burma as the junta takes over the land of Cyclone Nargis victims; an MP of a Western government friendly with Burma and constitutional scholars. I also looked at past papers prepared for the democracy movement since 1990. These consultants published and unpublished works are much more detailed and show a much better understanding of Burma than anything that David Steinberg or Thant Myint-U have ever written. In fact these two and others in the same camp are widely known as regime apologists. Maybe that is why they were invited onto your panel.

To my knowledge (I stopped work on this project in mid-March 2009), none of the scholars and dissidents consulted advocated lifting sanctions. Most of the experts instead advocated structural reforms of a political and economic nature. The sentence "Sanctions will be gradually lifted" did work its way into the official report, after it had passed from my hands, but this can be seen as subject to concrete changes from the SPDC's side, and in line with Daw Suu's recent letter indicating her willingness to help lift sanctions and asking to be better informed. She cannot truly make an informed decision without access to the Internet and other international media as she continues under a more severe house arrest since the sham trial conducted against her, toward the end of which you were allowed to see her.

My advice to you and Secretary Clinton and everyone working on this new policy is to be extremely careful that you are all not used by the junta, while Burma is left worse off than before 2010.

In my opinion you need to show you are not more motivated by playing to an American audience by going to secure American Mormon John Yettaw's release, and talking about recovering the bones of U.S. war dead from World War II in Burma, but not even issuing a statement or making any moves to help in the case of Burmese-born U.S. Citizen Kyaw Zaw Lwin (Nyi Nyi Aung) who was arrested on September 3 as he arrived at Rangoon airport from Bangkok. See—Jonathan Hulland "As an American is Tortured in Burma, Where's the Outrage?" (http://www.huffingtonpost.com/jonathan-hulland/as-an-american-is-torture_b_303297.html).

This article was published 2 days ago and has already been widely cited and linked on the Internet.

Daw Aung San Suu Kyi, U Tin Oo of the NLD, Kyaw Zaw Lwin and all the more than 2,000 political prisoners need to be free and able to freely organize and conduct their political activities. Otherwise 2010 will remain the farce it is.

I will be cc.ing this statement to Amnesty International and other organizations and individuals.

I commend you for your spearheading efforts, but much more needs to be done.

The SPDC needs to be held accountable for its actions. Otherwise you are sending the wrong message.

Sincerely,

KYI MAY KAUNG (PH.D.),
Words and Images.

PREPARED STATEMENT OF DR. LAWRENCE SEIN MYINT, PRINCIPAL CONSULTANT, FIRE & RISK CONSULTANTS, LLC, COLUMBIA, MD

Mr. Chairman and members of the committee, it is a privilege and honor to present my testimonial in support of a review on U.S. Policy toward Burma at today's Senate hearing, which I believe is for the benefit of the people of Burma and their place in the world of nations. My name is Lawrence Sein Myint and I am a Burman. First of all, I would like to commend Senator Webb on traveling to Burma and meeting with Sr. Gen. Than Shwe of the State Peace and Development Council (SPDC) and Daw Aung San Sui Kyi of the National League for Democracy (NLD). Although the results of the initial meetings might not have been at an acceptable level for some critics, at least it could be seen as the start of a political process whereby the U.S. has taken a pivotal role in talking directly to both leaders.

We would like to support the continuation of U.S. initiative in the political process, enhanced by the U.N. A meeting of all stake holders, not only the leaders of the SPDC and the NLD, but also other Burmese and Ethnic political organizations, senior politicians and prominent individuals would be desirable. At the same time, it is vital importance to include Burma's neighboring countries such as China, India, and the Association of South East Asian nations (ASEAN) in this political dialogue process.

In this testimonial, I have incorporated the views and opinion of a prominent Burmese politician, U Ye Htoon, who is not only part of the current political process

but has long been involved in the country's political history. I am also including comments of one of the 1988 (8-8-88) student leaders, Mr. Ko Win Moe, a resident of Fort Wayne, IN, who is a former general secretary-1 of the All Burma Student Federation Union (ABSFU).

ON THE 2010 ELECTIONS

The year 2010 could be marked as a milestone in Burma's political history. If the elections are to be held as scheduled according to the military government's 7-Steps Road Map plan, it would likely create opportunities for generational and institutional changes despite major short comings, analyzed and reported by the International Crisis Group (ICG).

At this point I would like to quote U Ye Htoon, Vice Chairman of the Democratic Party Myanmar (DPM). The DPM is an independent political party soon to be registered with the 2010 Elections Commission. On the question of why the DPM was formed and on its decision to participate in the 2010 elections, U Ye Htoon has this to say: "We would like to have the opportunity to speak out at a legal forum, i.e., at the national parliament on the country's economy, poverty, health, education, infrastructure and redevelopment programs." He went on to say that: "We have a responsibility to speak out on behalf of the people, participate and work toward achieving these objectives. We had been arrested and jailed when we had voiced our opinions on these matters in the past as well as at present. But after the elections, we would be able to speak within the legal fold in the national parliament. Although we might not have a majority, our voices can be heard as representatives of the people in these matters for consideration and implementation."

U Ye Htoon also added that: "Since the NLD had declared that they would only participate in the 2010 elections if the military government (SPDC) would allow an amendment to their 2008 Constitution, allegedly approved by more than 90 percent of the populace, and due to the SPDC's rejection of this condition, making it impossible for the NLD to contest in the 2010 elections, therefore, unable to speak on behalf of the people in the national parliament."

The former student leader, Mr. Ko Win Moe stated that: "An election is not a panacea for Burma's problems. It is just a part of the solution of a long political process," adding, "the international community should closely monitor the 2010 elections." He also outlined three important criteria that must be met to have a free and fair election. The criteria being: (1) Unconditional release of all political prisoners (which the SPDC has partly done so); (2) establishing of a free and responsible media; and (3) freedom of all political parties' activities.

The democratic opposition inside Burma has asked for a political dialogue with the military government, the SPDC, for many years now—even without any preconditions—to start the national reconciliation process. The UNSG along with other leaders from the Western democracies had also made similar calls for political dialogue between the major stake holders.

I would agree with other independent analysts and institutions inclined to believe that this direct political dialogue between the SPDC and democratic opposition leaders could not be achievable, amidst sanctions and political pressure imposed by the international community on Burma. Thus, they have become more convinced that the alternate political dialogue between the military government and democratic opposition parties could take place at the national parliament after the 2010 elections. That is to say between elected political representatives and selected military personnel.

However, critics have legitimate doubts and of short comings on the full representation of this national parliament formed with those elected political representatives and selected military personnel. This doubt is due to the powers invested in the Head of State and the Chief of Staff of the Armed Forces outlined in the 2008 Constitution.

Nevertheless, I would argue that though it is a limited participation and representation in the governance of the country it would lead onto a path of full representation and participation in future parliaments. I would argue that the end result of continuous dialogue and debate, would lead toward establishing various working committees among the elected representatives for the formulation and implementation of respective policies that would be of benefit to the people of Burma.

SANCTIONS

With regard to the current economic sanctions imposed on Burma, U Ye Htoon stated: "To lift the sanctions on Myanmar, we have to prove to the U.S. Congress and the administration that Burma has a democracy whereby elected representatives from independent political parties take an independent stand speaking out on

issues in the national parliament, meeting one of the prime reasons set by the U.S. administration on sanctions. In turn, it could ask the U.S. Congress to consider lifting the sanctions imposed on Burma." He further urged that the U.S. "recognize" independent groups within Burma, improve bilateral relations, and increase humanitarian assistance in the health, education, and social fields.

Numerous debates have been held in both public academic forums as well as on Internet chat forums with regard to the sanctions imposed on Burma. Sometimes it became contentious among the participants in these forums. The fact of the matter is that the subject itself has become more of a political nature rather than economical, and highly sensitive, effecting long political standing and conviction on both sides of the debate.

I concur with most independent analysts that selective sanctions imposed by the U.S. and the EU upon Burma have not been effective economically because it never had any effect on its border trade with her immediate neighbors. The Foreign Direct Investment (FDI) still remain high especially in the oil and gas sector, mainly from China, India, Thailand, Singapore, and South Korea.

Incidentally, there are no shortages of arms suppliers to Burma as well, apart from the traditional suppliers like China, Russia, and Singapore. New suppliers have emerged from the eastern European countries as well as Israel, South Africa, and India. All previous efforts at the UNSC to impose trade and/or arms embargo on Burma have been blocked or vetoed by its two UNSC permanent members, China and Russia.

Advocates of prosanctions would argue that these sanctions have been effective as import ban from Burma directly to the U.S. and EU have severely limited or stopped hard currency earnings for the military government. They also claimed that many of these export products are manufactured in the factories owned and operated either on a joint-venture basis with foreign investors or solely by the military's own corporations, namely, the Myanmar Economic Holding Corporation and the Myanmar Economic Corporation.

However, independent analysts observed that those products have in turn been exported to many third countries before proceeding to the U.S. and EU markets under different labels, thus circumventing the import ban imposed by the sanctions.

Nevertheless, sanctions provide some political leverage. This is namely to the democratic opposition and exile ethnic groups, as they have political and social effect on the top-level military leaders, their Cabinet Ministers, and their close business associates. Many international and regional human rights groups claim justification of the imposed sanctions as penalty for the human rights violations committed by the Burmese military, especially on the ethnic nationalities and minority groups living in the border regions.

International media have given constant attention and highlighted these issues at all available opportunity, reinforcing the political message and grievances of the ethnic minority groups.

Imposed visa ban by the U.S. and EU upon the Burmese junta members have some implications socially, resulting in a lost opportunity to visit these countries either for medical treatment or for their children's education or simply for shopping. Instead, they would travel most exclusively to regionally developed countries like Singapore, Malaysia, or Thailand for these purposes.

An exemption made by the State Department on Burma's Foreign Minister on his recent visit to the Embassy in Washington, DC, while in the U.S. to attend the U.N. General Assembly is an encouraging development worthy to be noted.

NATIONAL RECONCILIATION

One of the most important steps in the national reconciliation process is the complete cessation of the armed conflict with various ethnic nationalities in the border regions. The "civil war" has been ongoing since Burma's independence. Stepping up to a political dialogue with the respective representatives of the ethnic nationalities to formulate and in turn recognize their rights and autonomy within the legal framework of the country most certainly is desirable for all.

Mr. Ko Win Moe gave a conditional support to the SPDC for its efforts to dismantle armed cease-fire groups which are not accepting to become border guard forces. He strongly believes that, "If there is going to be a free and fair election, there ought not to be any political forces that are closely affiliated or enjoy support from any armed group whatsoever."

In order to have a genuine reconciliation with all stake holders in the political dialogue process, general amnesty should be given to all politicians and activists, living inside and outside of the country. Particularly for those who are willing and prepared to accept and work within the legal framework.

Problems and conflicts related to ethnicity are not found only in Burma but also in many countries in the world, in the developed as well as in the underdeveloped nations. These issues become more sensitive and complicated to solve when the diversity of the cultural, racial, and religious segments of each ethnic nationality are taken into account.

We have witnessed many civil wars, the direct result from ethnicity-based conflicts; once every party involved resort to take up arms when political negotiations of the disputes fall apart or face road blocks. Similarly in Burma, these conflicts started since independence is still going on to this day.

Successive governments including the present military government in Burma have tried solving these ethnic-based conflicts both politically as well as militarily. But have not been successful. Thus, one of the first priorities and responsibilities of those elected political representatives and selected military personnel of post 2010 elections is to form an all inclusive ethnic nationalities commission to explore and formulate recommendations and guidelines on solving these issues and submit to the national parliament for its approval and mandate.

NATIONAL RECONSTRUCTION AND REDEVELOPMENT

I would like to touch briefly upon the national reconstruction and redevelopment in Burma. My professional expertise, knowledge and industrial experience over 30 years working in multiple engineering disciplines at various parts of the globe, could be utilized and employed to the benefit of the people of Burma.

Traditionally, Burma has been agriculture-based economy and still employs millions of farmers all across the nation. However, since independence, successive governments have undertaken several industrialization developments through multiple 5-year programs. However, due to the continuing civil wars, ethnic insurgencies, the introduction of a centralized socialist economy compounded by mismanagement had reduced Burma to become one of the poorest countries in the world despite its rich natural resources.

Reintroduction of a market economy after 1988 and the subsequent opening of oil and gas explorations to foreign companies led to the discovery and development of several commercially exploitable offshore natural gas fields. Many hydroelectric dams have been built across the country over the decade to supplement the electricity needed by the industrial sector and domestic households.

However, the country still faces severe shortage of electricity due to fluctuation of the power supply and inefficient transmission lines. The price of gasoline and diesel fuel remain relatively high, due to imported crude oil and limited domestic refining capacity regardless of abundant natural gas available offshore.

Naturally, the oil and gas sector should be the main engine for national economic redevelopment in Burma. By utilizing its abundant natural gas in offshore fields, and introduction of gas-to-liquid technology, it would lead to meet domestic fuel demands. Implementing gas processing plants and petrochemical plants toward producing raw materials for the domestic manufacturing industries is another part of the development process. Perhaps utilization of underground coal gasification (UCG) technology to produce electric power from vast area coal beds available in the country is also an idea.

CONCLUSION

There are many Burmese professionals living in the U.S. and other countries. These men and women have years of experience and technical knowledge in various fields and engineering disciplines and are ready and willing to help in the reconstruction and redevelopment programs if given the opportunity and a conducive working environment.

Thus, it is necessary for the U.S. and the Western Governments to lead and introduce more pragmatic and engagement policies in dealing with Burma's military government. These democracies could help alleviate poverty, and in rebuilding the social and economic structures for the benefit of the people.

We would like to urge and encourage the SPDC leadership to invite all stake holders to participate in the 2010 elections, reinforcing the call made by the U.N. Secretary General and many leaders of the ASEAN countries. Thus, continuing release of political prisoners is a significant and important step in the national reconciliation process as requested by the UNSG and members of the international community.

Thank you for allowing me to submit my testimony and for your help toward peace and reconciliation in Burma.

PREPARED STATEMENT OF U KHIN MAUNG HTAY, FORMER CHIEF OF THE BURMESE
SERVICE OF THE VOICE OF AMERICA (VOA)

Mr. Chairman, allow me first to congratulate you and express my sincere thanks to you for your wisdom, vision, and contribution to this important policy concept of the United States reengaging with Burma and helping it take tangible democratic reforms for the larger good of its citizens.

In the same breath, I would like to share with you, Mr. Chairman, and members of your esteemed committee, the enormous joy I felt when Secretary of State Hillary Clinton talked about what is to be included in the new United States-Burma policy, in broad strokes, to the U.N. Group of Friends on Burma on September 23 in New York.

I am sure the people of Burma, who have been the unwitting victims of political and economic malaise for so long, will also be overjoyed with this turning of a page in the United States-Burma relations that have been strained, to say the least, for decades. In our own Burmese cultural parlance, this welcome development deserves the “blessings of all humanity and of the heavenly divine spirits.”

This new U.S. policy manifests a distinct departure from the long-established one in tone and tenor if not in content. It is prudent, pragmatic, well-considered, well-balanced and in keeping with the call of the times.

There could not be a more realistic, humane, and goal-centered approach, in terms of policy prerogatives, than the declared simultaneous employment of the tools of “engagement” and “appropriate sanctions” and “humanitarian assistance” as postulated by Secretary Clinton.

The whole objective is, as Secretary Clinton puts it, “to ensure the Burmese people that they can live in a united, peaceful, and prosperous country, led by a democratic government that respects the rights of its citizens.”

As far as this contentious issue of sanctions is concerned, things could improve, down the line, because Secretary Clinton has said that the U.S. is, in her words, “willing to discuss the easing of sanctions in response to significant actions on the part of Burma’s generals that address the core human rights and democracy issues that are inhibiting Burma’s progress.”

Mr. Chairman, looking at the on-going developments and the new U.S. Burma policy enunciation by Secretary Clinton, on the surface, it seems like the ball is now in the court of the ruling military alone.

However, if we look deeper, we will find that the ball is in each of the courts of all the parties aspiring to turn Burma into a land of milk and honey, stable, peaceful, and democratic where human rights prevail.

Secretary Clinton, in defining the new U.S. Burma policy said, and I quote: “The U.S. policy seeks credible, democratic reform, immediate release of all political prisoners, including Aung San Suu Kyi and serious dialogue with opposition and minority ethnic groups.”

So, it goes without saying that all hands on deck—the ruling military, democratic opposition, and minority ethnic groups—must pull this ship of state called Burma, in unison, all by themselves, to safer shores, if they truly wish to do the most good to the passengers of that ship—the people of Burma.

At this point, it would be remiss on my part, if I did not mention the Associated Press report, datelined Rangoon Friday, September 25, that Nobel laureate Daw Aung San Suu Kyi welcomes a U.S. initiative to step up contacts with Burma’s military government, quoting her party’s spokesperson. He said and I quote: “(Daw Aung San) Suu Kyi said she accepted the idea of engagement by the U.S. administration. She said she has always espoused engagement. However, (she) suggested that engagement had to be done with both sides—the government as well as the democratic forces.”

Mr. Chairman, if I may, I would now like to draw the attention of the leaders of Burma from the ruling military, democratic opposition and minority ethnic groups, to what President Obama said in his address to the U.N. General Assembly on September 23, so that they can weigh and consider in their efforts to establish democracy in Burma.

President Obama said, and I quote: “Democracy cannot be imposed on any nation from the outside. Each society must search for its own path, and no path is perfect. Each country will pursue a path rooted in the culture of its people and in its past traditions. And I admit that America has too often been selective in its promotion of democracy. But that does not weaken our commitment; it only reinforces it. There are basic principles that are universal; there are certain truths which are self evident—and the United States of America will not waver in our efforts to stand up for the right of people everywhere to determine their own destiny.”

Mr. Chairman, the U.S. State Department spokesman, Ian Kelly, said at a daily briefing on Friday, September 25, that Assistant Secretary of State for East Asian and Pacific Affairs, Kurt Campbell, will be leading U.S. policy for Burma as of now, and more interlocutors would be announced in the coming days to engage with the Burmese military government and Burmese people.

In the interest of the Burmese people, I wish Secretary Campbell and his team and also his Burmese counterparts all the success.

Every long journey begins with a small step. A step has been taken.

In the meantime, with all alacrity, let the drums roll, Mr. Chairman, and thank you.

