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RETREAT OR REVIVAL: A STATUS REPORT ON DEMOCRACY IN ASIA

HEARING

BEFORE THE

SUBCOMMITTEE ON ASIA AND THE PACIFIC

OF THE

COMMITTEE ON FOREIGN AFFAIRS
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RETREAT OR REVIVAL: A STATUS REPORT ON DEMOCRACY IN ASIA

THURSDAY, JUNE 11, 2015

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIA AND THE PACIFIC,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 3:10 p.m., in room 2171, Rayburn House Office Building, Hon. Matt Salmon (chairman of the subcommittee) presiding.

Mr. SALMON. The subcommittee will come to order. Given the timing of votes this afternoon, we are expected to go back in for votes again pretty soon, I am going to keep my remarks very short and submit my entire statement for the record.

Supporting human rights and democracy has long been a central component of U.S. foreign policy. Promotion of democratic values facilitates security, stability, and economic prosperity throughout Asia and the world. This year the Asia-Pacific region is entering a critical period for democracy with a number of elections, government transitions, and internal developments planned in numerous countries.

As the United States continually refines its efforts to ensure peaceful, transparent transitions of power and adherence to international law and norms, we must also ensure that our efforts are practical and leave meaningful results among Asian democracies, that our efforts leave them very robust. Our hearing will provide oversight on our Government's activities to support democracy abroad and ensure that while our focus is on military and economic rebalance, that we are not going to overlook the importance of democracy and human rights.

Today we are going to pay special attention to Hong Kong, Burma, Thailand, and Cambodia, and the rest of my remarks I am just going to submit for the record. We have got such a short amount of time, I really want to hear from the witnesses.

Mr. Sherman, I am going to yield to you.

Mr. SHERMAN. Thank you. Thank you for holding these hearings.

For the most part, our Government programs aren't designed to focus on democracy in China, but the thing that I think will be even more important to bringing democracy to China is if we are able to expose to the Chinese people the incredible levels of corruption in their own regime. We have the capacity to ferret out proof of their top government officials and mid-level government officials with enormous assets both in and out of China. And I don't think

there is much that would do more to bring democracy to China than exposing this level of corruption.

We are in a stronger position to push for democracy in other countries. In Burma, we face two issues: One, getting the military or military-flavored regime to agree to democracy; and, second, trying to get both the democracy advocates that we have sheltered and supported for so long, and the military regime to understand the importance of minority rights. I am especially disappointed that Aung Suu Kyi and others who we have supported so fervently have not spoken out and acted to protect the rights and the physical existence of the Rohingya.

In Thailand, we need to support democracy even if there are, I don't know, more yellow shirts than red shirts or more red shirts than yellow shirts and even if the more numerous shirts may represent a policy that we regard as a little too redistributionist or adopting economic policies inconsistent with majority economic thought here in the United States.

I look forward to learning what we can do to bring both development and democracy to Cambodia. And as to Hong Kong, the Chinese Government is obviously doing less than promised, and we need to expose and pressure that. At the same time, the people of Hong Kong do enjoy something closer to democracy than the rest of the PRC. And I think that the example of Hong Kong is one that the rest of China may choose to emulate.

I, like the chairman, want to keep my opening remarks short, and this is the first time I have concluded them in only 3 minutes.

I yield back.

Mr. SALMON. Some world records. Maybe with that miracle, maybe the Republicans might actually win a baseball game tonight, I doubt it, but—just kidding. We have a wonderful panel today. I would like to introduce Tom Malinowski, the Assistant Secretary of the State Department's Bureau of Democracy, Human Rights, and Labor.

And, Tom, we really appreciate the opportunity while we were over in Asia to meet with you and get some of your wonderful thoughts. It really helped our trip very much as we interfaced with some of the leaders over there to get your insights, and I just have full support for everything you are trying to accomplish.

Scot Marciel is the Principal Deputy Assistant Secretary of the Bureau of East Asia and Pacific Affairs at the Department of State.

And a frequent flier here at the committee, Jonathan Stivers, USAID's Assistant Administrator of the Asia Bureau.

And we are so grateful for the time this decorated panel has made for us today.

And, without objection, the witness' full prepared statement will be made part of the record. Members will have 5 calendar days to submit statements, questions, and extraneous materials for the record.

Mr. Malinowski, I will start with you.

STATEMENT OF THE HONORABLE TOM MALINOWSKI, ASSISTANT SECRETARY, BUREAU OF DEMOCRACY, HUMAN RIGHTS, AND LABOR, U.S. DEPARTMENT OF STATE

Mr. MALINOWSKI. Thank you so much Chairman Salmon. Very good to see you again.

And, Mr. Sherman, who is also a member of the DRL human rights family, thank you so much for inviting us.

Let me start with some general impressions. Promoting human rights and democracy in Asia is something we do because it is the right thing to do. It also advances our strategic interests. It helps to build more stable societies. It advances our economic goals in a number of ways.

Perhaps most important from my point of view it aligns the United States with the aspirations of everyday people across this region with—it aligns us with the values that they admire. We sometimes get into arguments with governments on these issues, but we are fundamentally in agreement with the people of China, with the people of Vietnam, with the people of Burma about the basic human aspiration to be treated with dignity and fairness and with full respect for rights. And that agreement is a strategic advantage for the United States we need to preserve.

By the same token, the flip side of that is that our strategic presence in Asia, our alliances, our trade agreements, our ability to provide security and reassurance also enables us to promote democracy and human rights more effectively. To advance our values we need to be the great power that is shaping the agenda, and that our allies look to as their most reliable partner because there are alternative visions out there. There are alternative agenda setters out there. So, to be effective, we have to be present and principled at the same time.

With that in mind, you have asked us to address a few specific situations. I am going to say a few words about Burma. I am going to throw in a little bit about Vietnam where you and I met recently, and my colleague, Deputy Assistant Secretary Marciel, will cover some of the other countries that you asked us to focus on.

So, first, Burma, which is, it is first of all a country that has come a long way from the absolute military dictatorship that it was just a few years ago but is not yet where we need it and want it to be. It is undergoing an evolution, not a revolution. Everything is being negotiated. It is still operating under the old military constitution. There is still armed conflict, religious tension, the tragic situation of the Rohingya minority.

Our policy has been to support a democratic transition but with realism about how far Burma has to go and caution about not moving too fast ourselves. So we have eased sanctions. We haven't fully lifted them. We have encouraged U.S. investment but not with military industries. We have welcomed the progress we have seen, but we have also continued to speak out about the problems.

This is a very important year. There will be elections in Burma later this year, the first nationwide competitive elections there in a very long time. Those elections will have inherent flaws because of the system in place. They do, if they reflect credibly the will of Burmese people, they do offer a chance to take a step forward.

If the democratic forces do well, for example, they will form the next government. They will select the next President. They will have the leverage to press for the next stage of reform. So we are going to support the elections as best as we can. But we will be looking not just at the credibility of that process but at the credibility of the democratic transition that we hope will follow, including, we hope, changes to the constitution that empower civilians over the military and that give Burmese people the right to choose the President they want.

And we are also going to continue to press to right the wrongs being committed against the Rohingya minority, which President Obama, when he was in Rangoon recently, called Burma's most urgent matter.

Now, let me say also just a few words about Vietnam, and I want to talk about this in the context of the choice that Members are going to have to make very shortly on TPA and eventually on TPP because that choice is going to have a huge impact on what we are going to do going forward.

And I recognize that it is not an easy choice for many Members, especially those who are concerned about human rights and labor rights in Vietnam.

We see exactly what you see in that country. It is still a one-party state. It is still a country in which people are persecuted for political opinions. And it is, again, a country that is not where we yet want it or need it to be.

But going back to the point I made at the outset, we have to be present, and we have to be principled. I think the TPP meets both of those tests. First of all, it is an example of strategic presence of the United States trying to play the leading role in shaping the norms and institutions of Asia for a generation to come. If we cede that role to others, that is not going to be good for the cause of human rights and democracy.

Second of all, it is principled because built into TPP are a set of requirements and expectations unlike in past trade agreements. Those requirements and expectations feed into a debate that is underway in Vietnam already between those who want to open up the society and those who want to keep it closed. And those who want to keep it to make it more open are using the prospect of membership in TPP as their number one argument for moving forward. And under the spotlight of that debate, there has been progress, more releases, vastly fewer convictions for political offenses, ratification of human rights treaties and the beginning of comprehensive legal reform. And most important, a requirement built into the treaty that Vietnam allow for the very first time freedom of association, the creation of independent trade unions, breaking the Communist Party's monopoly on trade union organizing, which would be a huge deal if we can get it. And those changes will have to be made in Vietnamese law before they can enjoy the benefits of TPP.

So is this enough? No, it is not, but it will be significant. It will be necessary in terms of what we are trying to achieve. And, without the prospect of TPP, it would not be happening. And TPA, which is what you all are being asked to vote for in coming days,

is what keeps that prospect open and thus gives us the leverage to keep pressing for more.

I have focused on this as much as any other human rights issue in the world. And I can tell you that this is the entree. This is the reason why the Vietnamese Government is willing to listen to us on these issues. So I ask you to consider this, not as a leap of faith, but as an exercise in leverage in trying to achieve the kind of progress that we have been hoping for in Vietnam for a long time, but only now I think have a chance to achieve.

With that, I will turn the rest over to my colleague, Mr. Marciel.

Mr. SALMON. Mr. Marciel.

STATEMENT OF THE HONORABLE SCOT MARCIEL, PRINCIPAL DEPUTY ASSISTANT SECRETARY, BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. MARCIEL. Thank you, Chairman Salmon, Ranking Member Sherman, and members of the committee. It is a privilege to testify before you today. Promoting democracy and human rights is not something we do on the margins. It is an integral part of our daily diplomacy in Asia, particularly, of course, in countries that either are not democracies, or where democracy is fragile. My generation joining the Foreign Service and heading to Asia three decades ago, went to a region where democracy were few and, in the case of Southeast Asia, were nonexistent. Now, a majority of Southeast Asians live in democracies in places like the Philippines, Indonesia and Timor-Leste. South Korea, Taiwan, and Mongolia have democratized as well, and others have made progress along the democratic path.

In all of these places, the people of those nations deserve the credit. They are the ones who made democracy happen. But the United States strongly supported all of these democratic transitions, and we are not stopping. I will talk about what we are doing in three very different places, Cambodia, Thailand, and Hong Kong.

But, first, if I could, I would add a few words to Assistant Secretary Malinowski's review of Burma. And I just want to stress there that our engagement in Burma and with Burma is all about their efforts to achieve a successful democratic transition. That has been and remains the focus of our work at all levels.

On Cambodia, after the 2013 parliamentary election, we, and particularly our Embassy in Phnom Penh, were instrumental in helping bring the government and opposition together in direct dialogue to resolve a year-long standoff. There is still much work to do, but now the two sides sit in Parliament together. And we are supporting the Cambodian people as they work to build on these gains. We are supporting civil society. We are connecting directly with Cambodia's next generation of leaders. And we stand with the Cambodians who are pushing for a voice as new laws are drafted. This sends a reminder that democracy isn't only about free elections. It is also about citizens' ability to hold their governments accountable.

Next, Thailand, a long-time friend and treaty ally. We have stood for democracy there through a decade of political turmoil, and our message to the government since the coup just over a year ago has

been clear. We are eager to see our bilateral relationship restored to its fullest potential, but this can happen only when democracy is restored.

Until then, we will hold back certain assistance that has been suspended since the coup. But we will continue, however, to operate closely with the Thai on regional and global issues, that serve U.S. interests such as health, law enforcement, trafficking, climate change, regional security. In our interactions with the Thai, we continually stress that it is important for Thailand to have an inclusive political process and to fully restore civil liberties. This is essential to the open debate the country needs to have about its political future.

My third example is Hong Kong, where we have consistently voiced our core belief that an open society that respects the rights of its citizens and fundamental freedoms is essential to Hong Kong's continued stability and prosperity. We expect the legislative council to vote this month on an electoral reform package. While Hong Kong has never selected a chief executive through universal suffrage, we continue to voice our longstanding position that the legitimacy of the chief executive and of Hong Kong's overall governance can be enhanced through a competitive election that features a meaningful choice of candidates who represent the will of the voters.

Our position is a matter of principle, so we don't take a position on any particular draft law. We leave that question to Hong Kong's legislators in consultation with the people of Hong Kong. Irrespective of the outcome of any single legislative vote, we will keep supporting Hong Kong's continued high degree of autonomy, under "one country, two systems" and the basic law.

We admire all that so many people in Asia have done to promote democracy and good governance. Their work is never complete, but in our everyday diplomacy, we will continue to do all we can as a friend and as a reliable partner to support efforts to build and strengthen democracy.

Finally, let me emphasize that trade and investment, especially TPP, are important, are key to supporting a U.S. economy and to our efforts to promote democracy in the region. Thank you and I look forward to your questions.

Mr. SALMON. Thank you. Mr. Stivers.

STATEMENT OF THE HONORABLE JONATHAN STIVERS, ASSISTANT ADMINISTRATOR, BUREAU FOR ASIA, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Mr. STIVERS. Chairman Salmon, Ranking Member Sherman, distinguished members of the subcommittee, and Mr. Crowley, thank you for the opportunity to testify today on the role of USAID in strengthening democracy, human rights, and governance in Asia. The vital importance of these areas has always been close to my heart and the forefront of my nearly two decades of work as a staffer in the House of Representatives.

The House Foreign Affairs Committee has long been at the forefront on democracy and human rights issues, and some of the strongest voices on human rights in U.S. history have done their best work on this panel.

Mr. Chairman, this hearing is in furtherance of that tradition, so thank you for your leadership in holding this hearing.

Dr. Martin Luther King once said that "The arc of the moral universe is long, but it bends toward justice." This is certainly true in Southeast Asia which has made significant progress over the last 30 years. There is a unique situation in each country of the region to either preserve, consolidate, or build democratic institutions.

The United States stands as a partner in helping the people in Asia live in freedom and prosperity, including in countries with significant democratic challenges such as Burma and Cambodia.

In the fight to alleviate extreme poverty, it is essential to effectively address the underlying structural problems with governance that hold back many developing countries from realizing their potential. The solutions to challenges will ultimately come from the people of the region themselves, and our best chance in promoting democratic change is to empower the reformers in these countries by helping them build resilient institutions that are transparent and accountable to the people.

The promotion of democracy, human rights, and good governance is front and center in our development assistance to the region. And efforts not necessarily branded as democracy promotion, help advance that goal as we build systems and capacity to address overwhelming development challenges, including support for health and food-security sectors.

Our development assistance engages directly with the people and helps give them a voice in determining their own livelihoods and future. For the purposes of this hearing, I will focus my remarks on the countries of Burma and Cambodia.

In Burma, this is a pivotal year. Closely calibrated with our diplomatic efforts, our assistance is intended to strengthen institutions of democracy. USAID is helping to prepare for the November elections by building the capacity of the election commission; training domestic election observers; supporting voter registration and education; and strengthening the capacity of political parties.

USAID continues to provide humanitarian assistance to vulnerable communities, including significant assistance for the Rohingya population, refugees, and displaced people along the Thailand-Burma border and other conflict areas of Burma. Over the past 2 years the U.S. Government has provided more than $109 million in humanitarian assistance to vulnerable people in Burma and the region. And we continue to provide lifesaving humanitarian assistance to internally displaced persons, refugees, asylum seekers in the areas of health, nutrition, water, sanitization, and hygiene.

An emphasis on civil society is prevalent through all of our work, from media freedoms to land policy to health and agriculture. And we are supporting organizations that are holding the government accountable to continued reform; advocating for local needs and priorities; and resisting discrimination and violence.

To date, USAID has supported over 300 vocal civil society organizations who are empowering ordinary citizens to bring change to their country.

In Cambodia, promoting democratic governance and human rights continues to be our highest priority. U.S. assistance to human rights NGOs have strengthened their skills necessary to ad-

vocate effectively for change. While not fully respected by the Cambodian Government, Cambodian civil society has grown in strength and inclusiveness. Since the 1990s, we have supported civil society, and we continue to prioritize assistance to this sector. Cambodian civil society, with USAID support, has pressed for action on key issues, such as support for human rights, by providing legal representation, trial monitoring, and advocacy support to over 1,000 jailed activists.

Our longstanding support for anti-trafficking is paying dividends with a new report finding significant decreases in trafficking of underaged girls. The reduction was achieved in large part by civil societies' sustained efforts.

In part, due to U.S. support, garment workers negotiated a 28-percent increase in minimum wage that was approved last year.

Community mobilization and legal support resulted in the government returning land to more than 700 families in Siem Reap Province, providing them with land tenure security and improved livelihood options. And advocacy resulted in a pardon and release of 10 female land activists recently who had been imprisoned for protesting their community from being evicted due to real estate development projects.

In conclusion, Mr. Chairman, democracy, human rights, and good governance are not only central to the Asia rebalance policy but to our development approach in Asia. I appreciate the opportunity to testify today. I look forward to hearing your thoughts and any questions.

[The prepared joint statement of Mr. Malinowski, Mr. Marciel, and Mr. Stivers follows:]

Statement of

Assistant Secretary Tom Malinowski
Bureau of Democracy, Human Rights, and Labor
U.S. Department of State

Principal Deputy Assistant Secretary Scot Marciel
Bureau of East Asian and Pacific Affairs
U.S. Department of State

Assistant Administrator Jonathan Stivers
Bureau for Asia
United States Agency for International Development

Before the

House Foreign Affairs Committee
Subcommittee on Asia and the Pacific

June 11, 2015

Retreat or Revival – A Status Report on Democracy in Asia

Chairman Salmon, Ranking Member Sherman, and distinguished Members of the Subcommittee: Thank you for the opportunity to appear before you today to testify on the very important and timely issue of democracy in Asia. We would also like to thank the Committee for its continued leadership in advancing U.S. interests and supporting and promoting engagement with the Asia-Pacific region. Your work, including recent visits, serves as a high-profile demonstration of the expanded involvement of the United States in the region, and an important reminder that human rights and democracy are not only universal values but also core American values.

Thirty years ago Southeast Asia did not have a single democracy. Yet today, despite significant challenges and setbacks, the majority of Southeast Asians now live in democracies. The overall trajectory is positive, with the Asia-Pacific region including established, fledgling, and growing democracies, and the argument that Asian values are at odds with universal values and democracy has been disproven. At the same time, millions in the region still

live under repressive and authoritarian governments, and democracy in some countries remains fragile and in need of consolidation.

Rebalance to the Asia-Pacific

The U.S. government's "rebalance" to the Asia-Pacific recognizes that our future prosperity and security are inextricably tied to the region. Over the past three decades, the region has experienced an unprecedented period of prosperity, propelling hundreds of millions out of extreme poverty. A growing middle class has expanded trade opportunities and driven reciprocal growth in countries around the world, including the United States.

The rebalance reflects the importance we place on our economic, security, public diplomacy, and strategic engagement in the Asia-Pacific, and our strong support for advancing democracy, good governance, justice, and human rights. These goals are mutually reinforcing elements of a unified strategy that, at its core, is about strengthening our relationships not just with the governments but also with the people of the region. It is about protecting and promoting fundamental human rights, such as the freedoms of expression and assembly, both prerequisites to a "government by the people" which we know offers the best chance for freedom and prosperity. It is about citizens having a voice and the ability to choose their own leaders and influence the decisions that affect their lives, because solutions to the challenges facing Asia need to come from the bottom up, not just the top down.

Promoting democracy and human rights in Asia is not just the right thing to do — it strengthens our strategic presence and advances our strategic interests. It helps build more stable societies by encouraging governments to give people peaceful outlets for expressing themselves and to seek the most enduring and reliable source of legitimacy: the consent of the governed. It supports our economic goals by promoting laws and institutions that secure property rights, enforce contracts, and fight corruption. It empowers citizens to hold their governments accountable on issues like protecting the environment and ensuring product safety, which are important to the health and well-being of our own people. It aligns American leadership with the aspirations of everyday people in the region, and with values that they admire, thus distinguishing us from other great powers.

By the same token, our strategic presence in Asia — our alliances, our trade agreements, our development initiatives and partnerships, our ability to provide security and reassurance to our friends — enables us to promote democracy and human rights more effectively. Our partners in the region are more likely to work with us on these issues if they know that the United States remains committed to maintaining our leadership in the region and that we will stand by them in moments of need. To advance the vision we share with so many of the region's people, we must be principled and present at the same time.

Diplomacy and Development Both Essential to Advancing Democracy

As we continue to deepen our engagement in the Asia-Pacific, the promotion of democracy, human rights, and good governance is front and center — in private and public diplomacy that is further amplified through U.S. development assistance, and where necessary, in targeted use of economic and security leverage.

Efforts not necessarily branded as "democracy promotion" help advance that goal. This is especially evident as both State and USAID deepen our engagement with emerging economies in a rising Asia-Pacific. We are leveraging our alliances and partnerships to strengthen democratic governance, and we continue to advocate respect for human rights and justice, which underpins economic development.

U.S. development assistance is integral to ensuring sustainability of our investments by focusing on the *quality* of economic growth — that it is widely shared and inclusive of all ethnic groups, women and other marginalized groups; that it is compatible with the need to reduce climate change impacts and to manage natural and environmental resources responsibly; that it ensures markets function properly, complies with rules-based, transparent frameworks, and improves the well-being of all members of society.

U.S. development initiatives in global health, for example, have long made significant contributions to improving governance of the health sector by improving the policy and legal environment for health; strengthening the government's capacity to plan, execute, and monitor health programs; and increasing accountability. These programs have also worked with civil society to build policy advocacy skills, as well as the capacity to take part in

decisions that affect local and national health. These programs directly lead to improved health outcomes and also contribute to promoting democracy, human rights, and good governance overall.

Overview of the Region

Democracy in Asia runs the gamut from long-standing democracies in Japan, Korea, and the Philippines to newer democracies in Indonesia, Mongolia, and Timor-Leste, to one-party states like China and Vietnam where citizens do not have the right to determine their form of government. The countries we are focusing on today represent some of the diversity we see in Asia, and each requires a separate and unique response.

Next, we will describe our democracy, human rights, and governance engagement and programming in the region, beginning with Burma, where we see the beginnings of what we hope is a transition from a dictatorship to a government that represents the aspirations of all of its people. Cambodia has regularly run elections over the past two decades, though those elections have raised questions about level playing fields and equal access to vote in truly representative elections. In Thailand, we see a country with strong democratic traditions with an almost equally strong tradition of military interference in democratic governance. And in Hong Kong, people are engaged in an impassioned debate over the implementation of universal suffrage for the election of the Chief Executive in 2017.

Burma

Burma has come a long way in the last four years, when reforms long urged by its democratic opposition — and supported by the United States through Republican and Democratic administrations — got under way. We fully recognize how much more remains to be done and how difficult the path ahead is likely to be. Burma is undergoing an evolution, not a revolution — with each step carefully negotiated between representatives of its old and new orders. It is still dealing with the multiple legacies of its former dictatorship — one of the world's longest running armed conflicts, a constitution that grants the military extraordinary powers, and ethnic and religious tensions that cannot be addressed in a closed society and that irresponsible political forces can exploit in a society that is opening. The critical choices must be made by the government and people of Burma. But our engagement remains indispensable. And that engagement is driven by

the same objective we have pursued in Burma for the last 25 years: a desire to help the country's people achieve a peaceful transition to civilian-led, democratic government that respects human rights.

This is a pivotal year in Burma with national elections scheduled for November, peace negotiations ongoing between the government and ethnic armed groups, and humanitarian and human rights concerns in Rakhine State. A successful transition will depend on the government's continued dialogue with civil society, ethnic groups, and the political opposition to build trust and foster national reconciliation; constitutional amendments to reduce the military's role in the civilian government and improve the people's ability to elect the leaders of their choice; and additional measures to protect the rights of members of ethnic and religious minorities. This is an opportunity for Burma to set an example of peaceful transition to democracy for other countries in the region.

Our diplomatic engagement and programmatic assistance is focused on supporting further progress on the elections, constitutional reform, the peace process, and human rights. U.S. Embassy Rangoon and every senior U.S. government official who visits Burma — including President Barack Obama, Secretary John Kerry, and Deputy Secretary Antony Blinken — have raised these issues with the Government of Burma.

During his trip to Burma in November 2014, President Obama underscored the high priority the United States places on Burma's elections in 2015, the need for constitutional reform to remove provisions in conflict with basic democratic principles, and our concerns about the situation in Rakhine State, calling the issue Burma's "most urgent matter."

During his visit in May, Deputy Secretary Blinken reiterated the U.S. commitment to support Burma's democratic transition and stressed that the protection of human rights and fundamental freedoms, regardless of race and religion, is a critical component of Burma's reform process and essential for national security, stability, and unity.

In January, senior U.S. civilian and military officials, including Ambassador Derek Mitchell; Department of State's Bureau of Democracy, Human Rights, and Labor Assistant Secretary Tom Malinowski, Department of State's Bureau of Population, Refugees, and Migration Assistant Secretary Anne Richard, and Deputy Commander of the Pacific Command Lt. General

Anthony Crutchfield, pressed the U.S. government's agenda at the second U.S.-Burma Human Rights Dialogue. U.S. officials emphasized that progress on human rights remained fundamental to Burma's democratic transition and the advancement of relations with the United States.

Burma's 2015 parliamentary election will shape our engagement with the Government of Burma in 2016 and beyond. The credibility of the elections will be determined by the extent to which all the people of Burma have confidence in the fairness of the electoral process, and believe the election results accurately reflect their collective will. The credibility of Burma's overall political transition will also depend on what happens after the elections, including on whether elections can lead to constitutional change and a truly civilian-led government.

The Government of Burma has repeatedly expressed a commitment to hold elections on schedule and receptiveness to assistance to meet the enormous technical challenges given its limited experience with democracy. U.S. election assistance is intended to strengthen the institutions and systems of democracy. With USAID playing a key role, we are building capacity among all key stakeholders in advance of the 2015 elections, including the Union Election Commission, domestic election observers, political parties, civil society, voters, and the media.

We remain deeply concerned about the discriminatory conditions facing members of religious and ethnic minorities, especially continued persecution of Burma's Muslim Rohingya population. We have urged the government to provide full access to humanitarian organizations serving all the people of Rakhine State, to allow freedom of movement, security, and a non-discriminatory path back to citizenship for the Rohingya population, many of whom have lived in Burma for generations. Despite these many challenges, we continue to provide humanitarian assistance to vulnerable communities in Rakhine State — which includes significant assistance for Rohingya — along the Thailand-Burma border, and other conflict affected areas in Burma. Over the past two years, the U.S. government has provided more than $109 million in humanitarian assistance to vulnerable people in Burma and the region. These programs continue to provide life-saving humanitarian assistance to internally displaced persons, refugees, and asylum seekers in the areas of health, nutrition, water, sanitation, and hygiene.

We welcome news that representatives of the Government of Burma and 16 ethnic armed groups signed a joint declaration stating that they finalized a draft nationwide ceasefire agreement in March. It is an important step toward the completion of a final nationwide ceasefire agreement, which, if signed, would mark a historic milestone toward achieving the peace that has eluded Burma for decades. At the same time, the military has continued to engage in operations, including against the Kachin in northern Burma, and unfettered humanitarian access to people in the conflict zones remains a problem. If these problems are resolved, then as the next step, and a core requirement for lasting peace in Burma, it is critical that the parties engage in an inclusive, transparent, and meaningful political dialogue that addresses long-standing differences. The United States, in coordination with other members of the international community, will continue to support the peace process going forward.

The United States Government has made a long-standing commitment to the people of Burma — particularly to civil society, which is critical to the durability of democratic reforms — a commitment which will continue, regardless of the outcome of the election. An emphasis on civil society is prevalent throughout all of our work — from media freedoms to land policy to health and agriculture. We are supporting organizations that are holding the government accountable to continued reform, advocating for local needs and priorities, and resisting discrimination and violence. To date, USAID has supported over 300 local civil society organizations who are empowering ordinary citizens to bring change to their country. We are also supporting national reconciliation and inclusive and transparent peace processes that increase access to populations in need and lay the foundation for political resolution to long-standing conflicts and durable peace. Continued U.S. assistance will be essential to support national reconciliation, democracy-building, economic development, social cohesion, and regional integration.

The U.S. government is encouraging responsible U.S. business and investment in Burma, which will help raise standards and transparency. With support from the International Labor Organization (ILO) and Japan, the European Union, and Denmark, we also have launched an initiative to help the Government of Burma modernize its labor code while empowering unions, the private sector, and civil society to help influence the country's labor reform process to the unique context of Burma's quickly-evolving economy.

Cambodia

In Cambodia, promoting democratic governance and human rights continues to be our top priority. U.S. and international pressure contributed to the Cambodian government allowing the Cambodian opposition and its leadership more freedom to participate in the July 2013 parliamentary election. While the 2013 election was the most peaceful in Cambodia's history and produced a large increase in opposition seats, there were procedural irregularities and allegations of fraud and flawed voter registration. The opposition boycotted parliament while demanding electoral reforms and investigations into the irregularities.

Throughout the year-long political standoff that ensued, the U.S. government, especially through our Embassy in Phnom Penh, advocated tirelessly and effectively for nonviolence and direct dialogue between the Cambodian government and the opposition. These efforts were diplomacy at its best, with the U.S. government serving as a critical interlocutor and bridge, while consistently advocating democratic principles both privately and publicly in Phnom Penh and from Washington. U.S. government support and assistance to human rights non-governmental organizations (NGOs) have strengthened their skills necessary to advocate effectively for change while avoiding the widespread violence that had marked previous political transitions in Cambodia. In July 2014, the two parties peacefully reached a political agreement, and the opposition took its seats in parliament. The two parties subsequently agreed to reform the National Election Law and overhaul the composition of the National Election Committee.

The new Law on the Election of Members of the National Assembly and Law on the National Election Committee were passed in 2015. While the Cambodian government and the opposition party have praised the new laws, they were drafted without sufficient public consultation and civil society leaders have criticized some of the laws' shortcomings, including restrictions on NGO activities and other provisions that threaten to restrict the rights to freedom of expression, association, and assembly during election campaigns.

A separate, potentially restrictive draft Law on Associations and Non-Governmental Organizations that may be imminently passed could also threaten civil society. Although the Cambodian government first released

this draft law in 2011 and subsequently held four public consultations until it was shelved later that year, all of the proposed drafts contained provisions that could limit civil society's ability to operate freely. The Cambodian government has stated its intention to move forward with passing the law — perhaps as early as this month — without further consultations. With strong, public support from the U.S. government, civil society is demanding that the Cambodian government disclose the contents of the draft and hold substantive consultations. The U.S. government and many in Cambodian civil society do not see a need for such law, and share the view that any such draft law must encourage and facilitate NGOs' work and respect the freedoms of speech, association, and assembly. The United States continues to advocate for dialogue and calls for transparency in the legislative process — sending the important reminder that democracy is about more than ability to vote freely at the ballot box; it is also about citizens' ability to hold their government accountable on a daily basis.

While still not fully respected by the Cambodian government, Cambodia's civil society has grown in strength and inclusiveness. Since the 1990s, USAID and the Department of State have supported civil society and continue to prioritize assistance to this sector. With U.S. support, civil society has pressed for action on key policy issues, for example demanding improved government service delivery. Civil society has advocated for amendments to proposed laws to protect the rights and fundamental freedoms of Cambodian citizens, as well as monitored and pushed for revisions to proposed cybercrime, telecommunications, and trade union draft legislation. While the government is now making some efforts to improve its labor laws and wage settlement process, it is moving forward with a draft Trade Union Law that contains very little input from independent labor unions and may not be compliant with ILO conventions on freedom of association. As with the NGO and cybercrime bills, the U.S. government is urging transparency and accountability in the legislative process.

In addition to efforts that directly support the democratic process, other U.S. programs strengthen key political and civil liberties, increase citizens' participation in the political process, and combat human trafficking. Training on advocacy and democracy increased the participation of Cambodian women, including female political party youth activists, in their country's political and electoral processes. U.S. public outreach to Cambodian youth — which make up the majority of Cambodia's population — through the Young Southeast Asian Leaders Initiative (YSEALI), social

media, and other means is also an essential way to spread the values of a democratic society. As a part of these efforts, we have supported civic education through broadcast media that directly engaged more than 22,000 young Cambodians, sharing information and empowering them to be catalysts for positive change.

The U.S. government also supports union leaders, activists and workers to improve working conditions and protect freedom of association for vulnerable Cambodian workers in a variety of sectors, including the garment, hotel and hospitality, and construction industries. In part due to advocacy by the U.S. Embassy in Cambodia, garment worker unions negotiated a 28 percent increase in the minimum wage that was approved in November 2014.

Our ongoing training with the Cambodian police and military aims to build professionalism and respect for human rights within the security services. Justice sector assistance seeks to improve the predictability and independence of the Cambodian court system. The United States is also helping civil society provide legal assistance to people imprisoned for political or labor demonstrations, and those who have been evicted or had their land taken from them. USAID has provided legal representation, trial monitoring and advocacy support to 1,154 jailed activists, and U.S. government assistance was instrumental in securing the release of dozens of activists.

Looking ahead, we hope that political dialogue with civil society participation continues as Cambodia lays the groundwork for the 2018 general election. We have seen some progress in parliamentary reform and structural changes to the National Election Committee, which now mandates equal participation between the two main political parties, as well as a designated neutral seat for a member of civil society. Continued U.S. support will be vital to help Cambodia demonstrate electoral fairness through additional reforms, including reliable voter registration processes.

Thailand

The United States has a long history of friendship and shared interests with Thailand over the course of our 182-year-old relationship. We are eager to see our relationship restored to its fullest potential, but this can happen only when a democratically-elected government is in place.

Since Thailand became a constitutional monarchy in 1932, democratic governance has waxed and waned, with the country experiencing over two dozen general elections, 12 successful military-led coups, and several other attempted coups. Over the past 10 years, Thailand's internal political debate has become particularly divisive, increasingly polarizing not only the political class but society as a whole. Thai economic growth slowed to just 0.7 percent in 2014, partly due to political unrest. The most recent coup in May 2014, although non-violent, came at the end of six months of intense political struggle between rival groups that included months-long demonstrations in the streets of Bangkok.

During the past decade of turbulence, the U.S. government consistently stressed our support for democratic principles and commitment to our relationship with the Thai people.

On numerous occasions, we have publicly and privately stated — to high-level Thai officials through our Embassy in Bangkok and during the visits of senior State Department officials to Thailand — our opposition to a coup or other extra-constitutional actions, stressing that democracy requires the people of Thailand selecting the leaders and policies they prefer through free and fair elections. As Assistant Secretary Daniel Russel stated during his January 2015 visit to Thailand, we continue to advocate for a broader and more inclusive political process that allows all sectors of society to feel represented.

Since the military-led coup in May 2014, the interim government has largely followed its publicized roadmap for returning Thailand to democratic governance, including forming an interim law-making body and other institutions. It has also completed a draft of the country's next constitution. The interim government has indicated that it may hold a public referendum on the draft constitution, which, if conducted in an inclusive and consultative manner, with improved civil liberties, could be a positive step to ensure that the voices of the Thai people are heard. However, the interim government has not established a clear timeline for this referendum, and there are signs that parliamentary elections — once tentatively scheduled for fall 2015, then early 2016 — could slip even further. We are concerned that without a timely, transparent, and inclusive reform process, the Thai government will never enjoy the public buy-in necessary to build lasting institutions.

We continue to advocate for the full restoration of civil liberties in Thailand, which would allow for an open and robust debate about the country's political future, something particularly critical now. On April 1, the interim Prime Minister lifted martial law. However, security provisions included in the interim constitution essentially continue many of the same restrictions on civil liberties, such as limits on fundamental freedoms of expression and peaceful assembly, as well as retaining the practice of trying civilians in military courts. We have repeatedly emphasized that suppression of public dissent in the short term will not promote long-term stability. We encourage the National Council for Peace and Order to engage directly with civil society, to allow them to express opposing views, and to take those views into account.

Because of the coup, the U.S. government has not allowed longstanding relations with Thailand to proceed and expand as usual. As required by law, we immediately suspended certain assistance when the coup occurred. We will not resume this type of assistance until a democratically-elected government takes office. In addition, we continue to carefully consider through a case-by-case interagency vetting process whether to proceed with high-level engagements, military exercises, and training programs with the military and police.

At all levels, from Washington and our Embassy in Bangkok, we have consistently called for the restoration of civilian rule, a return to democracy, and full respect for human rights, including the freedoms of expression and peaceful assembly.

We are not advocating for a specific constitutional or other political blueprint. Those are questions for the Thai people to decide. Rather, we are calling for an inclusive political process so that the Thai people feel they have a hand in the outcomes and are comfortable with the results. Mindful of our long-term strategic interests, we remain committed to maintaining our enduring friendship with the Thai people and nation, including our security alliance. We continue to cooperate closely on regional and global issues such as public health, law enforcement, counter-narcotics, trafficking in persons, counter-terrorism, climate change, and regional security.

U.S. assistance focuses on peace-building activities in southern Thailand to address the longstanding conflict there between ethnic groups. USAID assistance over the years has supported increased citizen engagement in

governance. With USAID support, Southeast Asia's first Center for Civil Society and Non-Profit Management was created at Khon Kaen University, which responds to the need for stronger civil society organizations and recognizes the opportunity for universities to play an instrumental role in strengthening civil society in Thailand.

The United States continues to emphasize our support for a return to democracy and respect for human rights, while also working to ensure we are able to maintain and strengthen this important partnership and security alliance over the long term.

Our objective is that Thailand's transition to civilian rule be inclusive, transparent, and timely and result in a return to democracy through free and fair elections that reflect the will of the Thai people. We are hopeful that if Thailand creates democratic institutions of governance and reconciles competing political factions, the country will continue to be for the United States a crucial partner in Asia for decades to come.

Hong Kong

The United States enjoys a strong relationship with Hong Kong based on cultural, economic, and financial ties. For Hong Kong's continued stability and prosperity, an open society, with the highest possible degree of autonomy, is essential. We have strongly supported Hong Kong's autonomy under "One Country, Two Systems" and the Basic Law.

Although Hong Kong has maintained a high degree of autonomy since reversion, it has done so without universal suffrage for the selection of the chief executive — something Hong Kong has in fact never had. We believe that the legitimacy of Hong Kong's Chief Executive and its overall governance would be greatly enhanced if the people of Hong Kong were given the opportunity to select their Chief Executive through a competitive election featuring a meaningful choice of candidates who represent the voters' will, and we have consistently called for an electoral process that would produce that result.

Over the course of more than a year, we have seen an impassioned debate in Hong Kong over the implementation of universal suffrage for the election of the Chief Executive in 2017. This debate results from a provision of Hong Kong's Basic Law that states: *"The method for selecting the Chief Executive*

shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures. " It also stems from a 2007 decision made by China's National People's Congress Standing Committee (NPCSC) that the Chief Executive election "may be implemented by the method of universal suffrage" in 2017.

We expect Hong Kong's Legislative Council to vote this month on the Hong Kong government's reform package, which conforms closely to Beijing's restrictive framework as defined by the August 31, 2014 National People's Congress Standing Committee (NPCSC) decision on universal suffrage for the 2017 Chief Executive election. Hong Kong's pan-democratic legislators have vowed to veto the bill, which we believe could have gone further in providing Hong Kong's five million potential voters with a meaningful choice of candidates. If they do so, the current Chief Executive electoral system, in which the Chief Executive is both nominated and selected by a 1,200-person Election Committee, would remain in place. We do not take a position on how Legislative Council members should vote. This is a decision for the legislators, after hearing and considering the views of the people of Hong Kong. Our hope is that the elections in Hong Kong in 2017 are competitive and feature a meaningful choice of candidates reflecting the people's will.

It is unfortunate that, throughout discussions of universal suffrage in Hong Kong, there have been efforts to falsely attribute developments in Hong Kong to "foreign forces." These tactics seek to misrepresent, as unpatriotic or worse, the views of the many Hong Kong people who either disagree with the Hong Kong government's universal suffrage package or have other concerns about Hong Kong's future. If the goal of these tactics is to cause us to turn a blind eye to developments in Hong Kong, they will not succeed.

We will continue to voice our belief that an open society that respects the rights of its citizens and fundamental freedoms — with the highest possible degree of autonomy and governed by the rule of law — is essential to Hong Kong's continued stability and prosperity, and we will stand up for Hong Kong's autonomy under "One Country, Two Systems" and the Basic Law. We will continue to place great importance on our relationship with Hong Kong – a relationship that rests on our shared values, economic and cultural

relations, and people-to-people ties. Hong Kong has long reflected and protected fundamental freedoms: freedom of expression, freedom of peaceful assembly, a strong independent legal system, rule of law, a free media, and an active civil society – all values shared with the United States. And as we continue to follow developments closely, we will voice our support for universal suffrage in Hong Kong in accordance with the Basic Law and the aspirations of the Hong Kong people, and stand up for universal human rights and fundamental freedoms.

TPP and Democratic Values

At the outset, we argued that promoting democracy and human rights and deepening our strategic presence in Asia are mutually reinforcing goals. This is also the case with respect to our pursuit of the Trans-Pacific Partnership (TPP) trade agreement.

First, our ability to advance democratic values in Asia depends on reassuring friends and allies that we are committed to the region's security and prosperity. It depends on the United States maintaining a leading role in shaping the development of the region's institutions and norms. The TPP will enable us to continue playing that role. If we do not, others will and they will not use their leadership to promote universal values of democracy and human rights.

Second, the prospect of participation in a completed TPP encourages countries in the region to make progress in human rights and labor rights. This is especially true in the case of Vietnam.

Vietnam is still a one-party state, with laws that criminalize political dissent. At the same time, there is a high stakes debate underway in Vietnam about whether and how to build a more democratic society under the rule of law. That debate is being driven by civil society, but has also been joined by many within the government who do not want changes in their society to leave them behind. The reformers' most powerful pragmatic argument is that reform is necessary to secure something everyone in Vietnam, from Communist Party hardliners to democracy activists, say the country needs and wants — a closer economic and security partnership with the United States.

Under the spotlight of the TPP negotiations, Vietnam has released prisoners of conscience, bringing the total number down to around 110 from over 160 two years ago. In 2013, Vietnam convicted 61 people for peaceful political expression; thus far in 2015, there has only been one case in which activists were convicted under statutes criminalizing peaceful expression. It has recently ratified the Convention Against Torture and the UN Convention on the Rights of Persons with Disabilities, and promised to bring its domestic laws – including its penal and criminal procedure codes – into compliance with its international human rights obligations. This will be a long and hard process, which some in the Vietnamese government will resist. But the government has been sharing drafts of new laws with its public and with others, including the United States, inviting our input, which would have been unthinkable a few years ago.

What's more, the TPP agreement will include a requirement that Vietnam guarantee freedom of association, by allowing workers to form genuinely independent trade unions. Allowing workers for the first time under their system to organize unions of their own choosing would be an historic breakthrough in a one party state. Vietnam will have to make the necessary legal reforms or miss out on the agreement's benefits.

These developments do not by themselves guarantee full respect for human rights and labor rights in Vietnam, but are necessary and significant steps in that direction. Without the chance to join TPP, it is not likely Vietnam would have taken any of them at all. Passage of trade promotion authority (TPA) legislation gives us bargaining power to keep pushing Vietnam for more progress. And if Vietnam then meets the conditions for TPP itself, we will still have leverage, including via its desire for a full lifting of restrictions on the transfer of lethal defense articles, which we have also linked to human rights progress.

Members of Congress concerned about human rights in Vietnam are right to actively probe its government's intentions. Congress should keep demanding more progress. But Members should also recognize the importance of TPA and TPP in sustaining a process that facilitates securing more progress. TPP is not a leap of faith; it is an instrument of leverage. It has already empowered those in Vietnam seeking a more open society, and it enables us to help them as well.

Conclusion

In conclusion, Mr. Chairman, we continue to implement our strategic rebalance, within which democracy, human rights and good governance play a central role. The region encompasses a range of countries in democratic transition. A common thread between them is that their people are increasingly demanding more from their governments — better services, more transparency, greater tolerance for and protection of religious and ethnic diversity, and expanded opportunities to participate in and benefit from economic growth. The Department of State and USAID have and will continue to support these countries and their people as they seek to strengthen and sustain democratic governance and protect and promote universal human rights. With continued U.S. engagement backed by bipartisan Congressional support, we are confident that democracy will continue to take root and expand in the Asia-Pacific.

Thank you for the opportunity to testify today. We are pleased to answer any questions you may have.

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Mr. SALMON. Thank you. I have a question for anybody on the panel that feels adequately prepared to answer the question: An Irrawaddy news article from 2014 highlighted that U.N. agencies, USAID, and some of AID's contractors were spending millions of dollars a year on rent payments to members of Burma's military elite, their families, and their cronies. And the case has highlighted the USAID contractor Development Alternatives International, DAI, reportedly renting a home from the family of Khin Nyunt, the former head of Burma's military and intelligence, and UNICEF was spending approximately $87,000 a month to rent a mansion owned by another former junta leader and minister in the current government.

These rents amounted to direct transfers of U.S. assistance funds into the coffers of people who thwarted democracy, abused human rights in Burma for decades. What are the steps that USAID and its contractors have taken to address the rent problem as well as issues with individuals who are on the SDN list that the USG inadvertently paid money to during Secretary Kerry's visit to ASEAN Summit in 2014? And please also share with the committee the current monthly rate USAID is paying for its own rented space outside the Embassy compound, including the resident of the chief of mission, and who the property owners are. We would also appreciate if you could provide similar information for the 10 largest contractors USAID is funding in Burma this fiscal year.

And Mr. Stivers I know you may not be prepared to throw down on all of that right now, but if you want to answer in writing afterwards, then that is fine too. But if you have any statements or anybody on the panel wants to address that, I would love to hear what your thoughts are.

Mr. STIVERS. Sure, thank you, Mr. Chairman. In terms of that situation from 2014, I remember it back then. It is my understanding that that situation was resolved, but let me check on that and get you the facts on that. But I agree with you that it is absolutely essential that all of our contractors and all of our contracts have the highest standards in terms of where they are getting rent from and the buildings that they are occupying. And I can assure you that in our contracting, we take a very close look and make that a high priority. But I will get you more details.

Mr. SALMON. And Mr. Stivers, if you could look at, you know, just the question that I asked. We would be happy to give that to you in writing, too. Just get us an answer back. I would really appreciate it. It would be very helpful.

[The information referred to appears in the appendix.]

Mr. SALMON. One other question and then, in the interest of time, I want everybody to ask their first question. But one other question is regarding China. It frames issues regarding political developments in the area where it considers itself sovereign. Whether elections in Hong Kong, the DPP's projected win next year in Taiwan, and the protests for rights in Xinjiang and Tibet, and in terms of its core interests.

For the United States, each of these issues reflects our own core interests in the advancement of democracy, civil society, and human rights across the People's Republican of China, particularly in Hong Kong, where its history and special "one country, two sys-

tems" status has allowed for a degree of freedom, liberalism, and pluralism to take root and flourish.

What are the administration's plans to express solidarity with Hong Kong's democracy activists as part of a principled approach to summitry with China this year? Can Congress and the American people expect a public expression of support that will be heard by democracy activists in Hong Kong, China, and elsewhere?

Mr. Marciel, you made some great opening comments about the whole universal suffrage issue in Hong Kong. We were there. We met with several of the activists. And I am very, very concerned that the freedom fighters over there are feeling a little bit lonely. And I just want to know what we can do to further embolden democracy there?

Mr. MARCIEL. Thank you, Mr. Chairman.

I think, broadly speaking, in our relations with China and our very regular conversations with China, human rights and democracy issues come up. We raise them often, certainly, about human rights concerns in China itself to begin with.

In terms of Hong Kong, as I said, we have been strong supporters of the "one country, two systems" and the basic law, as you know. We have said that Beijing's decision last August in terms of the way of nominating potential candidates for the chief executive office, we said could have gone further in providing Hong Kong's 5 million potential voters a meaningful choice of candidates. So we have said that publicly. And we have said that the legitimacy of the chief executive will be greatly enhanced if the chief executive is elected by universal suffrage in accordance with the basic law, and the aspirations of the Hong Kong people, and the election provides for a genuine choice of candidates. So I won't try to predict exactly when we will say things, but that has been our consistent position privately and publicly, and I expect we will continue to express it.

Mr. SALMON. Well, I, for one, am really pleased that you said it in your opening statement, and I am pleased that you have reiterated that in relationship to my question. And it is not just my question for you. I think we are all kind of grappling as Members of Congress, too, walking that fine line of not, you know, we certainly don't want to upset the apple cart with our one-country policy that we would adhere to, really, for decades, and decades, and decades.

But by the same token, I think that there were certain representations that were made in 1997 when the transition occurred that haven't completely been realized. And I met with stalwarts when I was over there like Anson Chan and Martin Lee. And, you know, they believed that certain things were going to happen and they are still waiting. And I think that any voice that we can give collectively as a Congress, as the administration, to keep that idea alive as far as universal suffrage and selection of their chief executive, I think that that is really, really important to them. And so thank you very much for that.

And I am going to yield to Mr. Sherman.

Mr. SHERMAN. Thank you, Mr. Chairman.

I didn't think we would be talking about fast track here, but I do need to make a few comments.

Mr. Marciel, when you say this will strengthen the American economy, I think you are a little outside of your expertise. The trade policy of the United States the last 30 years has led us from being the greatest creditor nation of the history of the world, the greatest debtor Nation in the history of the world. We have lost well more than 5 million jobs. We have eviscerated the middle class, and now we are being asked to double down on what is a trade policy so bad that it is able to stagnate wages in the greatest country, to the greatest workers in the world; a trade policy that is able to do all that to what is otherwise the greatest economy and the greatest workers in the world.

As to Vietnam, obviously, they are going to show the greatest, nicest human rights face right up until the ink is dry. Labor leaders, I am sure if this deal goes forward will not be arrested for being labor leaders. They will be arrested because drugs are planted on them. They will be arrested, if you really want to scandalize the world, because they will plant child pornography on them. And Vietnam, certainly, does not have the judicial independence to defend its rights regime sufficient to expose a well-designed regime conspiracy to jail a labor leader. And I think the labor leaders there will surely understand that.

As for the United States being able to do anything right now, you can do as much as you will ever been able to do because we are in negotiations. Your successor will soon realize that as powerful as DRL is, the Nike lobbyists are far more powerful. And once profits from Vietnam hit $10 billion, $20 billion, $30 billion, your successors will find it more convenient to talk about Thailand and Burma.

I saw this happen with Iran where administration after administration refused to apply the Iran Sanctions Act because of commercial interests right up until the time when they were close to a nuclear weapon. I will agree with you, if Vietnam develops a nuclear weapon, then we may be able to generate more interest.

But let's focus on China. What undermines totalitarian regimes often is the sunlight of information. Mr. Marciel, is it our policy or should it be to acquire information relevant to Chinese citizens and to publish it, whether that be about the real levels of pollution in Chinese cities or the real level of foreign assets owned by Chinese leaders?

Mr. MARCIEL. Thank you, Congressman.

I guess I would start by saying that, you know, in China, as elsewhere, we are strong believers in and advocates for freedom of expression, freedom of information, transparency.

Mr. SHERMAN. Well, I am asking you, would we do more and that is use the CIA to expose—to gather the information that needs to be exposed? I am sure that we are going to advocate for the Chinese journalists. The Chinese journalist doesn't have the CIA's investigative power. The Chinese, arguably, just hack us pretty badly. Certainly, the CIA could publish a report a week about the Swiss chateaus owned by this or that comrade.

Mr. Malinowski, do you have a comment, Deputy Assistant Secretary?

Mr. MALINOWSKI. I would point to a different agency of our Government because I am not sure in——

Mr. SHERMAN. When I say "the CIA," I mean all of our information-gathering capacities.

Mr. MALINOWSKI. Yeah, I am a very big believer in the general principle that you just outlined, that the greatest weakness of authoritarian states writ large around the world is corruption. That is the thing that units the most people in demanding the rule of law, demanding democratic government, ordinary people, as we have seen everywhere.

And we do have tools in our Government that we—that are in some cases not as well developed as they should be, but that are becoming better developed to try and fight corruption throughout the world. I am not just going to make this about——

Mr. SHERMAN. I am not saying we should fight it. China is a strategic adversary. We should be using it. The more corruption in China, the less likely it is that China surpasses us or intimidates us.

Mr. MALINOWSKI. And where I was heading with this is that we have, for example, anti-kleptocracy unit in our Justice Department, which I would think could use more resources to do this kind of work all over the world, whether it is FIFA or whether it is Russia or whether it is China or the Middle East. It is apolitical, and so no one can accuse it of serving a particular foreign policy interest of the day, and that is important because it is more credible. But it is very, very powerful.

Mr. SHERMAN. I want to get to one other question, but if you think that the average Chinese citizen will regard one agency of the U.S. Government as being more apolitical than another, you give them and us an awful lot more credit than I think.

And the democratic activists in what the State Department still calls Burma, we protected them. We used sanctions. We were effective. They now share some degree of power. What have we done to call in a chit or two, and say that we need to see those who advocate for democracy and majority rule also advocate minority rights in the area of the Rohingya?

Mr. MALINOWSKI. We, all of us at this table, and many others in the administration, have had that conversation with them repeatedly, from the level of Aung San Suu Kyi—I have spoken to her personally about this, as have others, including President Obama—all the way down to the rank and file activists.

Some of them have done the right thing. And my bureau, among the programs that we support in Burma are programs that work with democratic activists who are trying to promote tolerance in that society, including with respect to the Muslim minority and the Rohingya minority. You have seen just what we are up against in terms of the deep-seated social prejudice and the discrimination that flows from it. It is a much harder problem to deal with than if we just had an evil government that was repressing people.

But it is, as President Obama said, in many ways the most urgent problem because if I can think of anything that could derail this entire democratic transition over time, it is the ability of irresponsible forces in that country to divide people on the basis of religion and race. So we are absolutely seized with it. I will not claim to you that we have solved the problem because, obviously, we have not. But it is our, I would say, top priority.

Mr. SHERMAN. Thank you.

Mr. SALMON. Thank you, Ms. Meng.

Ms. MENG. Thank you, Mr. Chairman, Mr. Ranking Member.

Welcome to all of our witnesses who are testifying here today.

Assistant Administrator Stivers, thank you once again. I am losing track of how many times you have come to testify before us.

Mr. STIVERS. Four.

Ms. MENG. I applaud USAID for making great strides and prioritizing and focusing on gender equality and women's economic empowerment. As I listened to you discuss USAID's democracy work, while democracy, gender equality, and women's economic empowerment go hand in hand, but USAID-funded mission programs targeting democracy and human rights in Asia have dramatically decreased over the past several years with funds instead directed to Presidential initiatives.

While we understand that some democracy funding may be attached to the initiatives, those programs don't deal directly with the democracy and human challenges that many countries now face. Does USAID have plans to increase human and labor rights funding, and democracy support in the region and how is USAID integrating these democracy priorities with your gender equality and women's economic empowerment agenda?

Mr. STIVERS. Thank you for that question. The Fiscal Year 2016 budget request includes increases in democracy and governance funding for almost every country in East Asia. And the requests over the last few years have done the same.

It is not a secret that the overall cuts to foreign assistance in recent years have had an impact on overall discretionary funding, which is primarily democracy and governance funding, and economic growth funding. And so there are a number of issues in the final budget that is concluded by the administration and both Houses of Congress that have affected our discretionary spending and our flexibility to provide the democratic and governance funding that does so much, especially in support of civil society.

In Burma and Cambodia, for example, we are doing so much to support civil society including promoting gender empowerment and fighting against trafficking. We are supporting many organizations that work on those sorts of issues. But the funding is an issue when we consider the budget.

Ms. MENG. You mentioned Burma. There are many, many concerns. There is a sense that the situation is getting out of hand. I believe that the State Department has called for a free and fair elections in Burma this year. My understanding is that 25 percent of the seats in the future Parliament are explicitly reserved for members of the military, and those seats are filled by military appointments. Even more concerning is that the military can effectively veto any major changes because those changes require 75 percent of parliamentary majority. How do you reconcile this setup with the call for free and fair elections and have you raised this with Burmese Government?

Mr. MALINOWSKI. Sure. As I mentioned in my opening statements, there are inherent flaws in this—in these elections, inherent flaws in the system. You mentioned a couple of them, the 25 percent allocation to the military, so it is an election for 75 percent

of the seats, not for 100 percent. I would add that the Parliament that will be selected in these elections will not be fully empowered vis-à-vis the military because the military still has the ability to appoint some of the most important ministers in the country, interior, defense, so they control the muscle.

And all of this is—and of course, the problem that Aung San Suu Kyi, by virtue of her foreign birth is barred—I am sorry, the foreign citizenship of her sons, is barred from seeking the presidency, which is also a provision in the constitution.

So these are inherent flaws, and they are not likely to be resolved before the election takes place. That said, it is possible, not guaranteed, but it is possible that the elections will allow the people of Burma to express their will and to elect candidates of their choice in a very competitive process. The democratic forces in the country, including Aung San Suu Kyi's party, are all in. They are going to compete in these elections. If they do well, if they end up with a majority in the Parliament, which they can do if they win two-thirds of the seats—that is how the math works, and they are capable of doing that—then they get to pick the next President, which will not be Aung San Suu Kyi under the system, but they will get to choose who it is. They will form the next government.

And you can see in that scenario that they will have a lot of political leverage to be able to negotiate changes to that constitution to fix the problems that we have just been discussing.

So that is the hopeful scenario. It is not by any means guaranteed. But that is what we have been encouraging, not just credible elections but a credible, democratic transition following the elections to fix those structural problems in the system.

Ms. MENG. Thank you.

Mr. SALMON. Mr. Lowenthal.

Mr. LOWENTHAL. Thank you.

Thank you, Mr. Chair, and Mr. Malinowski, I want to thank you personally for your tireless work on human rights, especially in Vietnam. I generally appreciate the open dialogue that we have had, and the work that you have done, and I went along with the chair, visiting Vietnam, and getting a chance to see you.

I want to talk about something that you mentioned in your testimony here that I think has—and, you know, the thing that we will be actually looking at and voting on very soon. And that is the—although you talk about the TPP, right now, we, as you know, we will be voting on the TPA, the promotion authority. But you say in your submitted testimony that the TPP agreement will include a requirement that Vietnam guarantee freedom of association by allowing workers to form genuinely independent trade unions.

Can you expand to us on what that cause really will look like, and how are we going to be able, the United States and others, to hold Vietnam accountable? And has there been—has Vietnam taken any steps today, before the TPP goes into effect, to actually develop independent trade, or is this something that they are saying they will do in the future?

Mr. MALINOWSKI. Thank you, Congressman.

Those are very, very important questions that we have been.

Mr. LOWENTHAL. That is right, those are the critical questions for me in terms of labor issues.

Mr. MALINOWSKI. In terms of where they are now, let me start there.

Mr. LOWENTHAL. Yes.

Mr. MALINOWSKI. Vietnam, as you know, does not have legally—does not legally recognize independent trade unions. There is one Communist Party affiliated trade union that is supposed to represent all of the workers of the country and that, you know, puts on shows, and helps with vacations and doesn't really do very much, although they are now beginning to feel a little bit of pressure.

Interestingly, in the last few years, there has been a growth of unrecognized.

Mr. LOWENTHAL. That is right, labor strikes.

Mr. MALINOWSKI. There have been many strikes which have been organized by, you know, what we would call a local trade union. It is just not recognized as such. And then in a number of recent cases, the government has reacted appropriately. They have negotiated with the workers. They have in some cases given into their demands. And I think this is partly because of the spotlight of TPP, but I think it is also because there are deep changes within the Vietnamese society that the government is trying to understand and keep up with.

So there is free associating going on in Vietnam, but there is not freedom of association in the sense that what people are doing is not yet guaranteed, recognized, protected within the law.

So what TPP requires, not just of Vietnam but all of the members, is compliance with the internationally recognized labor right of freedom of association. In the specific negotiations we are having in terms of how to effectuate that commitment, the details of that are being hammered out. And it is not an easy negotiation because what we are asking of Vietnam is meaningful. If it weren't meaningful, they would have agreed to it months ago, but they know that what we are asking them to do would be, in effect, revolutionary in that system.

Mr. LOWENTHAL. That is right.

Mr. MALINOWSKI. It would be, and you know, you will see the details when it is agreed, and it is not yet agreed.

But it will have to include, we have said this, a legal guarantee that workers in factories and enterprises around Vietnam will be able to form their own unions, elect their own leaders, set their own policies, decide on their own whether, and when, and how to go on strike, communicate with each other, factory to factory. And, again, all of this will have to be—it can't be a promise. It is going to have to actually get done in law.

All of that said, I have got no illusions, and I agree with Congressman Sherman that if all of that is done, we are not going to be in a place where this is settled. Of course, it is going to remain unsettled precisely because it is meaningful. There will be forces on the other side that push back. What I asked myself is as somebody who is promoting this change, which by definition will take time in Vietnam, are we going to be better off? Are the Vietnamese workers going to be better off—civil society—a year or two from now if this right is guaranteed in Vietnamese law or not?

Absent this process, TPA now, if we get it, TPP, it will not be guaranteed because the political incentive to do this revolutionary thing, absent the benefit of joining TPP, is not great enough for the Vietnamese Communist Party. So will we be better off in that stage? Will they be empowered to demand even more rights? Will we be empowered to demand more of the Vietnamese?

My answer to that question is yes, which is why what I am urging you to do. And I am actually not asking you to vote for TPP because there is no TPP. I am asking you to keep this process going and to keep the prospect of TPP alive by voting for the authority, which will then allow us to spend the next few months, not only negotiating the agreement with the labor chapters as strong as possible, but also trying to get more people out of prison, trying to get reforms to the criminal code and other things that are needed to take Vietnam two or three steps further down that road. And then we are going to have to keep on fighting, absolutely.

Mr. LOWENTHAL. Thank you, and I yield back, Mr. Chair.

I will submit the rest of my questions in writing.

Mr. SALMON. Thank you very much. I am going to ask one more quick question and I will allow everybody else to ask another quick one. We probably don't have a lot of time, but how well is State coordinating with DOD on Thailand, which has historically played a major role in managing the U.S.-Thailand relationship? In March, the U.S. Pacific Command indefinitely postponed what was to have been the first planned meeting for next year's Cobra Gold exercises? Was this a signal to ruling junta? What do you think about using Cobra Gold to encourage the military government to move toward elections? And what options exist to hold multilateral exercises elsewhere in the region?

Mr. MARCIEL. Thank you, Mr. Chairman. We actually have a very good coordination with DOD, with the Pentagon, as well as with the NFC. So our policy on Thailand is decided through an interagency process, including a meeting this week that we already had where we touched on this. So it is an interagency process.

And on Cobra Gold, specifically, we decided, as you know, for this Cobra Gold earlier this year, we decided last year to hold it because of its importance to us. But also, frankly, regionally, it is a multilateral exercise. So we decided to hold it in a scaled-down version with an enhanced focus on humanitarian assistance, disaster relief.

At this point, what we decided going forward is to go ahead with the preparation for 2016 Cobra Gold. For the same reasons, also would be scaled down in light of the political situation in Thailand.

Mr. SALMON. Thank you.

Mr. Sherman.

Mr. SHERMAN. Yes. The news reports show refugees fleeing to Malaysia, Indonesia, and they say it is a combination of Bangladeshis and Rohingya. But do we have any view as to is it more one or more of the other that are on those ships? And, also, why would Bangladeshis be fleeing their homeland at this particular time?

Mr. MARCIEL. Thank you, Congressman.

I will say a couple of things first. I don't think we have exact numbers—nor the U.N.—have exact numbers yet. But overall——

Mr. SHERMAN. I mean, is it 10 percent Bangladeshis or 80 percent Bangladeshis?

Mr. MARCIEL. I think somewhere in between. The best information we have is that it is a mixed, probably majority Rohingya from Burma but a significant minority Bangladeshi. Again, we don't have exact numbers, but that is our best sense.

And, also, our best sense is that those leaving Bangladesh tend to be looking for better, more economic opportunities whereas those leaving Rakhine State in Burma, it is a combination of, you know, a bad economic situation, but also discrimination, persecution, lack of rights.

Mr. SHERMAN. Why would Bangladeshis be leaving Bangladesh at this particular time and be willing to take these enormous risks?

Mr. MALINOWSKI. Yeah, I mean, the particular time has to do actually with the weather. There is something——

Mr. SHERMAN. Well, this particular year.

Mr. MALINOWSKI. There has been a traditional outflow of Bangladeshis who are fleeing for poverty, who are seeking opportunity and willing to take some risks.

I think one reason why it is difficult to answer this question is because there may be Rohingyas from Burma who, when asked where are you from, will say they are Bangladeshi because they fear they are going to be sent back somewhere, and they would rather be sent back to Bangladesh. It is very complicated.

There are also, I think among the Rohingyas, there are people who have voluntarily fled because the situation in their country is so intolerable, but we have also seen reports including from Human Rights Watch—and maybe you will be able to ask them in the next panel—that some have actually been seized by traffickers, that, you know, these trafficking networks that are at the heart of this, colluding often with corrupt officials in various countries, will actually go and nab people because they can sell them down the line.

Mr. SHERMAN. And they are nabbing people in Bangladesh?

Mr. MALINOWSKI. In Burma. I have seen testimonies that suggest that some of the—testimonies of people who have landed in Malaysia, Thailand, suggesting that that is what happened to them.

Mr. SHERMAN. So we hear reports that they have to pay thousands of dollars to get on the ships, and they are saying, in other cases, they not only pay nothing, but they are literally captured. A significant number are coming from Bangladesh, where they don't face religious persecution. It is just bad economics in Bangladesh.

Mr. MALINOWSKI. Yes, so it is a complicated mix. But I think, you know, what it comes down to for us is, what do we do about it? And the initial, obviously, our initial instinct was we had people on the high seas who are at imminent risk of death. At that point, we are not distinguishing where they are from. Our focus was getting the Indonesians, the Malaysians, and the Thais to allow boats to land and to be proactive, to go out and do search and rescue, which we, I think, in a relatively short period of time, managed to convince many of them to do. We did our own search and rescue in the form of surveillance flights.

Mr. SHERMAN. I think you have gone beyond my question, and I have gone beyond my time, but thank you very much.

Mr. SALMON. Thank you.

I think we are going to adjourn this panel and bring the next one up. Thank you very much, gentlemen. I appreciate it very much.

Mr. SALMON. I thank the panel for coming today.

We are very fortunate to be joined by Kelley Currie, a senior fellow with the Project 2049 Institute, where she has worked on democracy, human rights, and rule of law in the Asia Pacific for over 6 years.

Murray Hiebert—did I pronounce that right, Murray?

Mr. HIEBERT. Yes.

Mr. SALMON. He is a senior fellow and deputy director of the Sumitro Chair for Southeast Asian Studies, Center for Strategic and International Studies.

Peter Manikas has served as senior associate and director of Asia programs at the National Democratic Institute for the past 20 years.

And Dr. Sophie Richardson is Human Rights Watch's China director.

And Ms. Currie, we will start with you. Let me just explain the situation. We are going to probably have votes in about 10 to 15 minutes. I am going to try to get through all of your testimony. We probably won't get to questions today, which disappoints me, but maybe if we could have members submit questions to you in writing, that would be very, very helpful.

And Ms. Currie.

STATEMENT OF MS. KELLEY CURRIE, SENIOR FELLOW, PROJECT 2049 INSTITUTE

Ms. CURRIE. Thank you, Mr. Chairman, Mr. Ranking Member, and members of the committee for giving me the opportunity today to speak about the state of democracy in Asia, specifically with regard to the situation in Burma.

There is no denying there have been changes in Burma over the past 5 years. When I started working on human rights and democracy in Burma 20 years ago as a young congressional staffer working on the Congressional Human Rights Caucus, I could not have imagined that I would be sitting here today, having spent time in Burma and meeting with the people I was trying to get out of jail at that time, people like Min Ko Naing and Aung San Suu Kyi and others.

Likewise, when I was running the International Republican Institute's Burma program with shoestring funding, operating out of safe houses on the Thai-Burma border, I can't imagine—I couldn't have imagined that IRI and NDI and other organizations would be operating from offices in downtown Rangoon today with the permission of the government and working openly with political organizations to—in advance of an upcoming election. So while these relative economic and political changes certainly have taken place, it is tempting, after so many years of brutally repressive military rule, to use the negative standards of the bad old days to judge the current situation.

But doing this would communicate to the Burmese that they don't deserve the same kind of genuine democracy, real economic opportunity, or real human rights that we take for granted. In-

stead, we must measure Burma's progress both against the democratic aspirations of the Burmese people, flagrantly denied since 1990, and against the objective standards of genuine democratic governance.

Unfortunately, the same countries, including the United States, that spent more than two decades supporting those democratic aspirations and standards seem to have decided that the reforms to date are good enough, despite how far they fall short of what we would accept for ourselves.

Let's be clear, they have fallen short. Just 1 month prior to the outbreak of violence in Rakhine State in May 2012, the Burmese nation and the world celebrated the sweeping victory of Aung San Suu Kyi and the NLD in by-elections.

In the wake of this historic event, the United States lifted its sanctions on Burma. And President Obama made the first trip to Burma by a sitting President of the United States. Yet since that trip, reforms have stopped cold. The situation has steadily worsened for civil society, political activists, and those who refuse to accept the government's terms for their transition to discipline flourishing democracy. This is the big concern, I think, that many of us have. What is this transition going towards? It is not really the government's intention to have a transition to genuine democracy. They want to transition to an electoral authoritarian system with a thin veneer of democracy on top of it.

As we look to the elections planned for this fall, there is no prospect that they can be genuinely free and fair. Because the constitutional and bureaucratic framework under which they are being held is so heavily tilted toward the military and the incumbent regime, even if the NDL "wins," as Assistant Secretary Malinowski laid out, and captures a majority of the votes, they will not be able to form a government and take political control of the country and the government. Their political leader cannot be elected President. Regardless of the election results, the military will remain in control of Burma's political, bureaucratic, and economic powers. This is why the country's democratic forces have been so focused on reform of the 2008 constitution. But there has been no movement on that. And that is totally at the discretion of the military and the government.

When Burma began liberalizing in 2010, many thoughtful Burmese democrats expressed concerns about becoming "another Cambodia," a donor or China-dependent, electoral authoritarian backwater. Today, these same people are equally concerned about not emulating Thailand, the country next door that has the superficial trappings of economic development and democracy, but which is actually controlled by an elite with shallow commitments to liberal values. Among Burmese Democrats, the seemingly cyclical military interventions in Thailand's democracy point out the dangers of contemplating a long-term similar role for the Burmese military. When it announced the pivot to Asia, the Obama administration declared its intent to strengthen U.S. Ties with all the governments of the region.

The 2010 reforms in Burma created new opportunities to fulfill that rhetoric. Unfortunately, the Obama administration has de-emphasized democratic values in its policy approach in the misguided

belief that this will facilitate improved relations. They have replaced a policy of principled disassociation with Burma with one of unprincipled engagement. This pragmatism in the service of a transactional relationship may seem rational in the short term. But the situation in Thailand show that, ultimately, there is no shortcut. Thank you.

[The prepared statement of Ms. Currie follows:]

Written Testimony Submitted by
Kelley Currie, Senior Fellow at the Project 2049 Institute
To the House Committee on Foreign Affairs'
Subcommittee on Asia and the Pacific hearing:
"Retreat or Revival: A Status Report on Democracy in Asia"
June 11, 2015

Mr. Chairman, Mr. Ranking Member and members of the Committee:

Thank you for giving me the opportunity to speak to today about the state of democracy in Asia, specifically with regard to the situation in Burma.

There is no denying that there have been changes in Burma over the past five years. When I started working on human rights and democracy in Burma 20 years ago, as a young Hill staffer in the mid-1990's, I could not have imagined that I would be sitting before you today having met Min Ko Naing and others whose release I was working for then. Likewise, when I was running the International Republican Institute's Burma programs with shoestring funding, operating out of safe-houses on the Thai-Burma border in the late 90s, it would have been difficult to foresee that IRI – and NDI - would today be operating with the permission of the government, from an office in downtown Rangoon full of expatriate staff and local Burmese, working openly with political parties.

And while relative political and economic liberalization certainly has taken place, it is tempting after so many years of brutally repressive military rule to use the negative standards of the "bad old days" to judge the current situation. But doing this communicates to the Burmese that they don't deserve the same kind of real democracy, real economic opportunity or real human rights that we take for granted. Instead, we must measure Burma's progress both against the democratic aspirations of the Burmese people – flagrantly denied since 1990 – and against objective standards of genuine democratic governance. Unfortunately, the same countries that spent more than two decades supporting those democratic aspirations and standards seem to have decided that the reforms to date are good enough, despite how far they fall short of what we would accept for ourselves.

And let's be clear: they have fallen short. This week marks the fourth anniversary of the renewal of hostilities in Kachin State, and even as the authorities tout the March 31 signing of a draft nationwide ceasefire agreement as a major success, fighting was ongoing in Kachin and had recently reignited in Kokang and Shan areas. Moreover, key groups were intentionally kept out of the talks by the military and government side, including Kokang. This effort to divide and rule appears to have backfired, however, as key ethnic armed groups have refused to sign an agreement that is not nationwide and does not include the organizations represented in the United Nationalities Federation Council (UNFC).

Last month marked the third anniversary of the attacks on Rohingya Muslims in Rakhine State, which continue to bear bitter fruit today as thousands of Rohingya remain trapped

in grim camps with no employment, health care or education. This dire situation, in turn, led many thousands to take flight from Rakhine State, which precipitated the recent refugee crisis in the Andaman Sea and Bay of Bengal. While the immediate humanitarian emergency is largely being addressed through regional cooperation, Burma remains outside the regional effort to resolve this problem and those Rohingya who remain in Burma are as unwanted and persecuted as ever.

Just one month prior to the outbreak of violence in Rakhine state, the Burmese nation and the world had celebrated the sweeping victory of Daw Aung San Suu Kyi and the NLD in the April 2012 by-elections. In the wake of this historic event, the US lifted sanctions on Burma and President Obama made the first visit to Burma by a sitting president. Yet since the November 2012 Obama visit, reforms have stopped cold and the situation has steadily worsened for civil society, political activists and those who refuse to accept the government's terms for the "transition to discipline-flourishing democracy." Prior to President Obama's visit, Burmese President Thein Sein committed his country to taking to eleven specific steps, including such no-brainers as allowing the Office of the High Commissioner for Human Rights to open an office in Burma. Yet none of these commitments have been completed in the years since, and there has been backsliding on some – including a growing number of political prisoners. And there was no mention of these commitments during President Obama's second visit to Burma in November 2014. In hindsight, it is clear that the April 2012 by-elections elections were the high water mark for Burma's political reforms.

As we look to the elections planned for this fall, there is no prospect that they can be genuinely free and fair. Because the constitutional and bureaucratic framework under which they are being held is so heavily tilted toward the military and the incumbent regime, even if the NLD "wins" – i.e. captures the majority of votes -- they will not be able to form a government and take political control of the country, and their party leader cannot be elected president. Regardless of the election results, the military will remain in control of Burma's political, bureaucratic and economic reins of power. This is why the country's democratic forces have been so focused on reform of the anti-democratic 2008 constitution, but to little practical result. The parliament, where the NLD and its allies represent approximately 7% of the seats, remains a tool of Burma's vested interests, regardless of the charisma and efforts of the NLD. This is unlikely to change as long as the constitution is not amended.

When Burma began liberalizing in 2010, many thoughtful Burmese democrats expressed concerns about becoming "another Cambodia": a donor (and/or China) dependent, electoral authoritarian backwater. Today, these same people are equally concerned about not emulating Thailand: a country with the superficial trappings of economic development and democracy, but which is actually controlled by an elite with shallow commitments to liberal values. (There is also a different, darker fear put forward by Burma's Buddhist nationalists, that democracy and liberalism will cause Burma to follow Thailand in debasing its Buddhist culture.) Among Burmese democrats, the seemingly cyclical military interventions to "fix" Thailand's democratic failures point up the dangers of contemplating a similar long-term role for Burma's military.

Since the 2012 by-elections, the Burmese military, or Tatmadaw, has resisted relinquishing further political and economic prerogatives to nascent democratic institutions. This resistance has manifested itself in a number of ways, including: blocking constitutional reform, instigating or expanding conflicts that reinforce its self-styled role as national savior, and securing economic interests via interlocking relationships with the business elite. Likewise, the military has continued its patronage of senior Buddhist monks and is believed to provide sustenance to nationalist Buddhist networks -- such as the 969 Movement and the Association for the Preservation for Race and Religion or Ma Ba Tha -- that have operated since 2012. Finally, the military has at times given the impression it might be politically up-for-grabs. This has led to awkward and unsuccessful attempts by Aung San Suu Kyi and the democratic opposition to cultivate the military as an ally, despite its role as the democrats' tormentor from 1988 to 2010. The National League for Democracy (NLD) and other democratic forces explain this strange courtship by pointing out that, given its predominant role, they can ill-afford to isolate or provoke the military if they hope to push a democratic transition forward.

When Burma joined the Association of Southeast Asian Nations (ASEAN) in 1997, Thailand was the most democratic country in the regional grouping and its argument at the time was that ASEAN membership could be a means to help moderate the Burmese junta's behavior and encourage reform. Instead, the absence of consistent, liberal Thai leadership within ASEAN over the ensuing 18 years impaired ASEAN's development as an organization and weakened the influence of its "democratic caucus." The recent Rohingya crisis—which saw three founding ASEAN states yield on an issue that directly impacted them in order to pacify immoral behavior by one of its weakest members—clearly exposed the ongoing dysfunction at the heart of ASEAN. The Rohingya crisis also again laid bare the pathologies currently impeding Burma and Thailand on their paths toward stability and democracy. In the case of Burma, the underlying political pathology is the military's dominant role in the country's politics, governance, economy, and culture. In Thailand, it is the monarchy's continued role in stunting the country's democratic development.

All aspects of Thai society have become increasingly polarized along political lines and this polarization is directly related to the role that the institution of the monarchy has played in stunting Thailand's democratic development. The palace has warped Thailand's democratic institutions through what scholar Duncan MacCargo calls "network monarchy": a complex, deeply rooted web of power that maintains and legitimizes the country's institutional monarchy as the key mediator in society. This network monarchy has fused itself to all aspects of Thai society, occupying a unique and unrivalled position. As part of the self-perpetuation imperative, it has made a state project of entrenching its values. This process has crowded out key democratic tenets, particularly freedom of expression, as anyone who has fallen afoul of Thailand's regressive *lèse-majesté* laws knows. In this way, the monarchic institutions have undermined both official and societal institutions that democratic societies utilize to mediate conflict.

Thailand's current political polarization takes the form of a Bangkok-centered elite that is fluent in the language of liberalism, but has largely ignored the country's vast majority of lower income citizens, versus a neo-populist movement helmed by Thaksin Shinawatra, a leader with clear authoritarian tendencies. Both sides rely on patronage, corruption, and emotional cultural appeals to energize their supporters, but the populist movement has the numbers to ensure electoral success in any fairly run contest. This has placed it in conflict with the Thai military, which has historically represented the interests and acted at the behest of the palace. There have now been 12 coups in Thailand since 1932, with 2014's coup representing the second in less than a decade. Even though the military has consistently returned power to civilian officials, each coup has deepened the polarization.

But the ability—if not the intention—of the monarchy to intervene in Thai politics has weakened over time. As the revered but dying King Bhumibol gives way to a successor with considerably less legitimacy, the underlying political polarization in the country is increasingly likely to come to a head. The conflagrations between the two main political camps have grown more violent and the resulting periods of military rule less liberal. Because the monarchy's role as mediating institution has stunted the growth of more democratic mediating institutions, Thai political observers are understandably terrified about what happens after the king's death.

When it announced the "pivot" to Asia, the Obama administration declared its intent to strengthen U.S. ties with all the countries of the region. The 2010 reforms in Burma created new opportunities to fulfill that rhetoric. Meanwhile, Thailand's 2014 military coup complicated efforts on that front. In both cases, however, the Obama administration has de-emphasized democratic values in its policy approach in the misguided belief that this will facilitate improved relations.

In Burma, the Obama administration replaced a policy of principled dissociation with one of unprincipled engagement. This pragmatism in the service of a transactional relationship may seem rational in the short term, but the situation in Thailand's shows that ultimately there is no shortcut. Our largely transactional relationship with Thailand left us blind (in some cases willfully) to the underlying rot in Thai political institutions and dependent on a dying institution for stability. Declaring premature victory in Thailand's democratization process facilitated the larger failure to deepen democracy beyond the Bangkok façade. Allowing the Tatmadaw to brand itself as the protector of a self-styled "discipline flourishing democracy" would likewise be a disastrous outcome for Burma and our long-term engagement with it. In Thailand, mediating societal institutions – while weak and underdeveloped -- can at least counterbalance the military just enough to keep it from seriously abusing its power. The same cannot be said of the comparable institutions in Burma.

In the interim period needed for these institutions to develop in Burma, the U.S. and other partners should reinvigorate their principled stance on democratic values, institutions, and practices. This does not mean reimposing suspended sanctions, but rather utilizing existing mechanisms to isolate bad actors. The U.S. should lead in rebuilding the old coalition that long pushed for democracy and human rights in Burma. At a minimum,

western countries should stop putting a thumb on the authorities' side of the scale through the false equivalency of "neutral" engagement that privileges government-to-government interaction. Better still, we should be unequivocal about expectations, and tie them to objective standards of democratic self-governance, international law, and human rights. This means holding the Burmese government accountable for its policies and actions and creating space for democrats to find their way forward. It also means standing firm on the imperative of an appropriate role for the military in a democracy, rather than trying to sweet talk the Tatmadaw into incrementally ceding power. We should put commercial and security engagement on the backburner until the reform process is moving toward a more genuinely democratic outcome and take a more circumspect approach on bilateral aid and engagement by international financial institutions and other diplomatic tools.

On the democracy programming side, we need to rethink the current strategy and reallocate resources to those interventions that are working, and away for cost-intensive ones that are having minimal positive effects. US assistance in the D&G sector in Burma suffers from same problems that USAID suffers from sector wide: over reliance on a small number of large contractors who are given multi-million dollar multi-year contracts to work in areas where they have little institutional knowledge or experience – locking in an approach that is somehow both inflexible and overly susceptible to short-term US priorities. These contractors apply cookie cutter approaches, cannibalize local organizations, flood some local groups with too much money too fast while starving others who they are unaware of or nervous about funding. After you take away the overhead expenses, indirect costs and money spent on expat salaries and benefits over and above those two slush funds, only a small fraction makes it to the local organizations that are actually taking the risks and doing the work. And that which does go to them is often programmed according to the donor's priorities, and spent in an overly prescriptive manner that does not really meet the needs of those organizations.

In light of this, it is unhelpful to use the amount of money spent on D&G as a metric for how committed the US is to promoting democracy and human rights. Rather, we should be taking a more critical look at the content and results. There are USG funded D&G activities that are having a positive impact, and many of them have roots well before the 2010 elections. These tend to be small, long-term focused, informed by experience in the country, flexible, and benefitting from dynamic engagement with and deep trust of local partners. I would point the Committee to the work that the National Endowment for Democracy and the State Department's Democracy, Human Rights and Labor bureau have been doing in Burma, as well as USAID's Office of Transition Initiative's programming (which unfortunately will be coming to a close over the next year).[1] Congress has directed that DRL should have a leading role in shaping the democracy strategy, but unfortunately USAID has repeatedly worked to diminish DRL's role in this regard and attempted to deprive it of Economic Support Funds for Burma work.

Finally, the failure to integrate democratic values and privilege engagement with democracies into the Asia "rebalance" seriously undermines our country specific

[1] Disclosure: Project 2049 currently receives funding from both NED and DRL.

interventions, whether with Burma, Thailand or Cambodia. The fact that we don't really engage China on democratization or political reform is not lost on other countries in the region. Likewise, our privileging economic and security ties over our concerns about democracy and human rights clearly signals that engagement with the US on those priorities provides countries a work around to avoid serious political reforms. Obviously the United States has to make its policy on the basis of American interests, and this has often meant sublimating our values to economic and security agendas, but we should not ignore the long-term costs of doing so. Thailand is a clear case in point. Across the region, unless policymakers at the domestic, regional and international level are prepared to deal with uncomfortable truths and shape their policies accordingly, the long-term situation is unlikely to improve on its own. It is not too late for a course correction in the "rebalance"—one that places support for genuine democracy at the center or at least on a genuinely equal footing with other pillars. While this may lead to some short term awkwardness in our relationships with Asian partners, the long-term stability of the region and our own relationships with the countries in it will be better for it.

Mr. SALMON. Thank you.
Mr. Hiebert.

STATEMENT OF MR. MURRAY HIEBERT, DEPUTY DIRECTOR AND SENIOR FELLOW, SUMITRO CHAIR FOR SOUTHEAST ASIA STUDIES, CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Mr. HIEBERT. Thank you, Mr. Chairman.

I was asked to speak about Thailand. Obviously, Thai democracy took a big hit on May 22, 2014, when the military ousted Prime Minister Yingluck following 6 months of protests. Hence, the National Council for Peace and Order, as the new government was called, moved quickly to prohibit political activities, censor the media, try dissidents in military courts, et cetera.

Analysts basically think Thailand, especially the Thai elite, view themselves as going through a historical political transition that has existential stakes for Thailand. The military, analysts say, has assumed military control to ensure that it manages the royal succession when that takes place down the road. And these people also say that it is unlikely we are going to see real elections in Thailand until there is this succession.

So when the military took over, it replaced civilian courts with military courts. It ordered newspapers to stop writing articles critical of the military. Satellite, television, and radio stations were shut. And access to many Web sites were blocked, as were meetings of more than 500 people—excuse, more than 5 people. On May 22, when they commemorated the first anniversary of the coup, officials arrested over 40 activists in various parts of the country for staging peaceful rallies to mark the military takeover.

The military has come out with a draft constitution, which is now being circulated. I think most Democrats would say that it falls far short of what observers would consider minimally credible for democracy. And the military also keeps pushing back the date for new elections. Elections that had been scheduled for early 2016 are now said to be delayed at least until August or September.

The other thing which was alluded to previously was the whole issue of human trafficking, human smuggling. I know it is not directly a democracy issue, but it is critically a human rights issue. The Thai military, after being put on the Tier III list last year, has started an investigation. They have arrested some people. They found bodies in makeshift camps along the Thai-Malaysia border. And this is obviously a situation that has been going on for years and an issue that will need to be addressed.

Thailand is a country that has had very long relations with the United States, dating back to 1833. It is a key country in Southeast Asia, ASEAN, it is very central. The U.S. And Thailand cooperate in so many areas. Thailand has the biggest U.S. Embassy in the region. The U.S. does much of its regional activity from Thailand.

So you have to try and think of a country that had democracy quite a bit of the time over the last four decades, you know, whether we can criticize the democracy, but it is at least an attempt, and then it has been interrupted by military coups. So trying to think about how the U.S. can respond and try to engage the Thais when they are in the midst of what they see as a very difficult transition

that goes far beyond democracy and a military coup is to try assign a high-level Thai envoy. This would be somebody who would represent the administration but would travel frequently to Thailand to consult with them, to keep them, not to say we concur and agree with everything but that we are trying to deepen our understanding of your concerns and listen to the perspectives of Thailand's key players.

The other thing we absolutely have to keep doing is continue pressing the military to rescind the orders restricting freedom of expression and freedom of assembly and those kind of issues, and also revoke the Penal Code article 112 on lese majeste.

And then the other one, which I already alluded to, is really the military has to put an end to human trafficking, establish an independent investigation, release the results, and bring justice to those perpetrating these abuses.

And then in trying to find ways to support the democratic principles of governance, one of the ideas that we have talked about in my office is whether it would be useful to try to put together a private eminent persons group of senior former officials, maybe private sector people, very prominent people who could talk to the Thais. They would talk to prominent Thais not in the military right now, about 5 years down the road, what they would like to see U.S.-Thailand relations look like. Thank you.

[The prepared statement of Mr. Hiebert follows:]

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Statement before the

House Committee on Foreign Affairs,

Subcommittee on Asia and the Pacific

"RETREAT OR REVIVIAL: A STATUS REPORT ON DEMOCRACY IN ASIA"

A Testimony by:

Murray Hiebert

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THAILAND

Thailand in the Context of ASEAN and the Asia-Pacific

It is important to understand trends in Thailand in the context of what is happening broadly in Southeast Asia as well as through the lens of U.S. geopolitical and economic strategy in the Asia-Pacific.

Thailand influences and is influenced by its neighbors in the Association of Southeast Asian Nations (ASEAN). It is going through a historic political transition that has existential stakes for Thais. Meanwhile, much of the rest of ASEAN is seeing a nuanced shift away from centrally controlled political models as its fast expanding and relatively young middle class, empowered by strong economic growth and technological innovations, has begun to assert itself and press governments for more transparency, access to decision making, and stronger institutions.

Thailand is one of the five founding members of ASEAN, an important regional institution founded in 1967. Thailand is a key nation within the construct of the 10 ASEAN countries. In responding to Thailand's political crisis, the United States must walk a tightrope, balancing consistency in U.S. foreign policy tenets supporting democracy, human rights, and freedom of expression with an unwavering focus on a strategic compass that defines U.S. interests as sustaining a strong and unified ASEAN as the core of emerging regional economic and security architecture.

Southeast Asia's political landscape is changing and Thailand will eventually be part of that pattern of enhanced transparency, broader participation in political decision making, and strengthening rule of law and institutions.

In the last 20 years, there have been at least two instances in which U.S. policies toward Thailand have been perceived as wrong footed: our response to the Asian financial crisis which began in 1998 and our response to the 2006 coup. In both cases, many Thais felt the U.S. response was not based on the foundation of our long standing alliance and friendship. Thais complained that U.S. policy was prescriptive, paternalistic, and did not take into account the real situation on the ground in Thailand. While we can argue about that perception, the reality is that there is growing concern about the United States in Thailand and creeping anti-US sentiment. Policy making should not be a popularity contest, but the United States risks losing serious geopolitical ground if it fails to manage this difficult chapter in Thailand's political evolution.

For now, the military has assumed political control in order to ensure it manages the royal succession, whenever that takes place. At least some observers say it is not likely that we will see real elections in Thailand until the succession takes place and that could be years from now.

Where Do We Stand Now?

The Thai military led by Gen. Prayuth Chan-och on May 22, 2014, ousted the civilian government of Prime Minister Yingluck Shinawatra following six months of disruptive political protests and installed a National Council for Peace and Order (NCPO). The NCPO moved quickly to prohibit political activity, censor the media, and try dissidents in military courts.

Two months later, it issued an interim constitution that allows the military broad powers and grants it immunity from prosecution. In March 2015, martial law was lifted but replaced by section 44 of an interim constitution, which grants full power and authority to Prime Minister Prayut as head of the NCPO.

Several days after the coup, the NCPO replaced civilian courts with military courts for crimes against national security and lese majeste offenses. Over the past 13 months, the NCPO has called in over 750 people, many of whom were politicians from Yingluck's Pheu Thai party, activists in the "red shirt" movement, and journalists who were allegedly involved in activities opposing the coup. Several hundred political dissidents are believed to have been tried by military courts.

The NCPO ordered newspapers not to publish articles critical of the military. Satellite television stations and radio stations loyal to political factions were shutdown, although some eventually resumed operations after they pledged not to discuss political matters. The military has blocked access to several hundred websites considered to pose threats to national security.

Public gatherings with more than five people are prohibited. Over 60 people are estimated to have been detained for participating in public gatherings. The military views comments critical of the monarchy (lese majeste) to be a criminal offense and has brought more than a dozen cases to the courts, including to military courts that often impose longer sentences than had been the case earlier in civilian courts.

On the anniversary of the coup on May 22, officials arrested over 40 activists in various parts of the country for staging peaceful rallies to mark the military takeover. Eleven students were charged with violating the military's prohibition against political activity and participating in gatherings of more than five people. In Bangkok, some of the students were reportedly beaten by officials trying to stop the commemoration activities.

The draft constitution currently being circulated falls short of what most observers would consider a minimally credible democracy. Senior leaders in both the Pheu Thai and Democrat parties have been critical of the draft.

The military keeps pushing back the date for new elections. Last month officials said the elections that had been expected at the beginning of 2016 would not take place before August or September 2016. The military has said that the elections were pushed back to allow for a referendum, but it has given no indication of what would happen if the draft constitution was rejected.

Immediately after the coup, the State Department announced that it was reviewing all U.S. assistance to Thailand and suspended about $3.5 million in unspent military assistance, mostly for training and education programs. It also suspended funds for IMET (International Military Education and Training), which have totaled about $1.3 million in recent years, and cancelled some military exercises. Washington also scaled back the annual Cobra Gold exercises held in February 2015, but U.S. and Thai officials have begun meeting to plan Cobra Gold 2016.

Human Trafficking and Waves of Migrants

The discovery in late May of about three dozen bodies in a makeshift camp near the Thai-Malaysia border has highlighted the longstanding problem of human trafficking along the Thailand-Malaysia border. Most were reportedly ethnic Rohingya Muslims from Burma/Myanmar and Bangladesh who died of hunger or disease while waiting for their traffickers to get payments from their families before smuggling them across the border into Malaysia.

Thousands of the roughly 1.1 million stateless Rohingya have been fleeing western Myanmar by boat due to discrimination, dire poverty, and lack of opportunity. Those who are caught in Thailand are deemed to be "illegal immigrants" and detained in immigration facilities pending deportation. The UN High Commission for Refugees is not allowed to conduct full-fledged interviews to determine whether the migrants warrant refugee status. Many Rohingya arriving in Thailand escape detention and end up under the control of trafficking operations.

Thailand launched a probe into human trafficking in May. More than 50 people, including an army officer and local officials, have been arrested in recent weeks. Police are reportedly looking for several dozen others.

The State Department in its 2014 Trafficking in Persons Report downgraded Thailand to tier 3, the lowest rating, for not tackling human trafficking. The European Union has threatened to block Thai seafood exports unless the government demonstrates progress in ending the

widespread use of forced labor in the fishing industry, recently reported in depth by the Associated Press.

A disturbing side effect of Thailand's crackdown against human smugglers in May was that traffickers abandoned boatloads of migrants from Myanmar and Bangladesh to fend for themselves in the Bay of Bengal. After initially refusing to allow boats thought to be carrying thousands of migrants to land, Malaysia and Indonesia agreed on May 20 to provide humanitarian assistance and shelter for up to one year for the stranded migrants. Thailand said it would provide humanitarian aid to migrants on boats.

At a conference in Bangkok on May 29, Malaysia and Indonesia said their naval and air forces would begin looking for migrants at sea. The United States and other countries announced that they would offer more aid to provide humanitarian care for those who made it to land. Myanmar, meanwhile, rejected the notion that it was partially to blame for the flight of thousands of Rohingya.

U.S. Policy Recommendations

The U.S. government should:

- Assign a high level Thailand envoy, a leader with long experience in Asia and high level foreign policy and security credibility. This person should be someone who can talk credibly to military leaders in Thailand. The envoy should travel frequently to Thailand to consult with various stakeholders, including the military, to deepen understanding of U.S. concerns and listen to the perspectives of Thailand's key players in the political drama that has engulfed the country.

- Continue to press the Thai military to rescind the orders restricting freedom of expression, peaceful assembly and other civil and political rights, end the use of military tribunals to try civilians, and amend or revoke penal code article 112 on lese majeste and release those convicted under this article.

- Urge the military to restore democracy as soon as possible.

- Press military officials to completely put an end to human trafficking and approve an independent investigation (in cooperation with the UN), release the results, and bring to justice those responsible for perpetrating these abuses.

- Find ways to support democratic principles of governance. Thai relations with China have long been strong and it seems that Beijing incrementally steps up its ties with the Thai military every time Washington pulls back. Washington needs to find ways to demonstrate that it remains a friend of Thailand, its longest treaty ally in Asia, and not turn its back on the country when politics enters a rough patch. One idea would be to establish a private eminent persons group of senior former U.S. foreign policy that could meet influential Thais on a regular basis to discuss the future of Thai-U.S. relations, say, five years down the road.

- If the military delays the elections beyond September 2016, Washington may want to consider other alternatives. The U.S. Embassy in Bangkok is one of the largest in the region and serves as the base for a raft of U.S. activities in Southeast Asia, including as the regional headquarters for the U.S. Agency of International Development (USAID), narcotics interdiction, and the Federal Bureau of Investigation (FBI). Thailand prides itself in serving as this regional hub, but if the return to democracy is delayed indefinitely Washington could demonstrate its concern by beginning to move some of these services and offices to neighboring countries.

- Once Thailand has successfully returned to democracy, Washington should move quickly with Bangkok to get relations, including military and security ties, back on a cooperative track.

Mr. SALMON. Thank you.

Mr. Manikas and Dr. Richardson, I am going to have a very truncated time frame. We just got buzzed for votes.

Is there a way that you could maybe abbreviate your comments? Because I just have one question that I would really like to get out there. Would that be all right?

Mr. MANIKAS. Sure.

Mr. SALMON. And I am so sorry for the way things operate sometimes around here. But I know you are used to it.

STATEMENT OF MR. PETER M. MANIKAS, SENIOR ASSOCIATE AND REGIONAL DIRECTOR FOR ASIA PROGRAMS, THE NATIONAL DEMOCRATIC INSTITUTE

Mr. MANIKAS. Thank you. I have submitted written testimony, so if I could just make a few brief points about Hong Kong, Thailand, and Burma in the context of the region as a whole.

Mr. SALMON. That would be great.

Mr. MANIKAS. Mr. Chairman, I don't think that any single trend, neither retreat nor revival, defines the direction of democracy in the region.

We have recently seen a military coup followed by a ban on political activity in Thailand. In Hong Kong, the government in Beijing has remained intransigent, insisting on its version of universal suffrage. In Burma, progress toward political reform has stalled as critical elections approach, although constitutional reform remains a possibility.

However, more positive and I believe a longer term trend has seen citizens demand more open and competitive political systems in countries such as Cambodia, Malaysia, and Singapore. Recent elections in those countries saw entrenched ruling parties face significant challenges by a reinvigorated opposition.

In Indonesia, there was a historic change in leadership which could deepen the nation's regional influence as a model for democracy. In demographic terms, urbanization, the existence of a youth bulge, and the rapid growth of social media will also likely increase demands for greater democratic accountability.

One important challenge that has emerged is the restrictions being placed on activities of civil society organizations. For example, in Cambodia, the new election law limits the ability of election-monitoring groups to criticize the government during the election period. And a proposed NGO law is under consideration that would deny registration to organizations that would harm national unity, culture, and the traditions of Cambodia.

In mainland China, a proposed law would limit the ability of local groups to receive foreign funding and would place the regulation of foreign NGOs under the ministry of state security.

In Burma, many NGOs are unsure of their legal status and uncertain of what activities they can engage in without violating the law.

In Hong Kong and Malaysia, civil society groups are being intimidated and accused of promoting American values.

Some international groups which work in the areas of human rights and democracy too have been accused of exporting an American model of democracy. I am not sure why it is referred to as an

American model. The people of Indonesia, Japan, Mongolia, the Philippines, South Korea, and Taiwan have embraced democratic governance and demonstrated that democracy is fully compatible with Asian values.

Finally, Mr. Chairman, I think that the response of the international community to the changes that are occurring should be a persistent engagement to support democratic reforms and to assist those who are advancing the democratic process, in the high hopes that the international community will continue its efforts to support reformers inside and outside of government in pursuing the goals and aspirations of people throughout the region who are seeking to improve their lives by improving their governments. Thank you.

[The prepared statement of Mr. Manikas follows:]

Statement of Peter M. Manikas
Director of Asia Programs, National Democratic Institute

Before the House Committee on Foreign Affairs
Subcommittee on Asia & the Pacific
"Retreat or Revival: A Status Report on Democracy in Asia"
June 11, 2015

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to speak about recent events in Hong Kong, Burma/Myanmar and Thailand. I would also like to place my comments in the context of the Southeast and East Asia region.

No single trend defines the direction of democracy in the region. Political developments over the past year have signaled continued advances in the democratic process in some countries and setbacks in others. In some countries, such as Cambodia, Malaysia and Singapore, entrenched ruling parties have faced reinvigorated challenges, with opposition parties making significant gains. National elections in Indonesia saw an historic change in leadership with the potential to deepen its influence as a model for democracy, economic development and stability in the region. Against this trend, political activity has been banned in post-coup Thailand following months of civilian protests, while students and other activist leaders in Hong Kong are vigorously opposing Beijing's insistence that it vet all candidates for the upcoming Chief Executive election. The rapid pace of reform in Burma/Myanmar that took the world by surprise only a few years ago has demonstrably slowed, and the nation is still grappling with the challenge of transitioning from military rule to a more open political and economic system.

These hearings come at a critical time. In Hong Kong, the Legislative Council will soon vote on whether to accept or reject Beijing's proposal on universal suffrage. In Thailand, a new constitution drafted by a military-appointed Assembly will be either adopted or rejected by the Thai people. In Burma/Myanmar, general elections will be held in late October or early November, which will likely see the National League for Democracy (NLD) participate for the first time since 1990. These events are pivotal in the sense that they will largely determine the trajectory of democratic development in these countries in the months, and perhaps years ahead. The course of democracy in these countries also may affect the advance of democracy in the region as a whole.

Hong Kong

Since the return of Hong Kong to Chinese sovereignty under the "one country, two systems" framework in 1997, the promise of a democratic electoral framework outlined in Hong Kong's constitution, the Basic Law, has not progressed according to the expectations of a large segment of the public. The Basic Law states that "the ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures" (Basic Law Art. 45). Currently, the Nominating Committee that elects the Chief Executive consists of 1,200 members belonging to 38 subsectors, including non-democratically selected "functional constituencies." During the recent government-led consultation process on political reform, citizens discussed the possible addition

of new subsectors to make the committee more inclusive and representative (such as adding new subsectors to represent the interests of women or young voters), but restructuring would necessarily mean disrupting and eliminating existing subsectors or committee members. For these reasons, the Hong Kong government's consultation document suggested that these changes are unlikely (Consultation Document, Chapter 3, Sec. 3.08 p. 10). Similarly, half of Hong Kong's Legislative Council (LegCo) comprises of the same functional constituencies, creating a check over the legislative process.

On August 31, 2014, the National People's Congress issued a Standing Committee decision that would allow Hong Kong citizens to directly vote for their Chief Executive in 2017 but retained restrictive conditions on the nomination procedure of eligible candidates. The Nominating Committee would resemble the previous committee that elected the Chief Executive, with the same number of members belonging to the same limited number of subsectors. Under this framework, Beijing effectively has the discretion to determine the candidates for the Chief Executive position. This political reform proposal triggered 79 days of protest and civil disobedience – what activists and the international media have referred to as the "Umbrella Movement." In reaction to the movement, a coordinated campaign has been launched to discredit pro-democracy activists and movement organizers. Attacks on leading liberal professors and student leaders in Hong Kong's pro-Beijing media, reports of Hong Kong government interference in academic appointments, and renewed calls for "patriotic education" in Hong Kong schools, have had a chilling effect on freedom of speech, freedom of association, and academic independence. The government's political reform proposal will finally come to a vote by the Legislative Council (LegCo) on Wednesday, June 17. LegCo seems irreconcilably divided between the pan-democrat and pro-establishment party camps.

The government's failure to meet the expectations of a large segment of the public on universal suffrage has left Hong Kong deeply polarized. While several university professors conceived of last year's movement for universal suffrage and articulated many of the guiding principles, young people and student associations drove the mobilization effort and quickly assumed ownership of the movement. The false narrative put forward by Hong Kong and Beijing officials that the student-led activities were instigated by "external" or "foreign forces" may be used as a pretext to re-introduce national security legislation under Article 23 of the Basic Law, which would drastically curtail civil liberties.

NDI has worked in Hong Kong since 1997 and its programs have been conducted at the request of, and in collaboration with, local partners such as universities and civil society organizations. The objectives of NDI programs in Hong Kong have been education and dialogue around comparative electoral models and to better enable citizens to effectively participate in the government-initiated electoral reform process. The Institute's activities are inclusive of the many segments of Hong Kong society – including young people, lower income groups, ethnic minorities, women, and the elderly – and feature a diversity of political viewpoints across party and ideological spectrums. Pro-establishment as well as pan-democrat political party members participate in NDI-sponsored events. Any viewpoint may be expressed at the academic public forums or university-managed websites for which NDI has provided assistance. These are designed to be neutral and educational platforms and do not endorse any particular political position. By creating forums for inclusive political dialogue on various modes of governance,

NDI activities provide a constructive outlet for grassroots voices, an opportunity for education, and the possibility of forging meaningful consensus.

Over the past year, NDI's programs in Hong Kong have engaged students, political parties, and civil society in substantive dialogue on electoral systems and the public consultation process to amend the method of electing the Chief Executive. NDI supported a university partner to build an interactive website that allowed citizens to create their own models of universal suffrage. Online participation reflected the deep level of interest on electoral governance issues, particularly among young people over the past year. During the first official consultation period (December – May 2014), in which citizens could offer their views on universal suffrage, the website received more than 700 models of universal suffrage, many of which were submitted to the Hong Kong government. Communities also formed around co-branded pages on social media, which received even more user traffic than the interactive website. In parallel with these online platforms, local NDI partners organized several public debates offline, where prominent speakers from opposite ends of the political spectrum argued the merits of their proposals for political reform. The online platforms promoted these debates, allowed for sharing of citizen-generated content on relevant topics, and crowd-sourced questions for event speakers.

Burma/Myanmar

Burma/Myanmar's upcoming parliamentary elections, expected to occur in November 2015, will be widely viewed as a test of the country's leadership's commitment to genuine democratic reform and an opportunity to strengthen citizen confidence in the country's ongoing transition from military to civilian rule. Certainly, there has been significant political liberalization, but the transition process has been uneven and the outcome is still uncertain. As a result of the country's long history of political repression, citizens are deeply suspicious of the government's commitment to multiparty democracy and a political process in which they have never been permitted to participate. Moreover, the 2015 elections will not be conducted on a level playing field. The 2008 Constitution provides that 25 percent of the seats in the national and regional legislatures are reserved for the military. With 75 percent of the parliamentary seats in contention, this means that the National League for Democracy (NLD) and other opposition parties will need to win twice as many seats as a party aligned with the military to gain a majority in each chamber. The six-party talks that began in April 2015 between government, opposition and military leaders could lead to agreement on a constitutional reform package that would demonstrate a spirit of compromise among key leaders and institutions and help ensure credible elections in 2015. However, with the election now less than five months away, major constitutional reforms appear unlikely, including a change that would allow opposition leader Aung San Suu Kyi to run for president. The NLD has not ruled out a boycott of the November polls if significant reforms are not adopted.

The effectiveness of the ongoing reforms and the public's view of the upcoming elections will depend in part on the inclusion of all segments of Burma/Myanmar's diverse population. While political space has opened for democratic activists, enforcement of the rights of assembly and expression remains uncertain. Many political prisoners have been conditionally released, others remain in custody, and those who have been discharged are unsure of the extent of their freedom to engage in the political process. Communal violence, continued fighting in ethnic states and

rising social tensions are creating additional challenges which, if left unresolved, could further complicate Burma/Myanmar's democratic transition. Over 100,000 Royhingya are internally displaced in central Rakhine state and hundreds of thousands have fled into neighboring countries. Many of those who have fled have become victims of human trafficking. While progress has been made in negotiating a draft peace agreement between the government and the nation's ethnic groups – which comprise approximately 40 percent of the population – human rights abuses persist, particularly in the border areas. Reforms have had little impact for many who live in remote rural areas. With violence continuing in areas throughout the country, electoral processes in portions of the ethnic states and in remote areas may be at risk. The process of advance voting, a key area of concern during the 2010 elections, has not been accessible to observers, party agents or the media in past elections. Although permitted to vote previously, those with temporary identification papers ("white cards") – estimated at approximately one million people, primarily Rohingya and other ethnic minorities – will be disenfranchised unless they are able to prove their right to citizenship and obtain national identity cards. In this context, Burma/Myanmar's electoral processes are likely to be intensively examined by all stakeholders in the period leading up to, during, and immediately following the elections.

NDI maintains offices in Yangon and Nay Pyi Taw conducting work with domestic election monitoring groups and with parliament. Nonpartisan citizen observation will be lawful for the first time, as provided in recently released Union Election Commission (UEC) codes of conduct for international and domestic election observers. These regulations reflect many recommendations put forth by Burmese civil society. NDI is working to strengthen the capacity of its civil society partners to observe the 2015 elections across the country in a non-partisan manner. In addition, through the Institute's Parliamentary Resource Center in Nay Pyi Taw, legislators are conducting Internet-based research and engage with a variety of international parliamentary experts to develop greater awareness of democratic norms and practices. In the immediate post-election period, NDI will promote greater opportunities for Burma/Myanmar's citizens to effectively advocate for transparent and responsive governance while promoting a stable parliamentary transition that emphasizes the democratic process as a means of resolving differences.

Thailand

Thailand has now experienced 19 military interventions since the overthrow of the country's absolute monarchy in 1932. Although the military returned the country to elected government within a year following the previous coup in 2006, over a year has elapsed since their 2014 intervention. This latest coup followed months of street protests between "red shirt" supporters of the country's formerly elected Prime Minister Thaksin Shinawatra and the "yellow shirts" aligned with the monarchy and the main opposition Democratic Party. Thaksin remains popular among the urban poor and in the country's rural northeast, while the Democrats have failed to win an election since 2001. Since the coup, however, civil liberties have been sharply curtailed and political parties have remained largely inactive. Section 44 of the interim constitution grants the National Council for Peace and Order (NCPO) broad authority to issue orders to suppress acts deemed detrimental to "national order or security."

Underlying the current crisis is a lack of consensus among the major political parties about the rules of the game and the constitutional framework under which they are operating. This impasse can only be resolved through agreement among Thailand's leaders on constitutional reforms founded in the will of the people with appropriate checks on the exercise of power by the majority. While this goal appears straightforward, it has proved elusive. In this context, the military's intervention might be seen more as a symptom than the cause of Thailand's current troubles.

Following the coup of May 22, 2014, the military-led NCPO appointed a cabinet and a National Legislative Assembly (NLA) to oversee the day-to-day administration of the country; a National Reform Assembly (NRA), tasked with identifying areas in need of political reform; and a Constitutional Drafting Committee (CDC) to create a new constitution for Thailand. The new draft constitution – written by the military-appointed assembly – sidelines political parties and places checks on elected representatives by elite dominated entities. In response to the public release of the draft in April 2015, many academics, political party representatives, and NRA members expressed concern at several of the provisions, stating that it would make parliament ineffective and unable to carry out its duties. A constitutional referendum is expected to take place in January 2016 that, if passed, would allow for new elections in August or September 2016. The Deputy Prime Minister has outlined four options in case the draft constitution does not receive public approval in a referendum: to set a new National Reform Council (NRC) and a new Constitution Drafting Committee to draft a new charter; to form a panel to craft a new draft without setting up a new NRC; to assign the National Legislative Assembly the task of crafting the new draft; and to assign one organization to choose from the previous charters for reconsideration.

Thais increasingly are demanding more from their government, yet avenues for public and inclusive debate on the draft constitution and subsequent legislation are largely absent. Moreover, across Thailand's political establishment, youth are often sidelined from mainstream politics and are afforded few avenues to contribute constructively to the political process. Based on the last census held in 2007, Thais between the ages of 15 to 26 represent roughly 17 percent of the population (10 million people). With political space constricting throughout the country, Thai youth are turning to social media for political communication and engagement. To enhance prospects for timely and enduring political reforms, NDI is conducting community youth forums throughout the country and, in the coming months, will be working with urban youth on the development of online platforms to engage local government officials. These platforms are needed to enable citizens, particularly youth, to engage constructively in the political process and promote more inclusive and responsive political parties.

Mr. Chairman, the challenge confronting the international community is in how to respond to the changes that are occurring. Persistent engagement is needed to support democratic reforms and to assist those who are committed to advancing the democratic process. NDI hopes that the international community will continue its efforts to help reformers inside and outside of government in pursuing their goals and fulfilling the aspirations of the people throughout the region who are seeking to improve their lives by improving their governance. Information on NDI's programs throughout Asia can be found on our website at www.ndi.org.

Mr. SALMON. Thank you.
Dr. Richardson.

STATEMENT OF SOPHIE RICHARDSON, PH.D., CHINA DIRECTOR, HUMAN RIGHTS WATCH

Ms. RICHARDSON. Sure. I will take Peter's 2 minutes. I am going to be really quick here.

Chairman Salmon, I think it is manifestly the case that the arc of history is not bending toward justice in mainland China. And I think the jury is really out on the direction that Hong Kong is taking.

The core issue here is not complex: The right to vote and the right to run are equally important. And you don't get to claim democratic reform by giving one while undercutting the other.

We can have a much longer discussion about this. But since I was asked to comment specifically on how the U.S. is doing, I think it is fair to say that while the U.S. has diagnosed the correct problems, I think it has been deeply reticent about being very forceful about those. If you compared, for example, the forcefulness and the frequency of American rhetoric, democracy in Hong Kong to democracy to other parts of the world, you would see a pretty significant gap.

And I think that if the U.S. is willing to say, as the previous panel did, that chief executives in Hong Kong lack legitimacy because they haven't been popularly elected, I really look forward to people making that point about Xi Jinping. I think there are many steps that the U.S. could take: Speaking of more frequently; being seen to be meeting with a full diversity of actors in Hong Kong; I think having codels visits helps enormously.

And I certainly hope that you will take from this hearing your concerns and formulate them to the administration in advance of the S&ED and Xi Jinping visit. Thanks.

[The prepared statement of Ms. Richardson follows:]

Sophie Richardson

China Director, Human Rights Watch

House Committee on Foreign Affairs

Subcommittee on Asia and the Pacific

June 11, 2015

Hearing on Democracy in Asia

Chairman Salmon, Ranking Member Sherman, members of the committee, thank you for inviting me to testify this morning. As Hong Kong's Legislative Council prepares to debate and vote next week on the Chinese government's proposed electoral reform "package," this discussion is extremely timely.

Current and Recent History of Democracy in Hong Kong

Basic Legal Framework

The 1984 Sino-British Joint Declaration spelled out the terms for transfer of Hong Kong from British to Chinese control. That document stipulates that Hong Kong shall have "a high degree of autonomy" in matters other than national defense and foreign policy, while the Basic Law, Hong Kong's functional constitution, states that universal suffrage is the "ultimate aim" for the selection of the chief executive, the top leader, as well as members of the Legislative Council. The Basic Law also provides that the International Covenant on Civil and Political Rights (ICCPR) applies to Hong Kong, and the Covenant's guarantee of universal and equal suffrage means that people not only have the right to vote in

elections, but also that they should have the right to stand for elections regardless of their political views.

Hong Kong's Basic Law states that after 2007, Hong Kong can move towards the goal of universal suffrage by amending the electoral methods in three steps. First, two-thirds of all Legislative Council members have to endorse the amendments. Second, the current chief executive has to agree to it. Last, the amendments have to be reported to China's Standing Committee for the National Peoples' Congress (NPCSC) for approval.

Beijing Backtracks

The central government, in a series of decisions made since 1997, has backtracked and foreclosed on this obligation to institute universal and equal suffrage. The commitment to allowing electoral reform to be decided by Hong Kong people was first broken on April 6, 2004, when the NPCSC made an "interpretation" of the Basic Law adding a requirement that the chief executive submit a report to Beijing justifying the need for any further democratization. The decision means that electoral reforms can only be initiated by Beijing's hand-picked chief executive, and that the NPCSC must then approve any reform proposals initiated by the chief executive before the Legislative Council can weigh in. This thus bars Hong Kong's semi-democratic legislature from taking any action without Beijing's approval. In 2004, the NPCSC ruled out universal suffrage for the 2007 selection of the chief executive and the selection of the 2008 Legislative Council. In 2007, it ruled again that there would not be universal suffrage for the next elections of the chief executive and the Legislative Council in 2012. But the 2007 decision also said that universal suffrage was "maybe" in store for the next chief executive election and Legislative Council elections in 2017 and 2020, respectively.

Ahead of the promised reforms for 2017, Hong Kong's Chief Executive Leung Chun-ying established a task force on the issue on October 17, 2013. The task force started the first round of public consultation on December 4, 2013, which lasted for five months. Leung's report on the consultation to the NPCSC, which he submitted on July 15, 2014, said it is "mainstream opinion" in Hong Kong that chief executives must "love China and love Hong Kong"; that the power to nominate chief executive candidates should be vested in a

committee like the current structure controlled by Beijing, and that the legislature should not be democratized before the next elections.

Although the public consultation was ostensibly open to public input, the results as presented to the central Chinese government as "mainstream opinion" were clearly manipulated and failed to reflect different views articulated by large segments of the population, who have consistently expressed strong desires for genuine democracy both in public opinion polls and in demonstrations.

Following the report's submission, on August 31, 2014, the NPCSC made a decision on the 2017 chief executive elections that catalyzed the Occupy demonstrations. While all eligible voters in Hong Kong will now be allowed to cast ballots for the territory's chief executive, Beijing's proposal imposes a stringent screening mechanism that effectively bars candidates from nomination for chief executive that the central government in Beijing dislikes.

Limitations on who may run for office that are based on political opinion, expressions, membership, or association are incompatible with the ICCPR. That the Chinese government has labelled pro-democracy legislators and political figures who criticize the Chinese Communist Party's policies on Hong Kong and human rights as "anti-China," suggests an intent to discriminate against potential candidates for chief executive on the basis of their political opinions. Political screening of candidates for office in Hong Kong is also incompatible with the Sino-British Joint Declaration's commitment to Hong Kong's "high degree of autonomy." Any chief executive will be bound under the terms of the Joint Declaration and the Basic Law, and the Hong Kong government has been promised it can otherwise enjoy great autonomy and reflect the preferences of Hong Kong people on most policy matters. Many successful governments around the world have local officials and administrations with views divergent from those at the national level.

Demonstrations

On September 22, 2014 Hong Kong students' weeklong boycott of classes against the "reform package" ended with the students entering Civic Square, in front of the government headquarters, without permission. Police clearance of the peaceful students

using pepper spray and force sparked bigger protests; police handling of these protests—blocking off the protest area and declaring the protest illegal—in turn prompted more demonstrators to join, leading them to spill onto roads nearby.

The "occupation" of parts of Hong Kong lasted until mid-December, when it was eventually cleared by the police. During the occupation, Hong Kong police at times used excessive force. Demonstrators also alleged that the police in some circumstances failed to promptly protect them when attacked by counter-demonstrators, and in at least one instance seven Hong Kong police were caught on film beating and kicking Ken Tsang, a demonstrator. While those officers have been arrested, they have not yet been prosecuted. The Complaints Against Police Office received complaints from approximately 1,900 individuals regarding Occupy, yet only about 150 were actually taken up for closer scrutiny.

Hong Kong authorities only agreed to one meeting with student leaders, and that discussion, at which the Hong Kong government was represented by Chief Secretary Carrie Lam, was inconclusive.

Other Human Rights Concerns in Hong Kong

Although the media has greater freedom in Hong Kong than elsewhere in China, journalists and media owners, particularly those critical of Beijing, came under increasing pressure in 2014. In February, a prominent editor, Kevin Lau, was stabbed by unidentified thugs; in July, HouseNews, a popular independent news website known for supporting democracy in Hong Kong, was shuttered by its founder, who cited fear of political retaliation from China; throughout 2014, Jimmy Lai and his media businesses, known for critical reporting on China, were repeatedly threatened.

Decisions by immigration authorities to deny entry to several visitors critical of China's human rights record raised concerns that the territory's autonomy was being eroded. Hong Kong-based activists have expressed concern that peaceful demonstrations are increasingly subject to aggressive police surveillance.

What's Next?

LegCo will debate and vote on the government's "reform" package starting on June 17, and Hong Kong's Chief Secretary has said she expects the process will be finished by June 20. If the package is voted down, Hong Kong will simply continue to hold elections as it has in the recent past, and franchise will not be extended. Beijing has said repeatedly in recent months that it will not alter the proposal, and it remains unclear if the electoral framework can be amended in the future if it is adopted unchanged now. Hong Kong police have announced that they are prepared for demonstrations in response to the vote.

Human Rights Watch believes that the Chinese government should realize that Hong Kong's political system is unsustainable and must be fixed to make it more responsive to the people of Hong Kong. Each of the chief executives handpicked by Beijing has proven deeply unpopular with significant numbers of people in Hong Kong, and the prolonged uncertainty over the 2017 and 2020 election process is likely to trigger ongoing protests. The Chinese government should also realize that its repeated manipulations of the Basic Law causes resentment and mistrust of Beijing among many people in Hong Kong.

The Hong Kong government should commit to an investigation into all credible allegations of the use of excessive force to clear protestors during the Occupy protests, and exercise restraint with respect to further uses of force, particularly in light of anticipated protests or rallies next week following the LegCo vote on the reform package. It should announce steps to make the nomination committee for the chief executive, which remains dominated by Beijing loyalists "broadly representative," as articulated in the Basic Law. It should also take steps to democratize the Legislative Council such that all members are elected on an equal basis. Authorities in Beijing and Hong Kong must revisit undemocratic electoral arrangements, which give some voters multiple votes and others only one, and ensure that, as required by article 45 of the Basic Law, appropriate ones are fashioned "in light of the actual situation in the Hong Kong SAR," where the majority favors genuine democracy.

The United States and Democracy in Hong Kong

Over the past year, the US has spoken in support of genuine universal suffrage and the legitimacy an elected leader would bring in Hong Kong. It has done so at senior and

working-levels, and has expressed concern that, "China's commitment to the "One Country, Two Systems" model, as well as to maintaining a high degree of autonomy, are eroding." It has stipulated that the US believes not just in the right to vote but the right to run: meaningful elections are ones "that provides the people of Hong Kong a meaningful choice of candidates representative of the voters' will. This means allowing for a competitive election in which a range of candidates with differing policy approaches are given an opportunity to seek the support of eligible Hong Kong voters."

American officials meet regularly with pro-democracy leaders in Hong Kong. The US has complied with reporting requirements regarding Hong Kong, and provided support to democracy-promotion activities. And importantly, the US has linked the lack of democracy in Hong Kong to a lack of democracy in the mainland.

At the same time—and compared to vigorous, unapologetic support to democracy in other parts of the world—the US clearly does not want to fuel perceptions, however misplaced, that it is supporting one set of actors. There are inconsistencies within the US government, and indeed within the State Department, about whose responsibility it is to push Beijing to fulfill its obligations to respect political rights in Hong Kong, and indeed whether and how hard to push Beijing to fulfill its obligations to respect political rights in the mainland. It remains of grave concern to Human Rights Watch that American officials rarely speak about the lack of competitive elections in China, or even imagine standing in solidarity with pro-democracy voices from the mainland.

The United States' rhetoric is also problematic when it urges "all sides" in Hong Kong to exercise restraint and pursue compromise. In the abstract, these points are valid. But in reality the vast majority of the people in Hong Kong who want genuine democracy have methodically and exhaustively pursued all avenues available to them—only to be ignored. The vast majority of those who demonstrated did so with extraordinary restraint—only to be ignored. The US should acknowledge these realities, rather than resort to abstract niceties.

What should the US do differently or better?

- On all appropriate occasions, including the outcome of the vote on the reform "package," the US should comment from Washington, Beijing, and Hong Kong to underscore the role of relevant players in the US, Chinese, and Hong Kong governments.
- The lack of respect for political rights in Hong Kong and in the mainland should be an issue of priority in the June US-China Strategic and Economic Dialogue and in the September visit by President Xi Jinping to Washington.
- It should encourage other like-minded governments, including the European Union and United Kingdom, to speak with one principled voice.
- It should publicly urge Hong Kong authorities to amend the Public Order Ordinance, which because it requires all demonstrations to receive prior approval, is not in conformity with international human rights standards on the freedom of assembly, and to promptly pursue all allegations of excessive use of force by the police.

Mr. SALMON. You really hit on the issue that I wanted to ask the question on anyway. And anybody is free to give me their thoughts on it. But some observers think that the U.S. Government should do a lot more to promote democracy in Hong Kong.

Every time we do, China says: Hands off, it is a domestic issue.

What are some of the things that you think that the U.S. Government should do? And what kind of concrete steps? I mean, it is great that we make statements in hearings like this and when we have private meetings with them. But the needle isn't really moving. And can we step things up?

Ms. RICHARDSON. I think the reality with China is that you could, the U.S. Could, in theory, throw everything and the kitchen sink at it and the Chinese Communist Party might not be moved. I do think that is a reality.

That said, I think there is a great deal more that the U.S. can do. And if you think comparatively, you know, when you look at, for example, the initial photographs of Occupy, all I can think of, for example, was Ambassador Victoria Nuland at Maidan Square handing out bread to demonstrators. Or you read a jointly penned op-ed by the President and the President of Tunisia talking about democratic reform. And you wonder how many people the administration even tried to imagine a world in which such an activity could be pursued with a peaceful government critic from China or from Hong Kong. I think people have gotten badly ground down by Chinese Government reticence. But there are plenty of examples of how the U.S. promotes democracy and defends rights in somewhat less hostile environments that could very effectively be pursued.

Mr. SALMON. This is something I would like to even put a little more flesh on the bones with you. Maybe we could privately meet and talk about some of your ideas. I really don't want to give short shrift. This is a wonderful panel. And I am so sorry that we couldn't just spend hours and hours because I know I would probably learn a lot. Thank you so much for being here today.

Ms. CURRIE. On the last question, can I add something to Sophie's comment?

Mr. SALMON. Yes.

Ms. CURRIE. Thank you. The fact that we don't really engage China on democratization in the mainland, actually, it is a huge problem not just for our engagement with China but it undercuts our efforts to promote democracy elsewhere in the region.

The other countries in the region aren't clueless about the fact that we are not raising this with China. We are putting pressure on them to do something that we won't even talk to the Chinese about. And I think that in order for us to really address this in Hong Kong, it has also got to be part of a package of addressing it with China writ large. And we don't do that anymore. It used to be a standard feature of U.S. diplomacy to talk about political reform in China. And it has completely dropped off the agenda.

Mr. SALMON. You are a great straight man because that is exactly what our hearing next week is going to address. Thank you very, very much. We are thinking alike there.

This meeting is adjourned.

[Whereupon, at 4:26 p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Subcommittee on Asia and the Pacific
Matt Salmon (R-AZ), Chairman

June 8, 2015

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on Asia and the Pacific in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at http://www.ForeignAffairs.house.gov):

DATE: Thursday, June 11, 2015

TIME: 2:00 p.m.

SUBJECT: Retreat or Revival: A Status Report on Democracy in Asia

WITNESSES:

Panel I
The Honorable Tom Malinowski
Assistant Secretary
Bureau of Democracy, Human Rights, and Labor
U.S. Department of State

The Honorable Jonathan Stivers
Assistant Administrator
Bureau for Asia
U.S. Agency for International Development

The Honorable Scot Marciel
Principal Deputy Assistant Secretary
Bureau of East Asian and Pacific Affairs
U.S. Department of State

Panel II
Sophie Richardson, Ph.D.
China Director
Human Rights Watch

Ms. Kelley Currie
Senior Fellow
Project 2049 Institute

Mr. Murray Hiebert
Deputy Director and Senior Fellow
Sumitro Chair for Southeast Asia Studies
Center for Strategic and International Studies

Mr. Peter M. Manikas
Senior Associate and Regional Director for Asia Programs
The National Democratic Institute

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *Asia and the Pacific* HEARING

Day *Thursday* **Date** *6/11/15* **Room** *2172*

Starting Time *3:09* **Ending Time** *4:25*

Recesses [ ] (____to ____) (____to ____) (____to ____) (____to ____) (____to ____) (____to ____)

Presiding Member(s)

Matt Salmon

Check all of the following that apply:

Open Session [✓]
Executive (closed) Session [ ]
Televised [ ]
Electronically Recorded (taped) [ ]
Stenographic Record [ ]

TITLE OF HEARING:

Retreat or Revival: A Status Report on Democracy in Asia

SUBCOMMITTEE MEMBERS PRESENT:

Brad Sherman, Grace Meng, Alan Lowenthal, Gerald Connolly

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

Joseph Crowley

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] **No** [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Statement of Mr. Connolly

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *4:25*

Subcommittee Staff Director

Retreat or Revival: A Status Report on Democracy in Asia
Subcommittee on Asia and the Pacific
House Committee on Foreign Affairs
Thursday, June 11, 2015, 2:00 p.m.
Questions for the Record Submitted by Chairman Matt Salmon

Democracy in Asia

- The U.S. government has spent hundreds of millions in democracy assistance in these four locations, with clearly mixed results. Which specific interventions in each country do you believe have been the most successful and had the most impact in terms of supporting the development of genuine political reform in the region? How much of current D&G funding in the region goes to large contractors? What percentage has been programmed with local organizations?

Burma

- In recent months, the State Department has dropped its calls for "free and fair elections" in Burma and has adopted the phrase, "credible, inclusive, and transparent," as a primary goal for the upcoming parliamentary elections. Has the State Department shifted its expectations for Burma's parliamentary elections? Does the U.S. have any objective standards it is using to evaluate the electoral and political processes currently underway, and if so, what are they? Beyond extremes of violence and widespread, obvious election fraud, what outcomes are acceptable and which ones are not?

Hong Kong

- China frames issues regarding political developments in the area where it considers itself sovereign – whether elections in Hong Kong, the DPP's projected win in next year's presidential election, or protests for rights in Xinjiang and Tibet – in terms of its core interests. For the United States, each of these issues reflects our own core interests in the advancement of democracy, civil society, and human rights across the People's Republic of China, particularly in Hong Kong where its history and special "one

country, two systems" status has allowed for a degree of freedom, liberalism and pluralism to take root and flourish.

- What are the administration's plans to express solidarity with Hong Kong's democracy activists as part of a principled approach to summitry with China this year? Can Congress and the American people expect a public expression of support that will be heard by democracy activists in Hong Kong, China and elsewhere?

Thailand

- How well is State coordinating with DOD on Thailand, which has historically played a major role in managing the U.S.-Thailand relationship? In March, the U.S. Pacific Command indefinitely postponed what was to have been the first planning meeting for next year's *Cobra Gold* exercises. Was this a signal to the ruling junta? What do you think about using *Cobra Gold* as leverage to encourage the military government to move towards elections? What options exist to hold multilateral exercises elsewhere in the region?

- Which agents or structures, such as the military, civil society, and political institutions, are key for the development of democracy in Thailand? How are U.S. assistance programs working within each area to promote democracy and human rights?

2

[NOTE: Responses were not received to the above questions prior to printing.]

Questions for the Record
Submitted to USAID Assistant Administrator Jonathan Stivers by
Chairman Matt Salmon
Committee on Foreign Affairs, Subcommittee on Asia and the Pacific
U. S. House of Representatives
June 11, 2015

Question:

An Irrawaddy News article from July 2014 highlighted that UN agencies, USAID and some of AID's contractors are spending millions of dollars a year on rent payments to members of Burma's military elite, their families, and their cronies. In the cases highlighted, USAID contractor Development Alternatives International (DAI) were reportedly renting a home from the family of Khin Nyunt, the former head of Burma's military intelligence, and UNICEF was spending approximately $87,000 a month to rent a mansion owned by another former junta leader and minister in the current government. These rents amount to a direct transfer of US assistance funds into the coffers of people who thwarted democracy and abused human rights in Burma for decades.

Please inform the committee about the steps USAID and its contractors have taken to address the rent problem, as well as issues with individuals who are on the SDN list that the USG inadvertently paid money to during Secretary Kerry's visit to the ASEAN Summit in 2014. Please also share with the committee the current monthly rate that USAID is paying for its own rented space outside the embassy compound, including for the residence of the chief of mission, and who the property owners are. We would also appreciate if you would provide similar information for the 10 largest contractors USAID is funding in Burma this fiscal year.

Answer:

The U.S. Agency for International Development (USAID) has actively taken steps to reinforce due diligence procedures and implementing partner obligations to ensure that assistance is not provided to individuals or organizations credibly alleged to have committed gross violations of human rights. USAID contractors and grantees are directed to perform the due diligence necessary to ensure compliance with the U.S. Government's principled engagement approach with Burma. USAID requires its implementing partners to check the Specially Designated Nationals (SDN) list to ensure that funds do not flow to individuals or organizations subject to Office of Foreign Assets

Control sanctions. When granting awards, USAID/Burma briefs implementing partners on due diligence requirements and communicates regularly with implementing partners about these requirements.

Following the release of the Irrawaddy News article in July 2014, USAID contractor Development Alternatives Inc. (DAI) immediately took steps to address inadequate due diligence procedures and relocated its office.

Secretary Kerry's participation in the 2014 ASEAN Regional Forum Ministerial was coordinated by the Department of State. The Government of Burma assigned all hotels for international delegations to the meeting in Naypyitaw, including the assignment of the U.S. delegation to the Lake Garden hotel. The U.S. government requested a hotel assignment change from the Ministry of Foreign Affairs, but that was not granted given the relatively small number of hotels in Naypyitaw and the large conference that was taking place. For all U.S. government travelers to Naypyitaw, the U.S. Embassy provides guidance on the known owners of hotels in Naypyitaw to direct official travelers away from SDN-owned properties.

Burma's high rent costs – among the highest in Asia – are due to significant price escalation over the past three years in part because of the very severe shortage of available housing that meets required security and safety guidelines. The USAID Mission in Burma does not rent office space outside of the U.S. Embassy, as it is co-located on the embassy compound. Further, the residence of the Chief of Mission is owned by the U.S. government. Housing for U.S. government personnel assigned to Burma, including USAID, is identified by the Embassy's General Services Office and assigned by the Interagency Housing Board, in accordance with regulations outlined in

the Foreign Affairs Manual. For the USAID Mission Director and USAID staff in Burma, the average per residence cost is $6,135 per month. USAID implementing partners currently pay in the range of $1,000-$5,000 per month for their residential housing.

We have requested further information from implementing partners in Burma on their costs and other details for office space, since such information is not regularly kept by USAID, and will provide that information when it becomes available.

Supplemental Response
Questions for the Record
Submitted to USAID Assistant Administrator Jonathan Stivers by
Chairman Matt Salmon
Committee on Foreign Affairs, Subcommittee on Asia and the Pacific
U. S. House of Representatives
June 11, 2015

Supplemental Response:

In response to our commitment to provide additional information on the Question for the Record to USAID Assistant Administrator Jonathan Stivers on June 11, USAID requested further information from our implementing partners[1] in Burma on their costs for office space.

The attached spreadsheet provides details on office rent costs for main offices located in Yangon—including square footage and number of staff in each office—and the owner of each property as provided to USAID by our implementing partners. The list is comprised of the ten largest implementing partners by award size based on allocations from USAID/Burma's Fiscal Year 2014 bilateral budget—the most recent year of funding available for obligation.

When reviewing the spreadsheet, please note that:

- Regarding implementing partners: Some have more than one activity in Burma and others are a consortium of organizations. In the case of a consortium, we collected office rent information for all consortium members.
- Regarding Burmese names: Many people in Burma have the same or similar sounding names. In addition, there is no standard transliteration for the Burmese language into English, so many names have multiple possible spellings. Our implementing partners are required to perform the due diligence necessary to confirm that, despite same or similar sounding names in a few instances, their landlords are not on the Specially Designated Nationals list.

[1] Implementing Partners include contractors and grantees. This definition does not include activities with Public International Organizations.

USAID/Burma FY 2014 Top 10 Recipients

Ranking	Implementing Partner	Program/Activity Name	Office Cost (Monthly/US$)	Square Footage	# of Employees	Owner
1	PACT (ALL CONSORTIUM MEMBERS) - TOTAL see *FN1	Shae Thot (The Way Forward)	$19,055	15,068	322	Please see below for details.
	PACT Myanmar	Shae Thot (The Way Forward)	$8,032	3,398	87	U Sein Win
	PACT Myanmar		$7,279	3,863	38	Daw Thet Htar Hlaing
	PACT Myanmar		$1,540	1,543	125	Daw Nu Nu Htwe
	PACT/CESVI		$1,500	1,620	6	Daw Khin Ohin Myint
	PACT/MSI (Home Office 1)		$295	216	12	Daw May Than Htike
	PACT/MSI (Home Office 2)		$1,127	648	7	Daw Sein Htwe
	PACT/Thirst-Aid		$396	625	4	U Nay Win
	PACT/Social Visions Services (SVS)		$485	240	12	U Aung Thein
	PACT/Community Development Association (CDA)		$300	990	15	U Yan Naing
	PACT/Swanyee Development Foundation (SDF)		$100	1,925	16	Daw Khin Than Mu

USAID/Burma FY 2014 Top 10 Recipients

Ranking	Implementing Partner	Program/Activity Name	Office Cost (Monthly/US$)	Square Footage	# of Employees	Owner
2	**International Rescue Committee Inc. (IRC)-TOTAL**	**ALL PROGRAMS**	**$11,000**	**4,500**	**58**	**Please see below for details.**
	International Rescue Committee Inc. (IRC)	Project for Local Empowerment (PLE)	$11,000	4,500	58	Khin Mar Win
		Building Constituencies for Peace in Southeast Burma (BCP)				
3	**Winrock International Institute -TOTAL**	**ALL PROGRAMS**	**$6,950**	**4,250**	**23**	**Please see below for details.**
	Winrock International Institute	Value Chains for Rural Development	$6,000	3,250	17	Daw Myint Myint Thi
		Farmer to Farmer Program	$950	1,000	6	Hnin Yu Hlaing Aye
4	**Development Alternatives, Inc. (DAI) - TOTAL**	**Burma Transition Initiative**	**$15,000**	**7,000**	**37**	**Please see below for details.**
	Development Alternatives, Inc. (DAI)	Burma Transition Initiative (Kann Let - OTI Burma)	$15,000	7,000	37	U Inn Soe (land) and NweNwe Win (house)
5	**TetraTechARD/DPK - TOTAL**	**ALL PROGRAMS**	**$7,852**	**8,800**	**32**	**Please see below for details.**
	TetraTechARD/DPK	Promoting the Rule of Law Project	$2,326	2,700	18	Condo No. 401 - U Kay Myat Thu
			$2,326	2,700		Condo No. 302 - Daw San San Mya Tin
		Tenure & Global Climate Change Burma	$3,200	3,400	14	Daw Shu Kyi, Tamwe Township, Yangon

USAID/Burma FY 2014 Top 10 Recipients

Ranking	Implementing Partner	Program/Activity Name	Office Cost (Monthly/US$)	Square Footage	# of Employees	Owner
6	**FHI 360 - TOTAL**	**ALL PROGRAMS**	**$12,745**	**102,795**	**36**	**Please see below for details.**
	FHI 360	Challenge TB and CAP-TB	$4,545	33,906	11	Daw Khin Myint
		Civil Society and Media Project	$8,200	68,889	25	Daw Myint Myint Than
7	**Consortium for Elections & Political Process Strengthening (CEPPS)-TOTAL** see* FN1	**TOTAL CONSORTIUM**	**$7,741**	**8,850**	**52**	**Please see below for details.**
	Consortium for Elections & Political Process Strengthening (CEPPS)	International Republican Institute - Elections and Political Processes Assistance (IRI)	$3,110	4,000	14	Ni Ni Aung
		International Foundation for Electoral Systems (IFES)-EPPA Burma see** FN2	$3,000	1,750	25	Than Naing and Cho Cho Aung
		National Democratic Institute (NDI)-EPPA Burma (Yangon Headquarters)	$1,631	3,100	13	Daw Khin San
8	**University Research Center - TOTAL**	**CAP-Malaria, Control and Prevention of Malaria**	**$5,747**	**6,800**	**24**	**Please see below for details.**
	University Research Center (URC)	CAP-Malaria, Control and Prevention of Malaria	$3,247	3,600	11	Daw Myint Myint
		CAP-Malaria, Control and Prevention of Malaria	$2,500	3,200	13	U Myo Myint

USAID/Burma FY 2014 Top 10 Recipients

Ranking	Implementing Partner	Program/Activity Name	Office Cost (Monthly/US$)	Square Footage	# of Employees	Owner
9	**JHPIEGO - TOTAL**	**Maternal and Child Survival Program (MCSP)**	**$484**	**332**	**8**	**Please see below for details.**
	JHPIEGO	Maternal and Child Survival Program (MCSP)	$484	332	8	U Hla Aye
10	**Nathan Associates**	**ALL PROGRAMS**	**TBD**	**TBD**	**TBD**	**Please see below for details.**
	Nathan Associates	Private Sector Development	Contract award July 1, 2015 Office space not yet rented.	TBD	TBD	TBD
		ASEAN Connectivity Through Trade and Investment Burma Economic Reform and ASEAN Integration Program (ACTI-ERA)	$4,250	2,000	4	Mrs. Nyo Nyo Aye

FOOTNOTES:
*** FN 1 : This award is a consortium of partners which rent separate offices.**

****FN 2 : This Implementing Partner shares an office with other non-USAID projects and the rent mentioned is an allocation.**

Retreat or Revival: A Status Report on Democracy in Asia
Subcommittee on Asia and the Pacific
House Committee on Foreign Affairs
Thursday, June 11, 2015, 2:00 p.m.
Questions Submitted for the Record by Chairman Matt Salmon

Democracy in Asia

- As the U.S. has expanded its engagement in Asia along security and economic lines, some commentators have expressed a view that democratic values and human rights have become less of a priority in U.S. policy in the region. Where do democracy and human rights fit in the 'rebalance', particularly given the complete abdication of any call for democratization -- or even gradual, evolutionary political reform, as used to be standard – in the largest and most influential country in the region, China? What message does it send to democrats struggling in Burma and Cambodia, as well as autocratic rulers in the region, that the US is seemingly unconcerned about the nature of the Chinese political system

Burma

- How important is the conclusion of the nationwide ceasefire agreement (NCA) to the parliamentary elections? If the NCA is not concluded before the elections are held, will the various ethnic organizations allow voting in areas under their control? If not, does the effective disenfranchisement of those voters undermine the validity of the elections?

- President Thein Sein reversed a pledge to allow holders of identification cards (known as "white cards") to vote in the parliamentary elections and actually ordered the confiscation of these "white cards". Most of the "white card" holders are Rohingyas, a largely Muslim ethnic minority in Rakhine State, that are denied citizenship and have been subjected to oppressive treatment by the Thein Sein government. Does the disenfranchisement of the Rohingyas,

who were allowed to vote in the 2010 elections, raise questions about the inclusiveness and fairness of the parliamentary elections?

Hong Kong

- The May 31 meeting between senior Chinese officials and roughly 50 Legco members failed to produce any path to compromise on the proposed CE election reforms. The China's National People's Congress Standing Committee (NPCSC) Basic Law Committee Chairman Li Fei announced that the NPCSC would not alter its August decision and that the proposed Nominating Committee would unlikely be changed for many years to come. The pan-democrats who attended the meeting reiterated their commitment to vote against the government's resolution if it complies with the August NPCSC decision.
    - What prospect, if any, is there for progress towards universal suffrage? Does hope remain for universal suffrage in the 2017 CE election? More importantly, if the proposal does not pass, then what are possible solutions for the disparate parties to consider for 2017, 2022, and beyond?

- Some of the Legco members who support the NPCSC's August decision say it is better to "pocket" the current CE election reform proposal and then try to push for more changes in the future to make the election more democratic. What is your assessment of this approach? Why or why not?

- Some observers think the U.S government should do more to promote democracy in Hong Kong. However, the Chinese government has been critical of "foreign interference" with what it views as a domestic issue. Do you think the U.S. government should be more active and/or vocal about democratic reforms in Hong Kong? If so, what steps should be taken?

Thailand

- What are the factors you would use in considering additional sanctions or suspensions of military engagements in response to the coup? Are you concerned about damaging relations with a treaty ally, particularly one with such a central location in Southeast Asia? In addition to these considerations, we also have to consider the role of other influential neighbors: How have countries such as China, Japan, and Australia responded to the Thai coup? Did any of these countries try to increase their influence with Bangkok either last year or earlier, after the 2006 coup? And how should the United States best respond?

- The Thai king is 87-years-old. Which royal succession scenarios do you believe could further destabilize the country, and which could restore some degree of unity for Thais? What is the range of possibilities for the role the palace will play in Thailand after the current King passes?

- Do you think other nations undergoing political transitions, particularly Burma and Cambodia, are influenced by the United States' response to the Thai coup? As others conduct their own difficult elections and transitions, do you believe the United States is sending a strong enough signal about the importance of electoral democracy in Thailand?

Cambodia

- Prime Minister Hun Sen has led Cambodia since 1985, making him one of the world's longest-tenured leaders. Do you see any preparation in the country for a post-Hun Sen Cambodian government? What enforcement mechanisms should the United States consider to change the current incentive structure, which supports Hun Sen's continued flouting of democratic norms and human rights?

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[NOTE: Following are responses received to the above questions prior to printing.]

Retreat or Revival: A Status Report on Democracy in Asia
Subcommittee on Asia and the Pacific House Committee on Foreign Affairs
Thursday, June 11, 2015, 2:00 p.m.
Questions Submitted for the Record by Chairman Matt Salmon

Answers provided by Murray Hiebert
Center for Strategic and International Studies
June 26, 2015

Burma question on the ceasefire:

The national ceasefire agreement is crucial to pave the way for elections to be held in most areas of Burma. Voting was canceled in many areas in five ethnic states in 2010, and a repeat of this in November would mean the elections would not be seen as credible or inclusive. If the ceasefire cannot be concluded before the elections, chances are the government will be hesitant to allow voting in conflict areas out of fear that ethnic troops could be mobilized to intimidate or influence voters. However, the government has since 2011 signed bilateral ceasefires with more than a dozen ethnic armed groups, which means that, in the absence of a nationwide ceasefire, it can still consider allowing voting to take place in areas controlled by groups with which it has signed bilateral agreements. Regardless how the ceasefire process plays out in the coming months, the possibility of electoral violence erupting in ethnic areas is something the government cannot disregard. The disenfranchisement of large swaths of ethnic voters will undermine the credibility of the elections.

Burma question about the Rohingya:

The government has revoked about 400,000 "white cards," or temporary identification cards, from Rohingya Muslims. At the same time, it has started issuing "green cards" to Rohingya Muslims in 13 townships in Rakhine state, which will allow them to apply to go through the citizenship verification process. Only those who have returned their white cards can be issued green cards. If green card holders can produce enough documents to prove their citizenship, they can become citizens. Unfortunately, a large number of Rohingya who would presumably qualify for citizenship lack such documents, either because they were lost during the communal violence of 2012 or because of the decades-long policy of restricting

their access to government services, including registering births and marriages.

For those who cannot get their citizenship verified, they have the option of applying to extend the validity of their cards every two years. But whether green card holders can vote in the November elections depends on the decision of the Union Election Commission, and not immigration authorities. In 2010, the previous government allowed Rohingya to vote, promising to grant them citizenship after the elections. Rohingya who can be qualified and become citizens will obviously be eligible to vote, but we still don't know whether the ongoing verification process will produce results in time for the elections.

Thailand question re factors warranting consideration of additional sanctions:

Certainly, the United States would want to reconsider additional sanctions or isolation of the military if the junta postpones elections again beyond the last date offered in the autumn of 2016 or steps up repression of dissidents and protestors. Of course, the concern in sanctioning Thailand, an ally with which the United States has deep political, security, and economic relations, is that it could push the junta to move closer to China and thus damage the U.S. security position in Southeast Asia.

China ignored the coup and moved quickly to expand military and business exchanges and delegations with Thailand as Beijing did after the 2006 coup. Japan, which has giant investments in Thailand, made some critical comments after the coup but basically continued with business as usual. Australia also criticized the coup, but recently sent Foreign Minister Julie Bishop on a short visit to Bangkok in an effort not to make the junta feel that it was totally isolated from western democracies.

The United States has to balance its strong support for democracy with its concern about losing a strategic ally on mainland Southeast Asia. Thailand is home to Cobra Gold, the largest annual military exercise each year, and there really aren't alternatives countries where the exercise could be based. If the United States moves to further isolate Thailand, it might start by moving some of its regional facilities such as USAID and the FBI out of Bangkok to embassies in other regional countries.

Thailand question about royal succession:

Because the king is so popular among some Thai circles, including in Bangkok, his death will result in months of grieving and instability because the privy council and government are not really able to prepare for his passing out of respect for the monarch. If the throne is passed to the crown prince, who is broadly unpopular for years of well-known excesses, the monarchy will lose much of its esteem of the past six decades. We may well witness machinations to have him replaced. If the crown prince's oldest son is named the next king, the country may well decide to give him an opportunity to prove himself. The least instability would result from the crown prince's oldest sister, who is wildly popular, being named queen by the privy council against the king's instructions. She would be the most popular appointment and her rise to the thrown would result in most painless transition.

If the crown prince is named king, the monarchy's prestige will slip dramatically. If the princess were named queen, the monarchy still would not retain the prestige it has had under the current king, but it would slip less than under the crown prince.

Question on impact on other countries of U.S. response toward Thai coup:

Other countries like Burma and Cambodia are closely watching the U.S. response to the coup. Burmese military officials have pointed out that when they staged a coup to put down giant protests they were sanctioned and isolated for decades, but when Thai generals staged a coup under not dissimilar circumstances they only had a few military programs and exercises curtailed, not suspended. The Thais, by contrast, say they feel the generals in Egypt got almost a total pass following their recent coup compared to the reduced contact with Thailand.

U.S. officials are sending strong verbal signals about the importance of democracy. But because the U.S. government has not gone further to suspend cooperation or isolate the regime, other countries conclude that U.S. standards on democracy are relative depending on the strategic importance of a country being considered.

Cambodia question

Prime Minister Hun Sen seems intent to orchestrate a succession in the ruling Cambodia People's Party (CPP), preferably establishing one of his three sons as an heir apparent. Each of his sons have now been placed in senior military or political positions, the CPP Politburo has been expanded and stocked with cadres and military officials closely linked to Hun Sen. With the recent death of party President Chea Sim, Hun Sen is better placed to orchestrate a succession. Nonetheless, Hun Sen must still give patronage to other factions within the CPP and has extended an olive branch to the opposition via the new period of conciliation between opposition leader Sam Rainsy and the prime minister.

The 2012 elections were a shock to Hun Sen, signaling discontent with his rule among young, urban, and middle-class Cambodians. Whether those voices will grow stronger in the 2018 elections could prove critical for the country's future. With that in mind, a top U.S. priority should be pressing the government to maintain the current freedoms of expression online, in the English-language press, and among the few independent radio stations, and independence of NGOs. Those are the only channels the government has so far failed to co-opt.

Responses to Questions from the Subcommittee on Asia and the Pacific, House Committee on Foreign Affairs

Submitted by Peter M. Manikas, Director of Asia Programs

Burma

- **Question: How important is the conclusion of the nationwide ceasefire agreement (NCA) to the parliamentary elections? If the NCA is not concluded before the elections are held, will the various ethnic organizations allow voting in areas under their control? If not, does the effective disenfranchisement of those voters undermine the validity of the elections?**

The conclusion of the NCA could have an important impact on the inclusiveness and overall integrity of the parliamentary elections. Without a ceasefire agreement, the upcoming elections would likely be similar to those in 2010, when polling was not held in four constituencies and only partially took place in dozens of others. Some armed groups may not allow elections in their areas, but in other areas, the armed factions may permit the elections to go forward (as they did in 2010). Further, even when elections can be held in areas controlled by armed groups, an environment of fear and intimidation may dissuade some voters from participating. It also is unclear to what extent those displaced by conflict will be able to participate in the elections. The disenfranchisement of large numbers of voters due to armed conflict would be one among several factors (including the legal framework, campaign period, voting day, the complaints process and the formation of the next government) that should be considered in assessing the electoral process as a whole.

- **Question: President Thein Sein reversed a pledge to allow holders of identification cards (known as "white cards") to vote in the parliamentary elections and actually ordered the confiscation of these "white cards". Most of the "white card" holders are Rohingyas, a largely Muslim ethnic minority in Rakhine State, that are denied citizenship and have been subjected to oppressive treatment by the Thein Sein government. Does the disenfranchisement of the Rohingyas, who were allowed to vote in the 2010 elections, raise questions about the inclusiveness and fairness of the parliamentary elections?**

It is important to continue monitoring how the government moves forward on this issue. The government is in the process of offering a new version of temporary ID cards (green cards) to some Rohingya communities and has said it will facilitate the citizenship verification process. Providing proof of citizenship may prove difficult for citizens who lack photo ID or other documents to confirm their identity and thereby pose a barrier to voting; this difficulty is not confined to the Rohingya community, as there are many other potential voters who may not be able to produce sufficient documentation. The disenfranchisement of large numbers of potential voters would, of course, affect the inclusiveness of the voting process and would be a negative factor in assessing the elections.

Hong Kong

- **Question: What prospect, if any, is there for progress towards universal suffrage? Does hope remain for universal suffrage in the 2017 CE election? More importantly, if the proposal does not pass, then what are possible solutions for the disparate parties to consider for 2017, 2022, and beyond?**

There is seemingly little likelihood that the CE will be elected by universal suffrage in 2017. On June 18, the government's electoral reform plan for the 2017 CE election failed to pass LegCo as members of the pro-Beijing camp walked out, reportedly in the mistaken belief that by doing so the balloting would be interrupted and the session adjourned. At present, the Hong Kong CE and chief secretary have stated that their administration will not propose a new political reform package, and will focus on economic and livelihood issues over the next two years of their term. The political focus of the political parties will now turn to the district council elections in November 2015 and the LegCo elections in September 2016. Both elections, but particularly the LegCo polls, will be viewed by many in Hong Kong as barometers of public opinion on the universal suffrage issue. The key issue has been, and remains, whether a compromise solution can be found that satisfies Beijing's interest in ensuring that its sovereignty over Hong Kong is fully acknowledged and, at the same time, permits an electoral system that is sufficiently open and competitive in the eyes of the Hong Kong people.

- **Question: Some observers think the U.S government should do more to promote democracy in Hong Kong. However, the Chinese government has been critical of "foreign interference" with what it views as a domestic issue. Do you think the U.S. government should be more active and/or vocal about democratic reforms in Hong Kong? If so, what steps should be taken?**

The international community as a whole should continue to engage the Hong Kong government and the people of the administrative region on the universal suffrage issue. It is important that Hong Kong not become viewed as being closed to outside engagement on issues of great concern to the international community and Hong Kong citizens. Support for an open and robust debate on Hong Kong's democratic future sends a signal of solidarity with those who are struggling to preserve the administrative region's unique status and underscores the value that the international community places on the freedoms of expression and assembly, as well as the values of compromise and the peaceful resolution of disputes.

- **Question: Prime Minister Hun Sen has led Cambodia since 1985, making him one of the world's longest-tenured leaders. Do you see any preparation in the country for a post-Hun Sen Cambodian government? What enforcement mechanisms should the United States consider to change the current incentive structure, which supports Hun Sen's continued flouting of democratic norms and human rights?**

Perhaps no country in the 20th century has suffered more turmoil or unremitting violence than Cambodia. The country has seen little peace and no stability since the end of the Second World War, a period that includes the reign of the genocidal Khmer Rouge regime. For the past 30 years, the Cambodian People's Party (CPP) has dominated the political landscape, exercising control of the police, military, judiciary, election commission, electronic news media, local governments (commune councils) and civil bureaucracy.

Recent events, however, hold the prospect of a more competitive political process. In July 2014, Cambodia's opposition party, the Cambodia National Rescue Party (CNRP), ended its one-year long boycott after reaching an agreement with the Hun Sen-led CPP. For the first time in the nation's history, a united opposition has the opportunity to play a meaningful role in the national legislature. The pact led to the : releasing of seven CNRP lawmakers who had charged with "insurrection"; revamping of the election commission; restructuring the National Assembly and its Permanent Committee, as well as providing the CNRP with chairmanships of five committees and the position of first deputy speaker.

While these developments are promising, the progress made is uneven. A recently passed election law, for example, contains vague language that could put domestic election monitors at risk and a pending NGO law similarly could constrain the ability of local NGOs to provide needed services and monitor

governmental performance. Human rights abuses persist, corruption remains an important problem and land confiscations continue to disrupt local communities.

Going forward, a major task, then, is to support the efforts of civil society in their attempt to improve governmental accountability. In addition, as the commune council and national elections approach, in 2017 and 2018 respectively, a major task is to help ensure that the political parties compete on a level playing field in an electoral process that is viewed as fair by the Cambodian people.

House Foreign Affairs Committee Asia Subcommittee: Retreat or Revival: A Status Report on Democracy in Asia

Rep. Lowenthal Opening Statement

Thank you Mr. Chairman, and thank you to the witnesses for joining us.

Today's hearing is titled "Retreat or Revival: A Status Report on Democracy in Asia." I am really, deeply concerned about which one it is: retreat or revival?

I welcomed the strong showing of the opposition in Cambodia's 2013 general elections, and the Umbrella Movement protests in Hong Kong where students and citizens stood up demanding a say in their government. Yet I fear that democracy is in peril across the region: widespread irregularities in the Cambodian election were followed by violent crackdowns on political opposition; yet another military coup ousted the elected leadership in Thailand; Hong Kong seems to be headed down a path where universal suffrage will be severely limited, if allowed at all. Meanwhile, Vietnam and China continue to prohibit any semblance of democracy. Vietnamese and Chinese who speak out, who form independent labor unions, who practice their religion, face punishment and imprisonment.

Like many of my colleagues on this panel, I fear that democracy is in peril in Asia, and I worry that this not only harms the people of this region, but negatively impacts the United States' interests. The refugee crisis in Southeast Asia is a direct product of the disenfranchisement of the Rohingya people. While the Burmese government has many problems related to respecting the rights of its citizens, its treatment of the Rohingya people has been deplorable.

In Vietnam, workers must be given the right to organize and form independent trade unions. Our workers and businesses at home will suffer if these rights continue to go unprotected, perpetuating an uneven playing field.

While I see serious challenges ahead of us, I look forward to hearing from all the witnesses today how this committee, Congress, and the United States can continue working to advance democracy in Asia for the best interests of people in the region.

Thank you Mr. Chairman, and I yield back.

Suggested Questions

Vietnam

- Mr. Malinowksi, I thank you for your tireless work on human rights in Vietnam, and I really appreciate the open dialogue we've been able to have on progress—or lack thereof—in that country. You stated in your Politco op-ed this week as well as in your submitted testimony that "the TPP agreement will include a requirement that Vietnam guarantee freedom of association, by allowing workers… to form genuinely independent trade unions." Can you expand on what that clause will look like? How will the United States and others be able to hold Vietnam accountable to that standard?

Cambodia

- What are the future prospects for continued cooperation amongst the opposition? Going into the 2018 elections, will the National Rescue Party continue to maintain a united opposition?
- Hun Sen is one of the world's longest-serving foreign leaders, ruling over Cambodia since the 1980s. Would a Cambodia without Hun Sen as leader be poised for an opening to democracy, or in danger of backsliding further towards authoritarian rule? Has the current government or Cambodian People's Party made any indications of what a transition might look like?
- What circumstances have to exist for the United States and other international observers to consider the 2018 elections in Cambodia free and fair? What are the prospects that electoral reform in Cambodia can work to arrive at these conditions in the years preceding the election?

Hong Kong

- I had a chance to visit Hong Kong recently on a trip led by Congressman Salmon, and firmly believe that the only ones who should decide Hong Kong's future are the people of Hong Kong themselves.
- If LegCo fails to pass the current reforms being considered, what alterative paths do you foresee that would allow for greater citizen participation in the election of the Chief Executive that would be allowed by Beijing?

Statement for the Record
Submitted by Mr. Connolly of Virginia

The topic of this hearing cuts to the core of the U.S. mission abroad – the proliferation of democratic principles, institutions, and democracies. It is imperative that we consider outcomes when evaluating the efficacy of our foreign policy tools. It is not enough to check a box on democracy promotion by funding civil society or human rights awareness programs. We must see results. We are either advancing the cause of democracy or we are not. This insistence on a values-based relationship with the rest of the world sets the U.S. apart from its competitors and creates enduring relationships based on more than just shared short-term interests.

Asia is a region with a diversity of American relationships. The U.S. has collective defense arrangements with the Republic of Korea (ROK), Japan, and several other Asian countries. Three of the top eight trading partners to the U.S. are in Asia, and we have assistance missions in over a dozen Asian countries.

Asia is populated by countries at varying stages of democracy which can be instructive on what is working and what may be falling short. War has forged alliances in the region, massive assistance projects have built trust among partners, and economic ties have introduced American values to relatively isolated parts of the world.

In the case of the ROK, war, assistance, and trade have all contributed in one way or another to building one of the closest and most meaningful relationships the U.S. has in Asia. The evolution of the U.S.-Republic of China (Taiwan) relationship followed a similar path of wartime allies to collaboration on development assistance and eventually the creation of a prosperous trading relationship.

Both the ROK and Taiwan have experienced dramatic evolutions toward democracy over the course of the last half-century. The U.S. should hope to replicate the way in which we have been an integral part of their democratic transition.

However, we must also appreciate that there are countervailing winds to democracy in Asia, not the least of which is China. For the most part, a relationship with China is cost-free for an authoritarian or otherwise undemocratic state. Chinese development assistance and trade relationships do not incentivize democracy or personal freedoms. The regional case in point would certainly be the China-North Korea relationship. One of the most brutal and erratic regimes in the world enjoys China as its largest trading partner and assistance provider. This "no-strings attached" approach results in a Chinese foreign aid budget where half of the funding goes towards infrastructure projects and trade relationships that prioritize expediency over quality.

The U.S., on the other hand, takes a decidedly different approach to regional involvement. A relationship with the U.S. comes with expectations. The U.S. is currently negotiating a high-standard free trade agreement with 11 Pacific Rim countries that has the potential to align regional trade practices in Asia with American values. Countries hoping to be party to the agreement will need to meet international labor and environmental standards, promote respect for human rights, and fight corruption. Trade policy that complements our efforts to promote democracy can be a powerful foreign policy tool.

I look forward to hearing from our witnesses today on both the troubling and encouraging examples of our work to promote democracy in Asia.

For example, the National Council for Peace and Order, the junta currently ruling Thailand, has a name worthy of Newspeak, and its continued assertion of authoritarian powers puts what was once a stable democracy on a concerning trajectory. With 50 U.S. government agencies operating in Thailand, how does the U.S. pivot its mission in the country in a manner that protects our core interests and insists that Thailand meet metrics for democratic reform?

Though political deadlock is not a new phenomenon in Bangladeshi politics, the U.S. should take particular note that the current situation is creating space for extremist elements to co-opt violent domestic upheaval. Stability in Bangladesh democracy is one of the many examples where U.S. security interests would directly benefit from more functional democratic institutions. Though U.S. officials have promoted confidence building measures between the Bangladesh National Party (BNP) and the Awami League, these initiatives, such as municipal elections, have only served as a platform for further grievances. What is our leverage going forward, and what are the prospects for a U.S.-mediated resolution in Bangladesh?

I want to thank our panels for providing both the government and private sector perspectives on the state of democracy in Asia. Hopefully, this hearing will illuminate where these two perspectives are in agreement and where they diverge. When it is the latter, we should hope to reconcile the two and fashion a U.S. approach to Asia that safeguards U.S. interests and allows democratic freedoms to flourish in the region.

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