Chairman Jackson, members of the Subcommittee, thank you for allowing me to address you today on the subject of determining the suitability of granting Burma Beneficiary Developing Country status.

The US Campaign for Burma does not support reinstatement of GSP for Burma at this time. Burma does not yet have the safeguards in place to protect citizen's rights and assure the rule of law, especially in resource-rich minority regions.

Over the past two years, great attention has been paid to the atypical reforms that the government of Burma has undertaken. These reforms have taken many by surprise. Hoping to capitalize on the unusual openness of the Burmese government, most countries have lifted sanctions and pursued economic relationships with the Burmese government and business community. Scant attention has been paid to the alarming rise in human rights violations connected to the economic pursuits of the Burmese government, military, and business community. Land confiscation, forced displacement, forced labor, torture, arbitrary arrest and detention, and conflict related sexual violence and extrajudicial killings by the Burmese government, military or their business cronies are ongoing human rights violations committed in pursuit of their own economic interests.

In April 2012, then Secretary of State Clinton announced the United States’ intention to relax some of the financial and investment sanctions against Burma. US Campaign for Burma, along with 8 other human rights and labor organizations sent the Administration a letter concerned that “if … precautions are not taken, new US business activity permitted under the relaxation may directly benefit individuals and entities responsible for human rights abuses, who contribute to corruption, or are otherwise acting to obstruct political reform. We urged “that any further movement to relax the current financial transactions and investment bans be sequenced and timed in a manner that reflects actual additional progress toward the necessary political reforms and progress to improve human rights in Burma.” President Obama recognized our concerns were warranted and renewed the national emergency on Burma in May 2012 and again in May 2013, stating:

“Despite great strides that Burma has made in its reform effort, the situation in the country continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. The political opening is nascent, and concerns persist regarding remaining political prisoners, ongoing conflict and human rights abuses in ethnic minority areas, and the country's continued military relationship with the Democratic People's Republic of Korea... For this reason, I have determined that it is necessary to continue the national emergency with respect to Burma.”

The political and human rights situation has quite a long way to go. Troubling trends have emerged over the past year that correlate with the relaxation of sanctions by the international community. Land confiscation has become pandemic throughout Burma. Reform of land tenure rights should be considered one of the most essential needs to guarantee political and economic rights for the people of Burma. But the government of Burma has taken legal steps in the opposite direction, enacting two additional pieces of legislation, the Farmland Law and the Vacant, Fallow, and Virgin Land Law to strengthen their legal authority to confiscate land from local farmers. Nearly 2 million acres have been confiscated in recent
years, a trend that is rising in correlation with potential foreign investment partnerships. Government officials, the military, and business cronies have confiscated land to make way for special economic zones, industrial parks, extractive industry projects, plantation agriculture, and development projects. Farmers and communities have little to no recourse to contest the loss of land and livelihood. Provisions in the new land laws require complaints be registered with a politically appointed government committee, and not the judicial system. A redundancy considering the judicial system is also not independent.

Given the lack of legal recourse and loss of livelihood, farmers have attempted to protest, resulting in numerous arbitrary arrests and torture. In a recent high profile case, less than two weeks after President Obama lifted the import ban in November 2012, the Burmese police raided a camp of sleeping protesters in the middle of the night near the Monywa copper mine. The police brutally attacked 100 protesters, burning several of them with the chemical weapon white phosphorous. What had they done to deserve being attacked with a chemical weapon? The Letpadaung mountain communities objected to being displaced and raised concerns about the environmental impact regarding the expansion of a copper mine that is a joint venture between a state owned enterprise and Chinese company. Photos of badly burned protesters, including monks, spread quickly throughout Burma and gave rise to solidarity protests in other cities. These protesters were quickly arrested. To quell the growing anger at the crackdown, the government announced it would appoint a commission to investigate the copper mine project and the crackdown on protesters. Three months later, in March 2013, the commission released its findings: the copper mine project will move forward, the farmers must move, no police were held accountable for the crackdown on protesters. Now I ask, should copper from this mine be imported to the US under GSP?

In Burma’s ethnic minority areas, the consequences of joint economic ventures between Burmese state owned enterprises or crony businesses and a foreign partner are even greater. The Burmese military clears out the intended project area by force, displacing villagers, engaging in armed conflict if the area is territory of one of the ethnic minority armed groups, committing numerous human rights abuses along the way, including sexual violence, extrajudicial killings, forced labor, and destruction of property. Pursuit of potential economic gains has recently led to the breakdown of fragile ceasefires signed only a year ago. In February, the government announced a new Chinese-backed dam project was to begin construction near the west bank of the Salween River – an area belonging to the Shan State Army-North (SSA-N) according to their ceasefire agreement. The Burmese army began reinforcing troops in the area. In March, the army began attacks against the SSA-N, which still rage on. The army has captured villagers to use as porters, forced villagers to walk ahead as landmine-detectors, and shot at villages near Tangyan with machine guns. The displaced Shan now face a humanitarian crisis. This case in not unique to the Shan or hydropower projects. Numerous ethnic minority communities continue to face similar human rights and humanitarian crises as a result of the Burmese government, military and their crony business partners pursuit of the lucrative natural resources and fertile land in ethnic minority territory. Burma’s strategic position on the Andaman Sea, offering a vital sea/land route from the Middle East and South Asia to China and Thailand, puts numerous minority and rural communities in the path of pipelines, railways and highways to facilitate economic activity. Already communities have been displaced, had had land confiscated, have been used as forced labor, and been subjected to other abuses.

These cases represent a small portion of those being documented by brave civil society organizations across Burma. Lack of transparency, particularly in the natural resources sectors, exacerbates the
continuation of the business-military nexus and related human rights abuses. Revenue Watch’s Resource Governance Index recently gave Burma its lowest possible rating. Revenue Watch attributes Burma’s abysmal performance against its criteria to the overall lack of coherent legislation and the government’s unwillingness to disclose information about state-owned enterprises. The report further states:

Almost no information is available on the management of the extractive sector. Myanmar has no freedom of information law, and environmental and social impact assessments are not required...

US Campaign for Burma believes that the Government of Burma has not yet created an enabling environment within which people’s rights and workers’ rights can be respected. Crony capitalism, lack of transparency, ongoing conflict and land grabs are ongoing problems indicating that rule of law which guarantees and protects rights has yet to take hold in Burma. Such circumstances warrant the need for a continued cautious approach to all US-Burma economic activity.

My colleague Jonathan Kaufman from EarthRights International will elaborate on our shared view of how to safeguard human rights in the GSP process.