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Burma

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Mr. Chairman, Ranking Member Manzullo, and Members of the Subcommittee, thank you for inviting me here today to testify about the ongoing crisis in Burma. Over the past fifty years, the US Government's assistance to Burma has fluctuated as development opportunities blossomed or wilted under different Burmese Governments. It is worth making a quick review of the history of our relationship.

On September 13, 1950, the first U.S.-Burma Economic Cooperation Agreement was signed. For the first decade, the bilateral relationship was characterized by strong host country engagement and ownership. The Government of Burma (GoB) initiated requests for assistance, chose projects, and invested its own funds. The USG provided equipment, supplies, training, and technical services through grants, loans, and sales of agricultural commodities (P.L. 480).

In 1962: USAID/Burma closed following a military coup. Funding for ongoing projects continued, but ended as projects were completed over time.

In June 1966, the USG and GoB signed a local currency loan/grant agreement totaling over \$17M to be used for school and hospital construction.

In the late 1960s, the GoB rebuffed a U.S. offer of assistance to Rangoon...when the Chinese Cultural Revolution spilled into Burma and re-ignited a communist insurgency.

In 1978, the GoB requested resumption of the bilateral development assistance relationship with the U.S. and new projects were begun in agriculture and health. USAID focused on agriculture (maize and oilseed production, edible oil processing and distribution, and agricultural research and development), primary health care and child survival.

USAID once again halted all economic assistance to Burma (except emergency humanitarian assistance and in-progress participant training outside of Burma) in response to the September 1988 military coup. Commodity orders were canceled, and those en route diverted. With the exception of the USAID Rep, all USAID direct hire staff and contractors were evacuated.

Since 1988, USAID has not had a presence in Burma, but beginning in 1998, resumed limited, targeted programs managed from the Regional Development Mission Asia (RDMA) in Bangkok, Thailand. Funding has been used to support those seeking a transition to democracy in Burma and similar groups outside Burma, and to meet the humanitarian needs of Burmese who fled to Thailand.

Currently, USAID administers the following activities out of RDMA Bangkok:

- Primary health care and education for refugees living in camps on the Thai-Burma border;
- Access to health care for out-of-camp Burmese in Thailand; and
- The education portfolio includes English-language training, basic and higher education and vocational opportunities, training for Burmese teachers, and assistance to develop a national education plan. In education programming, USAID gives preference to students who wish to return to Burma to work for civil

society and economic development.

- Training for Burmese journalists and public information workers to improve the quality and dissemination of news and information on the situation inside Burma, and fund scholarships for Burmese refugees to study at colleges and universities in Asia, Europe, Canada, Australia, and the U.S.

On the border, USAID partners include the UN Food Agriculture Organization, the International HIV/AIDS Alliance, International Office of Migration, International Rescue Committee, Population Services International and the World Health Organization. These programs focus on meeting basic human needs.

Civil society development programs are carried out through the NGOs Internews and World Learning/World Education.

Taken together, these programs are making investments in Burmese youth to save what could become a "lost" generation, and to help develop the skills that will be needed by a future, democratic Burma.

Response to Current Crisis

The current crisis is exacerbating what is, for many Burmese, an ongoing complex emergency, particularly for women and children.

2007 UNICEF figures starkly reveal the hardship faced by many Burmese under the current regime. More than 35 percent of children under the age of five are malnourished. In some areas, this may be closer to 50 percent. The World Food Program (WFP) estimated that 32% of children under 5 are underweight and suffer from stunting, and 9% of children under 5 suffer from wasting. The fuel price hike on August 15 triggered an increase prices that directly affected the disadvantaged and are contributing to an increase in malnutrition, particularly in Rakhine State and Irrawaddy and Magway divisions.

In coordination with its Regional Development Mission in Thailand, USAID's Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA) is exploring additional assistance opportunities to build capacity. If the political situation were to improve, a USAID Mission could make a strong contribution to Burma's future development. USAID stands ready to continue its support for the people of Burma in coordination with other USG agencies and departments.

Thank you for this opportunity to testify before the sub-Committee this afternoon. I am pleased to take your questions.