



Committee On Finance

Max Baucus, Ranking Member

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For Immediate Release
Wednesday, July 26, 2006

Contact: Carol Guthrie
202-224-4515

**Statement of Senator Max Baucus (D-Mont.)
on H.J. Res. 38, the Burmese Freedom and Democracy Act**

Three years ago, Burma's military junta arrested democracy advocate Aung San Suu Kyi and returned her to the house arrest that she has endured with only intermittent periods of release since 1989.

Three years ago, Congress enacted the Burmese Freedom and Democracy Act of 2003, and we have renewed the sanctions called for under that legislation every year since then.

That legislation is set to expire this summer, and we are now considering whether to extend its provisions for another 3 years.

Tragically, Burma's human rights record has worsened, rather than improved, in the 3 years since Congress enacted the Burmese Freedom and Democracy Act.

Earlier this year, the detention of Aung Sang Suu Kyi was extended for another year. More than 1,100 political prisoners languish in jail in Burma, prevented from expressing their aspirations for a democratic government.

The military junta ruling Burma still refuses to enter into a dialogue with the opposition National League for Democracy. Its brutal treatment of ethnic minorities and advocates of democracy remains unabated. Forced labor is a widespread problem, and labor activists are regularly imprisoned for trying to combat it.

The failure of Burma's dictators to address the HIV/AIDS and Avian Influenza situation in the country contributes to the horrific situation of the Burmese people.

And the regime's effects are not confined to Burma's borders. Thousands of refugees have fled to Thailand, Malaysia, India, and Bangladesh. Burma is the world's second largest opium producer, supplying 90 percent of the heroin from Southeast Asia. It is also the single largest producer of methamphetamine in the region.

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One year ago, nearly to the day, I stood here on the Senate floor and questioned whether these economic sanctions were the most appropriate tool for bringing about the kind of change we need to see in Burma.

The arguments against economic sanctions continue to be quite compelling.

First of all, they have a very poor record of success. The kinds of governments that merit this sort of treatment are not sensitive to international opprobrium, nor are they swayed by it to make changes.

Second, economic sanctions tend to hurt the people that they are intended to help. Ordinary people lose their jobs, while the military and its leaders are left untouched.

Third, severing economic ties shuts off an important avenue of dialogue that can promote change.

Those who support the sanctions point out, rightly, that Burma's rulers are not willing to engage in dialogue, either at home or with its neighbors. It is plain that Burma's military dictators are not interested in being members of the international community. They have rebuffed the United Nations. And they have refused to allow UN Special Rapporteur on Human Rights Paulo Sergio Pinheiro to visit Burma since November 2003.

They are equally uninterested in improving the lives of their people, or participating in the global economy. While more and more nations have turned to freer markets to bolster their growth, Burma has actually worked to dismantle fundamental economic institutions like property rights, contract enforcement, sustainable fiscal policies, and a reliable currency.

It is difficult to imagine an environment less conducive to growth and less attractive to foreign investment. Revenues from oil and gas exports flow to the regime. Businesses and farmers are routinely shaken down. And productive assets are concentrated in the hands of the regime's cronies.

In December of last year, America led the effort that produced the UN Security Council's first-ever discussion of the human rights abuses in Burma. I welcome the administration's efforts to increase international pressure on the military dictatorship.

But if we are serious about trying to isolate the junta through sanctions, we cannot act alone. The European Union has also imposed sanctions on Burma, but neighboring countries continue to trade with Burma and to direct investment there.

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The administration needs to work with other countries, especially the countries in the region – Thailand, China, India – who are still economically engaged with the dictatorship to intensify the pressure on the regime.

The countries in the region have the most to lose from the worsening of the situation in Burma. As the oppression and abuse continue, more refugees will flee across the borders. As the junta focuses on enriching itself and ignoring the needs of its people, more drugs will flow across the border, and the risk of diseases like HIV/AIDS, malaria, antibiotic-resistant tuberculosis, and avian influenzas will increase in the region.

Despite my reservations about the effectiveness of sanctions to effect change, I will support this resolution, extending the Burmese Freedom and Democracy act for a further 3 years.

This extension adds our voice to the voice of the Burmese people, muffled by the oppressive regime, in calling out for democracy and human rights. It is my hope that our action today will increase the awareness of the worsening human rights situation and bolster international support for democracy in Burma.

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