

Armenian National Committee of America

*"The Armenian American Community
and U.S. Foreign Assistance Policy"*

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Thank you Chairman Callahan and members of the House Appropriations Subcommittee on Foreign Operations, Export Financing, and Related Programs for the opportunity to appear once again before this distinguished panel for the purpose of sharing the views of the Armenian National Committee of America (ANCA), the nation's oldest and largest Armenian American grassroots advocacy organization.

U.S. Leadership in the International Community

As in years past, Mr. Chairman, I would like to begin our remarks by emphasizing the important role that Armenian Americans play as ardent advocates of American leadership abroad, particularly in the New Independent States, the Eastern Mediterranean, and the Middle East. As a community, we have consistently worked to ensure a policy of international engagement and have supported an active Congressional role in foreign policy decision-making.

With these thoughts in mind, on behalf of all Armenian Americans, I would like to express our appreciation for your principled leadership of this distinguished panel and for your ongoing efforts to enact legislation which advances our values and interests around the world.

Perhaps more than ever, foreign aid represents a strategic investment in advancing our national interests on a variety of levels. Wisely targeted assistance to emerging nations promotes democracy, helps build peace, and meets pressing humanitarian needs, while at the same time laying the groundwork for long-term commercial relations. The investment we make today in Armenia and the New Independent States will lead to increased market share in the future for U.S. exports and expanded trade opportunities for U.S. businesses.

Foreign assistance remains an essential element of U.S. leadership in an increasingly complex world. Foreign assistance programs can help prevent or resolve international conflicts before they reach unmanageable proportions. Foreign assistance can be an effective catalyst for the spread of democracy and respect for human rights. It can also help jump-start economies of the developing world and, in the process, make these nations valuable trading partners. History has shown that the 1% of federal spending dedicated to this purpose represents a vital portion of the U.S. budget.

The ANCA considers it imperative that the integrity of the International Affairs (150) account for the fiscal year 2000 budget is carefully safeguarded, making sure that it has the critical mass to fulfill its mission. We firmly oppose cuts in this account and are working, along with other concerned organizations, such as the Campaign to Preserve U.S. Global Leadership, to encourage Congress to appropriate sufficient levels of funding to meet the challenges of the present era. We place special value on foreign assistance programs to the emerging economies of Eastern Europe and the former Soviet Union. Specifically, we are pleased by the importance placed on these nations by the administration as evidenced by their request for an additional \$185 million in assistance to the NIS, as well as Congress' continued support for this region. At the same time, we support the application of a consistent set of conditions on foreign assistance

recipients regarding their commitment to democratic principles, economic reform and, above all, respect for human rights.

Expanding U.S. Assistance to Armenia

The ANCA and the entire Armenian American community deeply appreciate the assistance appropriated by Congress to meet humanitarian needs and promote economic and democratic reforms in Armenia. This assistance has strengthened Armenia's confidence in its development effort, enhanced stability throughout the region, and served as an important symbol of American leadership in the promotion of democracy and prosperity in the region.

We are confident that, as Armenia's economy improves, the Armenian people will develop self-sufficiency and will, in time, no longer look to the United States, or any other nation, for economic assistance. However, we must stress again that this improvement is closely linked to how soon the Turkish and Azerbaijani blockades of Armenia are lifted. These blockades have caused severe shortages of basic necessities throughout Armenia and hindered economic development. The politically-imposed poverty created by these blockades has caused more than 800,000 Armenians to leave their homeland.

United States assistance to Armenia is needed, in great measure, to offset the devastating effects of the Turkish and Azerbaijani blockades. Over the long-term, neither the Armenian American community nor the people of Armenia seek dependence on economic assistance from other nations. However, during these critical years, assistance from the United States to Armenia plays a pivotal role in enabling the Armenian economy to unleash its potential, despite the artificial handicaps it has been forced to endure.

Accordingly, the ANCA supports the same percentages of funding for the Southern Caucasus region and Armenia as in fiscal year 1999 to help offset the devastating effects of the Turkish and Azerbaijani blockades and to help continue Armenia's political and economic transition. These funds will be used to meet the country's current humanitarian needs, develop the economy and infrastructure, and further strengthen democratic institutions. We are confident that an economically viable Armenia will be a catalyst for economic development throughout the Caucasus and all of the New Independent States.

Mr. Chairman, the ANCA considers it important that the assistance package for Armenia targets the nation's current priorities and takes advantage of the growing community of non-governmental organizations in Armenia. Among Armenia's leading development priorities are the following: 1) Modernization and development of the energy sector; 2) Expansion of public health programs, with special emphasis on the plight of the elderly, children, the disabled, and working mothers; 3) Acceleration of redevelopment in the earthquake stricken zone, which remains in dire need of housing and other construction; 4) Support for ongoing democratic reforms and institution building, including training and exchange programs; 5) Development of a healthy agricultural sector and progress toward agricultural self-sufficiency; 6) Development of small and viable business enterprises, focusing on the growth of local economies located outside the nation's capital, and; 7) Support for education, with emphasis on the modernization of facilities and support for teachers.

On the matter of democratic reforms in Armenia, it is important to note that, unlike many of the emerging nations of the former Soviet Union, the Armenian people have a strong democratic tradition which dates back to the earlier periods of the nation's history. As many members of this panel may know, even under the oppressive rule of the Ottoman Turks, the Armenians opted to govern their community life with a model constitution based on the highest principles of representative government. In more contemporary times, the first Armenian Republic of 1918, under the leadership of the Armenian Revolutionary Federation, was a model of democracy which was strongly supported by the United States under President Woodrow Wilson.

The Armenian American community, dating back to the tragic earthquake of 1988, has reached out, through private contributions, to fund reconstruction projects, resettle refugees, and address other pressing relief needs of the Armenian people. These contributions, and the work of such non-governmental groups as the Armenian Relief Society, the Armenian General Benevolent Union, the Armenian Missionary Association of America, the Armenian Technology Group, Armenian Medical Outreach, the Armenian Assembly, as well as the Armenian Church, will continue. However, the role played by United States assistance to Armenia goes beyond the scope of private contributions and fulfills a longer-range strategic purpose.

Providing Direct U.S. Aid to Nagorno Karabagh

Mr. Chairman, I would like to thank you and your colleagues on this Subcommittee for allocating U.S. assistance to Nagorno Karabagh for fiscal years 1998 and 1999. Until this decisive action on your part, Nagorno Karabagh was the only population in the Caucasus to have been denied any United States assistance. Unfortunately, FY1998 ended without any of the \$12.5 million of aid allocated by Congress having been spent in Nagorno Karabagh. As a result, Congress recommended that a total of \$20 million of assistance be spent in Nagorno Karabagh as part of the FY1999 foreign aid bill.

As of today, USAID has obligated only \$8.3 million for projects in Nagorno Karabagh. The remaining \$11.7 million has yet to be obligated, despite the fact that, according to FY1999 Congressional report language, USAID should request all proposals for funding by March 30, 1999. We are deeply troubled by the slow pace of implementation and the efforts by some in the Administration to divert funds allocated by Congress from their intended purpose. As a result, we ask that Congress once again include language recommending \$20 million for the people residing in Nagorno Karabagh.

United States assistance programs for Nagorno Karabagh represent an important confidence-building measure. Any further efforts to delay their implementation or to divert these funds away from the people of Nagorno Karabagh, in addition to contravening the will of Congress, will prove to be counter-productive, both in terms of the peace process and long-term U.S. regional interests.

As members of this panel are well aware, for seventy years, during the Soviet era, the people of Nagorno Karabagh suffered under a repressive Soviet regime and the persecution of the Soviet Azerbaijani government. The people of Nagorno Karabagh sought, through legal and constitutional means, to assert their right to self-determination. Their peaceful efforts were answered by Azerbaijani aggression and a military campaign aimed at depopulating Nagorno

Karabagh of its Armenian population. For the last eleven years, the people of Nagorno Karabagh struggled, first for their own survival and then to assert their right to self-determination. Having proven their resolve by successfully defending their homes and families against outside threats, the people of Nagorno Karabagh exercised their rights under international law and declared Nagorno Karabagh an independent republic.

We believe that it is the responsibility of the United States and the international community to support the people of Nagorno Karabagh as they seek to bring an end to a conflict that has already claimed too many lives. Karabagh is entirely blockaded by a hostile Azerbaijan, with the strong backing of Turkey. In these circumstances, the people of Nagorno Karabagh are faced with pressing humanitarian and developmental needs and the difficult task of rebuilding the social and economic infrastructure of their republic. It is, therefore, imperative that the United States continues sending relief assistance and participate in this reconstruction effort without waiting for the final outcome of the OSCE negotiations.

Today, the Republic of Nagorno Karabagh is an active participant in negotiations organized by the Organization for Security and Cooperation in Europe (OSCE) and a key contributor to peace in the region. Nagorno Karabagh and Armenia have both accepted the most recent proposal by the OSCE Minsk Group. Azerbaijan, unfortunately, has rejected this plan, insisting instead on unilateral concessions and one-sided compromises by Nagorno Karabagh.

The Administration's past efforts to exclude Nagorno Karabagh from U.S. assistance programs, and more recent efforts to divert funds allocated by Congress from their intended purpose, represent an unhealthy politicization of our foreign assistance program. Humanitarian aid should be distributed based on need, not the dictates of the government in Baku or any foreign capital.

In our view, targeted reconstruction support to Nagorno Karabagh will prove, over time, to be an investment in peace in a region of great strategic significance to the United States. The ANCA would like to work with the Foreign Operations Subcommittee to offer specific recommendations about how such an assistance package could be delivered to the people of Nagorno Karabagh.

Maintaining the Restriction on U.S. Assistance to Azerbaijan

Azerbaijan's blockades of Armenia and Nagorno Karabagh, coupled with Turkey's continued obstruction of humanitarian supplies to Armenia, has led to a chronic lack of heating fuel, a scarcity of electricity, and severe shortages of food, fuel, medicine and other desperately needed supplies. Congress, in October of 1992, responded to this unacceptable situation by restricting U.S. assistance to the Azerbaijani government until it ended its aggression and lifted its blockades against Armenia and Nagorno Karabagh. To date, successive Azerbaijani governments have steadfastly refused to either lift their blockade or abandon a military solution to the conflict.

Meanwhile, Azerbaijan continues down the path of autocratic rule and a complete lack of democratic principles. Presidential elections held last October were roundly derided by international election observers as being undemocratic and below international standards. According to our State Department the election was "marred by numerous, [and] serious

irregularities." Immediately following these elections, the Aliyev government implemented a severe crack-down on all opposition groups and media. Soon thereafter, the Azerbaijani government rejected the OSCE peace plan, effectively stalling the peace process and hindering the prospects for long-term stability and economic development.

It should be clear that the reasons for the ban on U.S. assistance to the government of Azerbaijan continues to exist as compellingly as ever. As a result, the ban itself continues to have strong bipartisan support in both houses of Congress. As you are well aware, last September Congress debated this issue on the House floor for almost three hours and voted decisively to maintain this ban until Azerbaijan lifts their blockades. The ANCA supports the law restricting U.S. assistance to the government of Azerbaijan and actively opposes any effort to weaken, waive, or eliminate this prohibition. Any effort to circumvent the intent of this provision of law, particularly during the ongoing negotiations, will be viewed by the Azerbaijani government as a clear signal for renewed aggression. This is particularly true given Azerbaijan's refusal to agree to the OSCE peace plan.

Placing Conditions on U.S. Assistance to Turkey

The Armenian American community has long held reservations regarding the high levels of U.S. foreign assistance to Turkey. We therefore welcomed the Administration's belated decision to cut all military grants and loans to Turkey in FY1999.

As we have said in past testimony before this panel, Armenian Americans remain deeply concerned by the devastating impact of Turkey's six-year blockade of humanitarian assistance to Armenia, the threat to regional stability posed by Turkey's ongoing military build-up, and the destabilizing effect of Turkey's support for Azerbaijani aggression against Nagorno Karabagh. Furthermore, the Armenian American community is troubled by the distrust and increased regional instability caused by Turkey's policy of denying the Armenian Genocide.

In addition, the Armenian American community is troubled by Turkey's long history of human rights abuses at home and aggression abroad. This pattern includes the systematic and widespread use of torture and human rights abuses against its own citizens, the genocidal policies being pursued against the Kurdish population, the unfair restrictions on the rights of Christian communities, and the continuing military occupation of Cyprus.

For many decades, the United States essentially turned a blind eye to Turkey's consistent failure to meet even minimum standards for human rights and humanitarian practices. Over the last several years, however, there has been notable progress in the linkage of U.S. assistance levels to Turkey's unacceptable behavior. As part of the fiscal year 1997 foreign assistance bill, the Humanitarian Aid Corridor Act, which prohibits all U.S. assistance to Turkey as long as it maintains its illegal blockade of U.S. humanitarian assistance to Armenia, was amended to the Foreign Assistance Act of 1961. Unfortunately, the President, has exercised the national security waiver of this law as it relates to Turkey. In so doing, he effectively rejected the bipartisan will of Congress that U.S. aid to Turkey should be linked to its lifting of the blockade of Armenia. In his justification to Congress, the President failed to make a convincing argument for the waiver. Nor did he offer any evidence that the Administration is actively seeking to secure the lifting of the Turkish blockade. It is our view that the Humanitarian Aid Corridor Act represents sound

policy and a reasoned step toward lifting the Turkish blockade of U.S. humanitarian aid to Armenia. It should be immediately and strictly enforced.

I would like to conclude by stressing the dangers presented by the increase in United States weapons sales and transfers to Turkey. These escalating transfers and sales, as well as the increasing cascade of NATO weapons to Turkey, threaten to accelerate the regional arms race, seriously harming U.S. interests. It should be clear by now that the U.S. should not place more arms in the hands of a nation which is actively involved in aggression against its own citizens and which has openly threatened its neighbors. The use of U.S. supplied weapons by the Turkish military in human rights abuses against civilians has been documented by both the State and Defense departments.

On a number of occasions over the past several years, the Congress raised serious reservations regarding the sale or transfer of weaponry to Turkey. On two occasions, namely the sale of SuperCobra helicopter and the transfer of naval frigates, the Administration responded to these concerns by placing the transactions in question on hold. In a third instance, the Administration ignored bipartisan Congressional opposition and approved the controversial sale to Turkey of ATACM missiles. The current proposed sale of Blackhawk helicopters and a forthcoming proposal for a major sale of attack helicopters should be put on hold until Turkey has stepped back from its aggressive stance toward its neighbors and taken concrete and verifiable steps to significantly improve its human rights record.

Accordingly, we call upon Congress to continue to exercise its oversight authority by carefully scrutinizing U.S. military sales and transfers to Turkey. We recommend that special attention be given to any U.S. military hardware which may be used by the Turkish armed forces in Cyprus, against Kurdish civilians or which may be transferred to Azerbaijan for use against Nagorno Karabagh.

Mr. Chairman, I want to thank you for the opportunity to present this testimony and to reaffirm the support of the Armenian American community for our nation's foreign assistance program.
