

Armenian National Committee of America

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

Aram A. Sarafian  
ANCA - Eastern U.S, Board Member

Testimony before the House Appropriations  
Subcommittee on Foreign Operations, Export Financing  
and Related Programs

March 30, 2000

**Armenian National Committee of America:**  
*The Armenian American Community and U.S. Foreign Assistance Policy*

Thank you Chairman Callahan and members of the House Appropriations Subcommittee on Foreign Operations, Export Financing, and Related Programs for this opportunity to share with you 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 we have in years past, Mr. Chairman, I would like to open today by underscoring the growing role that Armenian Americans play as ardent and effective advocates for American leadership abroad, particularly in the New Independent States of the former Soviet Union (NIS), the Eastern Mediterranean, and the Middle East. As this panel knows, as a community we have consistently worked to ensure a policy of international engagement and have energetically 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.

Today, twelve years after the Karabagh movement sparked a process of democratization that led to the end of the Soviet Union, our foreign aid programs represent - perhaps more than ever - a strategic investment in advancing our national interests on a variety of levels. Wisely targeted assistance to emerging nations promotes democracy, helps to build peace, and meets pressing humanitarian needs, while at the same time laying the groundwork for long-term commercial relations. The investments we are making today in Armenia, Nagorno Karabagh, 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 throughout the region.

As the members of this Subcommittee are aware, foreign assistance has helped to prevent or resolve international conflicts before they reach unmanageable proportions, and has served as an effective catalyst for the spread of democracy and respect for human rights. Targeted international affairs spending has helped jump-start economies in the developing world and, in the process, helped to make these nations valuable trading partners. History has shown that the less than 1% of federal spending dedicated to international affairs 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 2001 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 we face as a nation. At the same time, we support the application of a consistent set of conditions on foreign assistance recipients regarding their commitment to democratic principles, standards of international conduct, economic reform and, above all, respect for human rights.

**U.S. Assistance to Armenia**

The ANCA and the entire Armenian American community deeply appreciate the assistance appropriated by Congress to promote economic and democratic reforms and to meet humanitarian needs 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.

As you may be aware, in recent weeks both presidential candidates, Vice President Al Gore and Texas Governor George W. Bush, have strongly endorsed the U.S. aid program to Armenia. The Vice President noted that he will "support continued U.S. assistance to Armenia focused on economic restructuring, exchanges and training, assistance in democracy and governance and closer security relations. The relationship between Armenia and the United States is important to both countries. The economic and political transition taking place can ensure that Armenia builds successfully on its western orientation and solidifies its status as a democratic, market-oriented country. This is beneficial to the U.S. because it offers the prospect that Armenia will emerge as a western-oriented, democratic participant in world markets - a model for other NIS states. I have asked Secretary Albright to establish a task force on assistance and economic development in Armenia."

Governor Bush recently remarked that, "In this new century, the United States must actively support the independence of all the nations of the Caucasus by promising the peaceful settlement of regional disputes and the economic development of the region. American assistance to Armenia to encourage the development of democracy, the rule of law and a tolerant open society is vital. It has my full support."

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 again stress that this improvement is closely linked to how soon the Turkish and Azerbaijani blockades of Armenia are lifted. These blockades have severely hindered economic development and Armenia's access to the international community. 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 a dependence on economic assistance. 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.

In this environment, we view the administration's fiscal year 2001 proposed funding level for Armenia to be inadequate. The administration's proposed 27% decrease in assistance to Armenia (from \$102.4 million in FY 2000 to \$74.8 million in FY 2001) is neither justified in terms of Armenia's considerable internal progress on economic and political reform nor its constructive participation within the OSCE peace process. This proposed dramatic cut in aid to Armenia contrasts sharply with the Administration's intention to increase by 77% those assistance programs for Azerbaijan allowed under Section 907 of the Freedom Support Act (from \$30.7 million in FY 2000 to \$54.5 million proposed for FY 2001). It is simply counter-productive, both in terms of U.S. interests and American values, to seek to cut aid to Armenia while rewarding Azerbaijan for imposing illegal blockades on Armenia and Nagorno Karabagh, back-sliding on economic and political reforms, and refusing to negotiate in good faith with Nagorno Karabagh.

Based on the considerations we have outlined here, the ANCA supports at least the same level of funding in fiscal year 2001 for the Southern Caucasus region in general and Armenia in particular, with a baseline being the fiscal year 2000 earmark of \$102.4 million. This appropriation will help offset the devastating effects of the Turkish and Azerbaijani blockades and help continue Armenia's political and economic transition. Specifically, these funds will be used to develop the economy and infrastructure,

further strengthen democratic institutions, and meet the country's current humanitarian needs. 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.

In this regard, we welcome the Vice President's recent announcement of the creation of the U.S. - Armenia Task Force. The creation of this bilateral working group promises to bring the U.S. and Armenian governments into a closer working partnership on commercial, trade and investment, issues, ensuring that our assistance dollars are targeted intelligently, and further cementing the enduring bonds between the American and Armenian peoples. We applaud this initiative and are working in support of this effort through the lead U.S. representative, Coordinator of U.S. Assistance to the New Independent States, Ambassador Bill Taylor, his Armenian counterpart Finance Minister Barkhudarian, and the other distinguished members of the task force.

On the matter of Armenia's democratic reforms, I would like to point out 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 long history. 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 enacting universal suffrage even before the United States. This first Armenian Republic, in great measure due to its democratic principles, was strongly supported by the United States under President Woodrow Wilson. It is this democratic tradition that has allowed the Armenian people to maintain their forward momentum on democracy despite many difficult hurdles, most recently the tragic shootings last October in Armenia's Parliament which took the lives of Prime Minister Vazgen Sarkisian, Parliamentary Speaker Garen Demirchian, and other leading figures in the Armenian government.

The Armenian American community, beginning with the tragic earthquake of 1988, has reached out, through private contributions, to fund reconstruction projects, resettle refugees, and address other pressing relief needs. 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, as well as the Armenian Church, will continue. At the same time, Diasporan Armenians are increasingly diversifying their support by engaging in direct investments and trade with Armenia and Nagorno Karabagh. The role played by United States assistance to Armenia goes beyond the scope of private contributions by helping to create the environment for these and other international investments, thereby fulfilling a longer-range strategic purpose.

### **Direct U.S. Aid to Nagorno Karabagh**

Mr. Chairman, I would like to once again thank you and your colleagues on this Subcommittee for allocating direct U.S. assistance to Nagorno Karabagh in each of the past three fiscal years. This assistance was, as you recall, originally opposed by the State Department, which, in May of 1997, sent an Assistant Secretary of State to testify before Congress against this appropriation. Until this panel took decisive action, Nagorno Karabagh was the only population in the Caucasus to have been denied any United States assistance.

While we have welcomed these Congressional appropriations, we remain deeply troubled by the slow pace of the Administration's implementation of its aid package for Nagorno Karabagh. Apparently driven by the same policy considerations which impelled the State Department to attempt to block this aid in the first instance, the U.S. Agency for International Development (USAID) has failed to administer this

appropriation in a timely and effective manner. We are troubled by what appears to be an unhealthy politicization of our foreign assistance program. Humanitarian aid should be distributed based on need, not the dictates of the Azerbaijani or any foreign government.

Based on these concerns, we call upon this panel to secure from the Administration a commitment that it will move with all deliberate speed to carry out the will of Congress on this important assistance program. Additionally, we respectfully request the inclusion of language in this year's legislation ensuring that assistance to Nagorno Karabagh continue at least at last year's level and directing USAID to ensure the delivery of this assistance on a timely basis.

We make this request because United States assistance programs for Nagorno Karabagh represent an important confidence-building measure and a key element of the ongoing peace process. Further delays in their implementation or, even worse, the diversion of 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 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. 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, farms, 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 blockaded by a hostile Azerbaijan, with the strong backing of Turkey. In these circumstances, the people of Nagorno Karabagh are faced with pressing developmental and humanitarian 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 peace negotiations. 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.

### **Restrictions on U.S. Assistance to Azerbaijan**

We respectfully call upon this panel to maintain Section 907 of the Freedom Support Act and to reject any effort to weaken, waive, or eliminate this prohibition. The terms for lifting Section 907, namely demonstrable steps by Azerbaijan to lift its blockades of Armenia and Nagorno Karabagh, have not been met. Instead, Azerbaijan has kept these blockades in place and continued down the path of autocratic rule - as evidenced by their most recent presidential elections which were roundly derided by international election observers as being undemocratic. In addition, Azerbaijan has refused to support the OSCE peace process or to negotiate directly and in good faith with Nagorno Karabagh.

The reasons for the ban on U.S. assistance to the government of Azerbaijan continue to exist as compellingly as ever. As a result, the ban itself continues to have strong bipartisan support in both houses of Congress. Last June, the full Senate defeated efforts to repeal Section 907, as did the House of Representatives in September of 1998.

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.

### **"Common-Sense" Conditions on U.S. Arms Sales to Turkey**

United States military and economic aid to Turkey has long been a concern of Armenian Americans, Greek Americans, human rights advocates, arms control groups, and organizations and individuals concerned about regional stability in the Caucasus, Southeastern Europe, and the Middle East. These groups, and all those concerned about human rights, have welcomed the steady decline in Congressional military and economic appropriations to Turkey, while at the same time remaining deeply troubled by the increased sale and transfer of offensive weaponry to an already over-armed Turkish military.

As we have said in past testimony before this panel, Armenian Americans remain deeply concerned by the devastating impact of Turkey's seven-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 military support for Azerbaijani aggression against Nagorno Karabagh. Furthermore, the Armenian American community remains deeply troubled by the distrust and increased regional instability generated by Turkey's ongoing campaign to deny the Armenian Genocide. In addition, we are 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, of course, 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, international conduct, 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 impacts Turkey. In so doing, the President 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 and declined to cite any evidence that the Administration is seeking to secure the lifting of the Turkish blockade. It is our view that the Humanitarian Aid Corridor Act represents sound policy and a reasonable step toward lifting the Turkish blockade of U.S. humanitarian aid to Armenia. It should be immediately and strictly enforced.

It should be clear by now that the U.S. should not place more arms into the hands of a nation which is actively involved in aggression against its own citizens. 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. Additionally, we should not provide arms to a Turkish military which has openly threatened its neighbors. As you recall, it was only eight years ago that former Turkish president Turgut Ozal publicly threatened to "teach" Armenians the "lessons of 1915," a brutal and menacing reference to the Armenian Genocide.

On a number of occasions over the past several years, Congress has raised serious reservations over the sale or transfer of controversial weaponry to Turkey, placing the transactions in question on hold or

shelving them entirely. Presently, the Administration is considering the granting of an export license for a proposed \$4 billion attack helicopter deal and a \$7 billion tank sale to Turkey. It is our view that these licenses should be denied 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.

Sending billions of dollars worth of offensive weaponry to Turkey runs directly counter to the interests and values our government should be advancing in this region. This deal would represent a direct threat to human rights, particularly given the Turkish military's consistent failure to distinguish between civilian and military targets. It would upset the regional military balance, sparking an arms race in an area of great strategic significance to the United States. And, finally, it would represent a direct threat to Armenia, Greece, Cyprus, and Turkey's other neighbors.

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 - such as advanced attack helicopters or tanks - 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.

---