

Written Statement  
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Chairman Menendez, Ranking Member Corker, and Members of the Committee.

Thank you for holding this important hearing today to discuss the current political and economic situation in Bangladesh. The country is at a critical juncture, so today's hearing is particularly timely and sends a powerful message that the U.S. Congress is concerned about where Bangladesh is headed. Before I begin, Mr. Chairman, let me particularly thank you and Ranking Member Corker for this Committee's ongoing leadership on Bangladesh. The Senate Foreign Relations Committee's November 2013 report, which was released on the one-year anniversary of the tragic Tazreen Fashions fire, and the hearing you chaired last summer, helped focus national and global attention on the importance of worker safety worldwide. So your leadership has had a tremendous positive impact.

Mr. Chairman, Bangladesh is a country of strategic importance to the United States. As the seventh-largest country by population and third-largest Muslim-majority nation, its moderate, secular, democracy is one that we value and support. With nearly 8,000 forces in U.N. peacekeeping operations, Bangladesh is one of the largest contributors to such missions, including the one in South Sudan, where Bangladesh is contributing aircraft and police units.

With an annual growth rate of about six percent each year, Bangladesh is an economic success story and an increasingly important trading partner and destination for U.S. investment. The United States is the biggest investor in Bangladesh and the largest single country destination for Bangladeshi apparel, the country's largest export. Through November 2013, U.S. exports to Bangladesh were up over 44 percent from the same period last year, to \$665 million, while our total bilateral trade increased by 12 percent to \$5.7 billion.

Bangladesh is also a development success story. It is a focus country for all three of the President's key development efforts: Global Health, Global Climate Change, and Feed the Future. With important help from USAID and other

development partners, Bangladesh is on target to reach many of its Millennium Development Goals. Since 1990, USAID has helped Bangladesh reduce maternal and child mortality by more than 60 percent; in that same time, female literacy has doubled. In addition, for the first time in decades, Bangladesh now produces enough of its daily staple, rice, to feed the entire population, an impressive achievement in one of the world's most densely populated countries.

The United States and Bangladesh also cooperate closely on security issues, including counterterrorism; combatting trafficking in persons, drugs, and arms; maritime security; and the mitigation of natural disasters. We discuss these issues in our annual Security Dialogue as well as our annual military-to-military dialogue. In addition, last year we held our second annual Partnership Dialogue, which provides an excellent platform to deepen our bilateral ties.

In spite of these gains in economic growth, development, and regional stability, Bangladesh faces a worrisome political situation. On January 5, the government held a deeply flawed election in which one of the two major political parties did not participate. As a result, over half of the 300 members of parliament were elected unopposed, and most of the rest faced only token opposition. The election did not credibly express the will of the Bangladeshi people. This could have serious ramifications for stability in Bangladesh and the region.

For months leading up to and following the elections, the United States and many others have voiced our strong concerns, through public statements and private conversations with government officials and opposition leaders. In November, during my first trip to the region as Assistant Secretary, I urged Prime Minister Sheikh Hasina and opposition leader Khaleda Zia to find a credible way forward toward participatory elections. We also supported the efforts of the United Nations to facilitate dialogue between the parties, which regrettably did not succeed. Immediately after the election, we issued a strong statement noting that the election was not a credible reflection of the will of the people and called for immediate dialogue to agree on new elections as soon as possible.

Mr. Chairman, I want to state very clearly that our interest in holding new elections is to ensure a free and fair process. The United States has not taken sides or played favorites in who should lead the country. That decision should be left to the Bangladeshi people, whose voices were not fairly heard on January 5.

Bangladesh still has an opportunity to demonstrate its commitment to democracy. We welcome the efforts by many in the international community, including the United Nations, who have sent the same message, and who are

prepared to help the parties engage in constructive dialogue so they can find a way forward.

We have consistently delivered one other message as well: violence is unacceptable and not part of the democratic process. We are disturbed by political parties' use of violence, inflammatory rhetoric, and intimidation, and by violence against minority communities. In the days leading up to the election and on election day itself, over 100 people were killed in election-related violence and scores more injured. We are also concerned by recent reports of continuing extrajudicial killings and disappearances allegedly committed by security forces. These abuses must stop immediately. We condemn violence from all quarters in the strongest terms. These tactics have no place in a democracy.

We have also worked to ensure the safety of our staff. Our Embassy in Dhaka has worked closely with law-enforcement and security counterparts to ensure protection of personnel and facilities. Embassy security staff closely monitor events as they unfold and limit staff movements when necessary. They maintain active and frequent contact with American citizens throughout the country, warning of potential threats as they occur. We have repeatedly and forcefully conveyed to all political leaders the importance of the safety of our citizens and staff. I am glad to say that the government and other leaders have been responsive to our security needs and have taken action when warranted. I want to emphasize as well that the violence to date has not targeted Americans or American interests. We are nevertheless continuing to monitor the situation very closely.

The political violence poses the greatest threat to the Bangladeshi people themselves. It not only puts ordinary people at daily risk of harm, but it also paralyzes the economy, threatening to undo the country's achievements in development. Bangladesh's turmoil has created uncertainty with foreign investors and impacted economic growth. While estimates vary, one source estimates the economic cost of the general strikes called by the opposition at approximately \$200 million per day. Stifling of dissent also undermines Bangladesh's vibrant civil society and long-term stability. We thus call upon the country's leadership to provide space that enables peaceful expression of political views. At the same time, we call upon the opposition to use such space responsibly.

We will continue to engage with the Bangladeshi government and opposition to encourage policies and actions that protect and advance democratic values, including respect for human rights, space for civil society to flourish, rule of law and an independent judiciary, mutual respect for Bangladeshis of all

religions and of all ethnicities, and space for the free and peaceful discussion of political differences unmarred by violence.

Mr. Chairman, I also want to assure Members of the Committee we remain steadfast in our commitment to strengthening respect for labor rights and improving workplace safety in Bangladesh. Indeed, this is one of my top priorities. Tragedies like the Tazreen fire or Rana Plaza building collapse should never happen again.

After these tragedies, President Obama made the decision in June 2013 to suspend Generalized System of Preferences (GSP) benefits to Bangladesh. Following this suspension, we presented an Action Plan to improve labor, fire, and building structural soundness standards; remove obstacles to workers' freedom of association and collective bargaining; and reform labor laws, including in the Export Processing Zones, to address the underlying concerns that led to suspension of GSP. In addition, we worked with Bangladesh, the European Union, and the International Labor Organization (ILO) to develop a "Sustainability Compact," which commits Bangladesh to improving worker rights and safety along the lines laid out in the GSP Action Plan.

We are also working with American, European, and other apparel brands and retailers, especially those with significant operations in Bangladesh, to make sure they are aware of our significant labor concerns and the strict conditions in the Action Plan. Our teams in Dhaka and Washington meet regularly with American companies to coordinate efforts to advance workplace safety standards and worker rights.

Across the U.S. government, we are working closely with USAID, the Department of Labor, and USTR to make sure we have the right strategy and resources to improve workers' rights and safety in Bangladesh. Our assistance promotes internationally-recognized workers' rights; strengthens the capacity of independent worker organizations to recruit members, form legally-registered unions, and engage in collective bargaining; assists women to be active organizers and leaders of the workers' organizations; and teaches worker representatives and leaders how to advocate for their members. In particular, we have expanded our support (over \$4 million since 2011) for the Solidarity Center to work with Bangladeshi labor to strengthen workers' ability to organize and address workplace safety issues.

There has been some incremental progress in the ready-made garment sector in the past year. Nearly 100 unions were registered in 2013, compared to one in each of the two years preceding. The courts have dropped all but one criminal case

against labor activists, permitted the registration of labor rights NGOs, and started the trial for a suspect in the 2012 murder of labor activist Aminul Islam in absentia. The government has completed over 200 structural soundness and 120 fire safety inspections, filled 42 vacant inspector positions, and is recruiting new inspectors.

However, there is still much to be done and Bangladesh still has not fulfilled the many commitments it made to improve working conditions. Plans to hire more inspectors and carry out more labor, fire, and building inspections are lagging. The majority of inspections and remediation efforts are occurring under the direction of private sector initiatives. Gaps remain between national law and international standards, no action has been taken to bring Export Processing Zones into conformity with international standards, and concerns remain over harassment of labor activists and the investigation of the murder of Aminul Islam.

Mr. Chairman, we will continue to push for urgent reforms to improve worker rights and worker safety in Bangladesh. We very much appreciated the Committee's excellent report and are closely following many of its recommendations. Thank you for your leadership on these important issues.

In closing, I want to publicly thank Ambassador Mozena and his team for their relentless efforts to promote democracy and improve labor conditions in Bangladesh. We hope that Bangladesh's political and economic leaders will take the right steps to support democratic values, foreign direct investment, and a growing economy. Bangladesh has come too far and has too much to lose.

Thank you.