Testimony of Carl Gershman

House Foreign Affairs Committee

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I want to thank you, Mr. Chairman, for your continued support for the National Endowment for Democracy.

The NED was authorized by Congress in 1983 as an independent grant-making organization to fund brave actors on the front lines of the struggle for liberty in the world. We make grants to our four party, labor, and business core institutes, as well as some 1,400 small grants that we make annually to civil society groups, independent media, and other non-governmental organizations. Such grants, along with initiatives such as the World Movement for Democracy that networks the activists we support, provide a coordinated, whole-of-society approach to aiding democracy. This approach makes the NED both effective and cost-effective.

The Cold War ended more than a quarter of a century ago, but today the United States confronts enemies that are at least as dangerous as the Soviet Union was in 1983 when the NED was founded. It is not a coincidence that the threats we face emanate from states that are dictatorships – above all China, Russia, and Iran. Supporting democracy and investing in democratic leaders and building democratic institutions are both moral and political imperatives. Systemic corruption, deep inequality and injustice, and the failure of governments to address the needs of ordinary citizens breed political instability, terrorism, and massive flows of refugees – conditions that threaten our own security and well-being.

Authoritarian leaders have accelerated their efforts to penetrate and corrupt fragile states through aggressive political, economic and cultural mechanisms with the goal of purchasing political influence and securing strategic ports and resources.

In this new era of contestation, China has claimed a larger role on the global stage and has sought to promote its own preferred ideas, norms, and models of governance. "Sharp Power," as described in a December 2017 report by NED's International Forum for Democratic Studies, seeks to pierce and penetrate targeted populations by manipulating and distorting the information that reaches them. While there are differences in the shape and tone of the Chinese and Russian approaches, both stem from an ideological model that privileges state power over individual liberty and is fundamentally hostile to free expression, open debate, and independent thought. Beijing, which spends an estimated \$10-15 billion on such Sharp Power efforts, is investing resources in media, academic, cultural, and think tank initiatives, even in consolidated democratic states, like Australia and New Zealand and in our own country as well.

Democracy is being severely challenged today in many other ways. The latest Freedom House annual survey reports that civil and political rights in the world have declined for the 12th consecutive year. As worrying as this trend is, I think it would be a serious mistake to assume that the decline of democracy is inevitable or irreversible.

Democracy was also thought to have been in decline in 1982 when Ronald Reagan delivered the Westminster Address that launched the bipartisan effort in Congress to pass the National Endowment for Democracy Act. The Solidarity Movement in Poland had just been suppressed, the Soviet Union had invaded Afghanistan, and the U.S. was still reeling from the defeat in Vietnam.

Yet Reagan said that he saw a "democratic revolution gathering new strength" in the world, and he was right. What Samuel Huntington was later to call "the third wave of democratization" was just gathering strength in the early 1980s, and while it was later to crest with the fall of authoritarian regimes in Latin America and East Asia and the collapse of communism in Central Europe and the Soviet Union, none of that could have been anticipated in 1982.

I don't know if a fourth wave of democratization is now gathering strength, but we shouldn't discount that possibility. I would call your attention to some encouraging recent events – among them the remarkable democratic transition in The Gambia, the fall of the corrupt Zuma government in South Africa, the stunning victory of democracy in Malaysia and the freeing of opposition leader Anwar Ibrahim, the equally stunning triumph in Armenia of the democratic opposition, and the successful local elections in Tunisia that are a decisive step forward in the Arab world's first democracy.

These are just a few of the examples I could give of recent democratic advances. They show that we should never underestimate the desire of ordinary people for freedom and dignity, or the extent of the anger at corrupt and unresponsive government officials.

Nor should we assume that strongmen always win. Many people thought communism would last forever because it had concentrated so much power in the hands of the ruling bureaucracy. Yet Reagan understood the vulnerability of closed and corrupt political systems, which is why he declared in his Westminster address that "the march of freedom and democracy...will leave Marxism-Leninism on the ash-heap of history as it has left other tyrannies which stifle the freedom and muzzle the self-expression of the people." That vision remains relevant today.

For example, the Islamic Republic of Iran is a failed system, which was shown by the protests that swept over the country less than six months ago and that will certainly recur. The Bolivarian dictatorship in Venezuela and the Ortega regime in Nicaragua are also failed systems, not to mention Cuban and North Korea dictatorships, as well as the stagnant Russian kleptocracy.

China is projecting its military and economic power and threatening to spread its model of a totalitarian surveillance state. But while Xi's regime may claim performance legitimacy because of its economic growth, it lacks <u>political</u> legitimacy because it was never freely elected, and its insecurity shows in many different ways. Why must Xi prohibit what he calls "historical nihilism, meaning any discussion of the Tiananmen massacre or such Maoist disasters like the Cultural Revolution? Why has it been necessary to eliminate a peaceful dissident like the Nobel Laureate Liu Xiaobo, or to arrest hundreds of human rights lawyers, suppress the Christian house-church movement, and expunge the cultural and religious identity of the Tibetan and Uyghur minorities? By stoking nationalism to fill the void left by the death of communist ideology, the regime just exposes its failure to develop values with broad appeal.

Why, therefore, should we assume that the so-called "China model" will not also end up, as Reagan said, on the ash-heap of history?

We must not underestimate the immense challenge of building and consolidating stable democracies. Democracy is hard work, especially in countries that are poor and that have experienced violent conflict. And it takes time. But "While we must be cautious about forcing the pace of change," as Reagan said at Westminster, "we must not hesitate to declare our ultimate objectives and to take concrete actions to move toward them."

That means helping people who share our democratic values and who want to build free societies governed by the rule of law. And so it is in that spirit the NED helps the kind of activists we honored last night with NED's Democracy Award who are fighting to rescue the people of North Korean from enslavement.

It's why we have supported people like Cynthia Gabriel, one of the recipients of last year's Democracy Award, who led the effort to expose the massive corruption associated with the 1MDB scandal in Malaysia; and Rafael Marques, another Award recipient last year, who has led the fight against equally massive corruption in Angola and who is now on trial for allegedly insulting corrupt officials.

Other examples include the support that NED has given in Ukraine to the Anti-Corruption Action Center that has tirelessly led the campaign for the establishment of an independent anti-corruption court. I'm pleased to report that just last week the Ukrainian Parliament at long last approved legislation to create such a court.

Another important victory just occurred in Afghanistan where the daily newspaper Hashte-Subh (8am), another NED grantee, published an investigative report on the illegal issuance of diplomatic passports to Afghan strongmen and their families, leading the government to immediately cancel over 4,000 such passports.

A last example is the non-partisan training conducted by four NGOs in Tunisia of new candidates who participated in last month's local elections. Of the 235 individuals who were trained, 112 won seats and 25 were the heads of their electoral lists. These elections have made democracy in Tunisia more inclusive and responsive, dealing a blow to ISIS which has been able to recruit young people in Tunisia who were frustrated over the failure of the revolution to produce meaningful social and economic change.

Mr. Chairman, I could give many other examples of dedicated NED grantees whose work is advancing American values and security in the world. Our job is to empower such brave people and to let them know that they are not alone because they have the support of the American people.

This, I believe, is what Reagan meant when he said at Westminster that as important as our military strength is, "the ultimate determinant in the struggle that's now going on in the world will not be bombs and rockets, but a test of wills and ideas, a trial of spiritual resolve, the values we hold, the beliefs we cherish, the ideals to which we are dedicated."

We can win this test of wills and ideas if we have the spiritual to fight to stand with and support people around the world who are fighting to build democratic societies. If we do, we will make the world a safer and more peaceful place for America and the values upon which this nation was founded.