

Reorienting strategies towards Burma/Myanmar

Burma/Myanmar's military leadership has repeatedly disconcerted the international community. The US and Europe in particular are confronted with the difficult task of finding an effective way to deal with the regime. The EU needs to consider alternative models to the policy it has hitherto pursued of taking decisions in reaction to specific events as they occur in the country. In this context, the strategies of neighbouring Asian countries, and particularly China, merit closer scrutiny. This analysis will put forward some suggestions on how progress in this matter might be achieved.

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Burmese line up to receive candy and medicine. Yangon, Myanmar, May 26, 2008

The current situation

In view of the repressive nature of the regime and recurring humanitarian crises in Burma/Myanmar, worldwide indignation about the unscrupulous State Peace and Development Council (SPDC) – the ruling military junta – is justifiably intense. The military, having already provoked an international outcry when it brutally cracked down on demonstrations in

September 2007, has now added insult to injury by having denied foreign aid personnel access to the country after cyclone 'Nargis' hit the Southern (Irrawaddy) delta region in early May 2008. The central question is how to deal with a military regime that puts the preservation of its power and security above the well-being of its own citizens.

The use of trade embargos to marginalise the military has been of limited effectiveness in that it has mainly impacted on the civilian population and arguably helped the junta to consolidate its power. However, ideas regarding alternative strategies that go beyond direct sanctions are thin on the ground. Most importantly, in dealing with Burma/Myanmar a long-term and proactive agenda is needed – even at times when the country is not making headlines. The attitudes and approaches of other Asian countries towards Burma/Myanmar differ greatly and are less reactive than those of European countries – a factor that needs to be taken into account when elaborating any future strategy.

Fortress Myanmar – showing the first signs of cracks?

The humanitarian and development situation in Burma/Myanmar has evidently not improved since the major repression of the democratic uprising in 1988 and the overruling of democratic elections in 1990. Human rights are still systematically breached: instances include forced labour, forcible transfer of populations, arrests and detention of political activists, and the torture and persecution of civilian members of the Karen ethnic minority in particular. It is still unknown how many civilians and monks were

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killed during the crackdown on the peaceful protests that took place in August/September 2007. Visits by UN Special Envoy Ibrahim Gambari have not resulted in any effective response. Rather, the junta once more demonstrated shocking indifference to the plight of its population when it denied foreign aid and rescue workers access to the country for an entire two weeks after the tropical storm that hit the country in early May. Instead, the regime went ahead with an already planned constitutional referendum, which was held outside the disaster areas.

Time and again the regime has demonstrated its indifference to international opinion. Today it seems that Burma/Myanmar's military leaders have, in addition to their bunker mentality, developed a sense of paranoia. The move of the capital from Rangoon to secluded Naypidaw, which was undertaken for strategic reasons and at exorbitant cost, can be seen in this context.

After the military's second *coup* in 1962 the regime continued to maintain a neutral posture in the international politics of the Cold War era. Constricted between neighbouring revolutionary China and the US, it increasingly isolated itself and at the same time engaged in balancing the two sides. Having originally been established as a 'caretaker' government after ethnic tensions broke out over issues such as state religion and nation-building, the regime soon consolidated its position and enforced its own brand of socialism. After the 1988 demonstrations the State Law and Order Restoration Council (SLORC) was set up. In 1992 current head of state General Than Shwe became chairman of the SPDC. The regime continues to assert its legitimacy as guarantor of social peace and national unity and thus of stability.

Already in 1992 the regime promised the drafting of a new constitution in a process that, it was promised, would involve representatives of all political factions. The constitutional process that has developed under the regime's auspices since is generally mistrusted. Opposition parties were barred from the process. An economic boom that took off in the mid-1990s was attended by hopes that the country might gradually open up. Arrests of members of opposition parties, the house arrest of Aung San Suu Kyi, her calls for economic sanctions in 1996 and the withdrawal of major companies from the country dashed any such hopes. Finally a banking crisis in 2003 had grave consequences for the weak economy.

Today the Generals continue to retain power while paying lip service to political reform as demanded by the UN. After the events in September 2007 the SPDC announced a 'seven-step road map' to build a 'developed and discipline-flourishing democratic na-

tion'. Democratic elections are scheduled for 2010. The constitutional referendum of May 2008 laid the basis for the elections and at the same time the regime took steps to ensure that it would remain the dominant force in Burma/Myanmar's political landscape. According to media reports, the military will retain one quarter of all parliamentary seats. Ethnic groups were dissatisfied because the draft agenda did not contain any concessions to autonomy regarding revenues from resources, education and culture. The full text of the constitution was only published one month ahead of the referendum.

The EU perspective

The EU has repeatedly responded to the deplorable governance standards in Burma/Myanmar by sanctioning the junta. Economic sanctions were first introduced in 1996 after EU demands for democratisation and the release of Aung San Suu Kyi were ignored. Today imposed sanctions include banning top government officials from travelling to Europe, freezing of assets, a ban on arms sales and selected Burmese businesses as well as direct investments. At the same time, vulnerable sections of the population inside Burma/Myanmar and refugees in Thailand are being supported with humanitarian relief efforts. The declared goal of the EU's policy towards Burma/Myanmar is the installation of a civilian government and the resumption of the democratisation process.

During the past decade the EU has been particularly at odds with ASEAN states and, increasingly, China over the Burma/Myanmar issue. ASEAN has placed emphasis on constructive engagement and integration in order to open up Burma/Myanmar. In 1996 Burma/Myanmar gained observer status and in 1997 was granted full membership of ASEAN. This has in turn weighed heavily on ASEAN-EU relations. In 1997 ASEM Ministerial Meetings were suspended because the EU refused Burma/Myanmar access to the Asia-Europe ASEM process. In 2000 an ASEM ministerial meeting held in Bangkok took place including all member states. For a short time in 2001 dialogues between the junta and the democratic opposition were resumed. Prior to the fifth ASEM Meeting in Hanoi 2004, Burma/Myanmar's participation initially caused a major disagreement between ASEAN and the EU over human rights issues.

All in all, in their relations with Burma/Myanmar Asian states (including China) do not favour sanctions policies. Arguably, by pursuing a policy of engagement, they are still trying to open up the country in the mid to long term. The individual approaches pursued by Asian and European countries have at times been perceived as contradictory.

ASEAN pathways?

ASEAN has gone about engaging Burma/Myanmar's generals in its own way. Sanctions have never been an option. ASEAN member states have affirmed a policy of non-interference in their charter, in accordance with the principles of the non-alignment movement. However, the Burmese junta's manner of dealing with things has repeatedly embarrassed the association. This was especially the case when it was Burma/Myanmar's turn to take over the chairmanship in 2006. Although it has proven difficult to influence the regime to give in on human rights issues or to open up the country, ASEAN has remained committed to its constructive engagement policy.

Two months after the brutal crackdown on demonstrations in September 2007, at the 13th ASEAN Summit held in Singapore, a rift emerged among ASEAN states over the issue of Burma/Myanmar. Malaysia and the Philippines in particular condemned the human rights situation in the country and lack of progress in this domain. This was unprecedented as up to then ASEAN countries had hoped that integrating the country and maintaining trade relations might help to open up Burma/Myanmar, and no explicit criticism of the regime had been voiced.

The question is whether direct trade can serve as a conduit to open up the country or whether opening up the country is just regarded as a desirable, though by no means guaranteed, side-effect of trade. If one looks at the figures, it is mainly neighbouring countries that are involved in trade. In 2006 Burma/Myanmar's main export partners were Thailand (48.8%), India (12.7%) and China (5.2%). The main import partners were China (35.1%), Thailand (22.1%), Singapore (16.4%) and Malaysia (4.8%).¹

In view of the way in which the junta have mismanaged the current humanitarian crisis and snubbed the international community's offers of aid in the aftermath of cyclone 'Nargis', ASEAN has once more had to resort to face-saving tactics and initiate a damage limitation exercise. After the junta denied international aid and rescue workers access to the stricken country, allegedly on grounds of mistrust, ASEAN Secretary-General Surin Pitsuwan initiated a 'coalition of mercy.' An Emergency Rapid Reaction Assessment Team (ERAT) was sent to determine critical needs. However, this attempt to alleviate international pressure and persuade the junta to moderate its position is ultimately doomed to be inadequate.

1 Source: CIA Factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/bm.html>.

ASEAN does not possess the technical capacities that are needed to provide large-scale humanitarian aid. Generally speaking, ASEAN has not yet developed a consensus and common strategy that would make it able to deal constructively with Burma/Myanmar.

So far neither dialogue nor Western sanctions have helped to open up the country or accelerate progress towards reform. The debate between ASEAN and the West about the best policy to adopt – pressure or engagement – has narrowed down the range of options on viable alternatives.

China's advances

Bearing in mind its reputation as the 'guardian' of Burma/Myanmar, it seems unlikely that a viable approach will emanate from China. Yet the engagement of China – and in particular that of its Southwestern province Yunnan – might gradually help to open up Burma/Myanmar to the broader Indochinese region. Through direct investment and infrastructure projects ranging from road and rail networks (including an East-West highway corridor), the construction of dams and a navigation channel on the Mekong, telecommunications technology and basic industrialisation, China is managing to gradually open up and integrate markets of the so-called Greater Mekong Subregion (GMS).² Introduced in 1992 as a project of the Asian Development Bank (ADB),³ the aim of the GMS was to create infrastructure, greater economic linkages and promote sustainable development. China has in recent years increased its engagement and has become a major player in driving the project forward.

China's efforts are by no means based on purely altruistic motives and in the case of Burma/Myanmar certainly merit further scrutiny. China's influence on the junta is limited; however, its investment and revenue from trade have benefited the military elites. The main initiatives undertaken in the GMS come from Kunming – the capital of Yunnan – and the goal is to integrate the landlocked province into international markets. Nevertheless, for the time being Burma/Myanmar has become engaged with its neighbours and been opened up to some degree towards the East.

2 Members: Yunnan (China), Burma/Myanmar, Thailand, Laos, Cambodia, Vietnam (and Guangxi, China).

3 For more information see: <http://www.adb.org/GMS/projects/adb-projects.asp>.

Policy options beyond ‘carrots and sticks’

Despite its international engagement and active policy, so far Europe has only played a peripheral role in Burma/Myanmar’s fortunes. In terms of consistency, persistence and engagement, ASEAN has been far more successful. The reason is that due to its chosen path of sanction policies the EU no longer has any real leverage over the regime. More radical sanctions such as military intervention have never been an option for several reasons. The outcome and aim of such interventions would be questionable and any moves in this direction in the UN would most likely be blocked by China. The question therefore is: what, realistically, can the EU do?

In the short term:

(a) Long-term strategies on how to deal with Burma/Myanmar need to be defined. This involves a consistent approach beyond responses in crisis situations. Pragmatism in the choice of options should prevail over quixotism in words and deeds. If the installation of a civilian government and safeguarding of human rights are the long-term goal, attempts at opening up the country are inevitable. In view of the urgent humanitarian situation, small steps forward are not very satisfactory but are better than none at all.

(b) For the time being the sanctions policy needs to be upheld. Although this might at first sight appear to plunge Burma even more into dependency, particularly in relation to China, the regime itself has a vested interest in avoiding such a situation. So far Rangoon has successfully managed to diversify its foreign relations. As long as direct financing of the junta by Western countries can be avoided, there is an opportunity that its currently weak position can be prolonged to some degree and that this will force it to further open up the country. Besides, other initiatives such as the GMS project acquire greater importance if no external sources invest directly in Burma/Myanmar.

(c) Donations of humanitarian aid to vulnerable parts of the population and the cyclone victims should be channeled through local agencies including ASEAN. Close consultations with other donors can also lead to opening up a discussion of other issues.

In the mid to long-term:

(d) Dialogue can be channeled via China. However it must be remembered that China does not have an unlimited influence on Burma/Myanmar’s generals. Rather it should be seen as a potential partner in dealing with regional issues. It has channels of communication and mutual economic interests with Burma/Myanmar and is involved in projects such as the GMS. In the framework of the EU-China strategic partnership, talks on Burma/Myanmar should be deepened, and greater understanding and common interests developed. This involves the question of how approaches can be complemented.

(e) The possibility of bandwagoning on existing Asian initiatives should be considered. Supporting initiatives such as the GMS in cooperation with the ADB and coordinating with crucial players in Indochina can lead to effective results in opening up Burma/Myanmar in the sub-region. Besides, any direct funding of Burma/Myanmar’s government can be avoided because Chinese and ADB funding is project-based. As the EU is an extra-regional actor the perception of interference in regional affairs would be lower than is the case when asserting direct pressure or pursuing containment strategies.

(f) The EU should pursue goal-oriented dialogue with individual ASEAN states (both progressive and conservative). Such dialogue moving beyond ASEM can be an effective way forward as long as the aim is not to further divide ASEAN on the issue.

(g) The UN must be strengthened as a central actor in dealing with Burma/Myanmar. China, India and other neighbouring countries should be asked to confirm their support for the UN’s efforts to bring about change and persuade the military to open up the country and gradually pave the way towards civilian rule.