

# The Mon Forum

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## Some Acronyms in This Issue

SPDC-	State Peace and Development Council
TPDC-	Township Peace and Development Council
NLD-	National League for Democracy
IB-	Infantry Battalion
BBC-	British Broadcasting Corporation
USDA-	Union Solidarity and Development Association
VOA-	Voice Of America
BSPP-	Burma Socialist Program Party
NUP-	National Unity Party
SLORC-	State Law and Order restoration Council

## News

### Village militia campaign leads to arrests in Yebyu Township

February 9, 2010

**HURFOM, Yebyu:** Starting in January 2010, Light Infantry Battalion (LIB) No. 282, led by Major Nyi Nyi Soe, began ordering residents of Alaesakhan village, in Tenasserim Division's Yebyu Township, to force a village militia.

According to a villager in Alaesakhan, Major Nyi Nyi Soe ordered residents to start militia trainings; every household in the village was ordered to contribute one member to the new force. Individuals uninterested in joining were told that they would be forced to pay a monthly tax of 6,000 kyat following the militia's formation. Following the issuance of Nyi Nyi Soe's orders, many Alaesakhan residents fled from the village to their plantations, in order to avoid militia membership.

HURFOM's field reporter learned that many villagers are reluctant to join militias because Mon rebel groups, including the Nai Chan Dein and Nai Bin groups, are active in the region. Villagers also complained that as members of the militia they would be under the



Civilians practice shooting at a militia training in mid December 2009.

## Social Responsibility of Multinational Companies in Burma

ASEAN, China and other countries have expectations for Burma's 2010 elections because these governments' leaders are concerned about being able to invest in Burma for trade or exploitation of natural resources.

During 1993, when multi-national gas and oil companies such as France's Total and the US's Unocal came and invested in Burma, they did not demonstrate their social responsibility towards the local people, by respecting their human rights, their property rights, their culture, their traditions and or their livelihoods. Thousands of ethnic villagers were forced to work as unpaid labor on the gas pipeline projects and related security activities. Thousands were forced out of their homes and villages because of the increased military conflict and human rights abuses related to gas pipeline security.

What will happen after the 2010 elections? In all likely events there will be a military and civilian government formed; the Burmese Army will still remain in a key position to strengthen its troop numbers to affect national security. Whenever new investment in Burma occurs after 2010, the troops of the Burmese Army will take responsibility for security in anyway they want, especially in ethnic regions on various projects of dam construction, pipeline construction, hydro-power development, timber harvesting, mining rights, etc.

According to past experience, the Burmese Army has committed gross human rights violations while providing support security for investment projects, so it is likely that it will do the same in the future after 2010.

Therefore, the Human Rights Foundation of Monland (HURFOM), which has been monitoring the situation along the Yatana and Kanbawk-Myaingalay gas pipeline for over 10 years, wants to remind the multi-national investment companies to perform their social responsibility when investing in Burma, whether the new government is formed after 2010 elections, or not.

command of LIB No. 282, and would likely be sent to particularly dangerous areas in the region in place of the battalion.

One villager quoted Major Nyi Nyi Soe's speech to HURFOM, "If all of you want to protect your village, you must join the militia, don't worry about the guns or if the government will support you, just join the militia and you will also get support from the government. If all of you have guns, you don't need to afraid of rebel groups."

"They just want to put us in dangerous places, because villagers have no power to fight both of them [the battalion and the armed groups], if something happens [while we are on duty] the battalion can blame it on us. We are at the mercy of both groups", said a 32 year-old Alaesakhan villager.

According to HURFOM's field reporter, in early February 2010, 4 Alaesakhan residents were

detained by LIB No. 282 after they fled to their plantations to avoid joining the militia. When military column No. 2, under control of LIB No. 282, arrived at these villagers' plantations, they arrested them. According to sources, the 4 villagers were bound, tortured in a variety of manners, and taken to the battalion's camp.

Two victims from the incident were Nai Par Mon, 35 years old, and Nai Seik Nyan, 35 years old; both were Alaesakhan residents. After they were arrested, the battalion accused them of being rebel soldiers, and the two were taken to a hidden location. Alaesakhan villagers informed HURFOM that the pair has still not been heard from.

Alaesakhan is located in what the State Peace and development Council has categorized as a "black area". Many villagers in the region face detainment and torture at the hands of both Mon rebel groups and Burmese military battalions stationed in the area.

## News

### DKBA combined base supplies gathered at villager expense

February 4, 2010

HURFOM, Bee Lin: The Democratic Karen Buddhist Army (DKBA) Brigade No. 999 and No. 333 have demanded building materials such as wood planks and nails, for building a new permanent base in Bee Lin Township, Mon State. Forces from Brigade No. 999 and No. 333 will share the base once it is complete.

Villagers from Kye Gaw village, Mae lay Khee village, Mae Nar Waw village, Noh Khae village, Khaw Htee Hta village, Phi Gee Khee village, Bae Lae Noh village and Bakyaе village, were ordered by DKBA Colonel Saw Chit Thu to take responsibility for providing the 2 brigades with the wood and other materials to build the new base.

According to a resident of Be Lin Township, where Brigade No. 999 is currently based, the new base will be located in Kye Gaw Chaung Wa village in Bee Lin Township.

For the construction materials the Major specifically demanded villagers provide Ironwood for building in the new camp. Area residents have reported that the wood costs around 500,000 to 700,000 kyat pre ton.

Ironwoods are known for their durability and resistance to wear from natural elements due to the wood's density. According to a resident from Mae Nar Waw village, on January 13th, Saw Zin Aung who is a high ranked administrative officer responsible for DKBA Brigade No. 333 demanded villagers bring 7,500 wood planks from villages near his own village.

The planks were specifically to be sized 4 x 0.75 inches. The villager provided a list to the HURFOM reporter of the names of the villages and the number of wood planks each village brought to the location of the new base in Kye Gaw Chaung Wa. The villages are Ba Kyae – 500 planks, Baewar Chaung – 1,000 planks, Khaw Htee Khee – 1,000 planks, Khaw Htee Htar -1,000 planks, Phi Gee Khee – 500 planks, Bae Lae Noh – 2500 planks and Noh Khae – 1,000 planks.

Villagers in Mae Nar Waw reported being unable to afford Ironwood, forcing some to travel into the forest to find any wood, instead of Ironwood, that could be used for building. On the orders of Col Chit Thu, Mae Nar Waw village had to give 12,000 ironwood planks and 300 bamboo poles to the construction project.

According to one villager, 20 Ironwood poles cost 35,000 kyat. It remains unclear as to what results failure to collect the demanded building materials will bring. Villagers have stated that in past experiences where they were unable to provide the DKBA with the supplies they demanded, which resulted frequently in threats shouted at villagers, and verbal abused at gunpoint, until they managed to meet the demands.

“Many villagers in my village live in a hand to mouth situation,” lamented a Mae Nar Waw villager. “We have no idea how or where we can get ironwood, so we decided to find some other kinds of wood instead.”

According to a Khaw Htee Khee resident, some villagers could not afford price of the wood planks and nails. Some villagers had even to sell things such as livestock.

A widow from To Khaw Htee Khee told the HURFOM field reporter that, even though she is 59 years-old, she had to provide 30 planks of wood and 3,000 kyat for nail. She had to let her 14 year-old son accompany other villagers to cut planks of wood from the forest. But he was unable to due to the difficulty in felling and then cutting trees in to 30 plans, despite assistance from other villages. The mother of the 14-year-old boy described that when he arrived home he cried because he had no idea where he could get 30 planks of wood.

“At first I had hoped that in cooperating with the regime the DKBA could help villagers, such as less portering, [less] force labor and less taxation, but the reality is they also are involved in these the same as the regime,” the widow stated. “We villagers have to provide 2 times as much compared to the past, because villagers not only have to provide to State Peace and Development Council but also Democratic Karen Buddhist Army.”

## Continued Forced Portering in Than Tha Bin Township

February 2, 2010

HURFOM, Than Tha Bin: Reports have surfaced of Light Infantry Battalions (LIB) No. 421 and 261, both based in Than Tha Bin Township in Pegu District, using villagers in the area for forced labor. Both battalions are under the control of Military Operation Command (MOC) No. 7.

A resident of the area informed HURFOM's field reporter that roughly 70 Than Tha Bin Township villagers from Yaethagon village were used as forced labor during the second week of January 2010.

Villagers from five villages in the township, including Han Tho village, Theit Pu village, Myaught Chaung village, Yaethagon village and Palae Wa village have endured forced labor conscriptions on a weekly basis since the two battalions moved to the area in 2009.

"Portering happens daily in Than Tha Bin Township, the number of villagers [forced to work] is irregular and some time the number is big and sometime it is small. Villagers have no time to work in their businesses", said a 50 year-old Myaught Chaung resident who ask HURFOM to withhold his name.

During the second week of January this year, LIB No 421, led by Major Aung Myat and based in Yaethagon village, enlisted around 70 Yaethagon villagers, both male and female, to carry cooking materials like rice and cooking oil. Villagers had to carry the foodstuffs from Yaethagon village to Palae Wa camp, also in Than Tha Bin Township. The march to the camp and back was a 2 day round-trip.

"I saw around 70 villagers, both male and female, carrying things and walking across my farm. I saw them walking, it seemed like [what they were carrying] was very heavy. Some were tired and took a rest on the way. As I heard the voices, they were not only Karen people, some Mon and Burmese speaker villagers were also involved in the portering", said U Ah Thee, a 48 year-old Myaught Chaung villager.

He also told HURFOM that during September 2009, he was forced by LIB. No. 421 to work as a porter for 2 weeks. Following his experience, he

refused to return to the village and instead has remained hidden on his farm.

According to a member of the Karen National Liberation Army (KNLA) on duty in Than Tha Bin Township, the Burmese military battalions use villagers not only as porters, but also as human shields and minesweepers during skirmishes with the Karen National Union (KNU).

"I am very unhappy with villagers; they had to do every thing as the soldiers said. Sometimes the villagers have to go in front of soldiers, in the middle of the soldiers and behind of soldiers.

Villagers in front of soldiers clear the landmines and those in the middle of the soldiers and behind the soldiers were there to cover the soldiers from ambush" said the KNLA member.

HURFOM's reporter learned that during the second week of January 2010, LIB No. 261 also forcibly enlisted roughly 80 male and female villagers from various villages in Than Tha Bin Township, including Theit Pu and Myaught Chaung villages, to porter cooking materials, mortar, and bullets for the battalion.

According to a Than Tha Bin resident, many villagers suffer greatly during their portering experiences; porters frequently are forced to walk great distances without rations or rest. , "Two months ago, my brother was arrested by LIB No. 261 and forced to porter.

He got a stomachache while he was carrying things, he could not walk and they [the battalion] left him in the jungle for three days. He walked back home. When he arrived at home his stomachache was severe. Since then, he has not been able to work, and he is still in bed," explained his elder sister, a 30 year-old Than Tha Bin resident.

All of the Than Tha Bin villages victimized by LIBs No. 421 and 621 are mixed Karen and Mon villages; many of the farmers in the area survive through highland cultivation. The region has been marked by the Burmese government as a "brown area".

## Report

# Oil and Water: The Impact of Government salary increases on democratic prospects

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### Introduction:

In early January 2010, the Burmese government State Peace and Development Council (SPDC) announced a nationwide salary increase for all government employees. Under the announcement No. 104/2010, from the SPDC Department of Finance and Customs in Nayphidaw, the pay hike was implemented concurrent with the SPDC's heavy-handed campaign to secure civilian support during the 2010 election. The pay hike raised the salary of all active members in the government workforce a flat 20,000 kyat per month, regardless of position or rank.

However the timing of this salary increase, along with the supposition that it will only be enacted for 15 months, has lead many government employees and observers to believe that the small cash windfall was intended to meet the SPDC goal of winning the support of the government's own staff prior to the election. However, despite the apparent boon of a pay hike for Burma's nearly 2 million civil servants<sup>1</sup>, the surface-level benefits of greater pay have been swept away by the significant lopsided impact on the national economy.

While many government employees have reported being thankful for receiving the small pay increase, an even greater number have reported that the subsequent surge in commodity prices has ultimately cost them more than the salary increase provides for. For employees stationed near Burma's Thai border, retired civil servants who are reliant on pensions, and citizens who are not employed by the government, the sweeping commodity price increases have severely jeopardized their economic survival. Without government control over commodity or transportation prices, knock-on effects from the current pay hike are undercutting the livelihoods of Burmese civilians nation wide. One of the most troubling consequences of the pay hike has been its impact on the potential democratic process. Besides the widely held belief that the increase is meant to win government employee support, some civilians report that they will likely be unable to participate in the election, forced to focus instead on their survival living hand to mouth.

In this February report, HURFOM will continue its theme of 2010 election-related research, specifically focusing on the economic fallout from the recently enacted government salary increase, and its impact on civilians prior to the election. Using the individual accounts from current government employees, retired government officials, and regular Burmese civilians, HURFOM details how the salary increase has lead to a drastic surge in commodity prices. Beginning with current government employees, then retired civil workers, and lastly, regular civilians, these personal accounts are the subsequent reactions to the effect of the financial impact and understanding of how and why this salary increase has been carried out. The report will then close with a discussion of the impact of this financial crisis on the democratic process.

The individual accounts cited in this report are drawn from interviews conducted by HURFOM field reporters in Ye, Thanbyuzayat, Mudon, Kyaikmayaw, Kyainnseiky, Three Pagodas Pass and Moulmien Townships and Pegu Division, since the pay hikes were first implemented in early January. Given the sensitivity of the subject, these interviews are a sampling from the government work force, retired government employees, and civilian populations. All listed salaries of current civil servants include the January 2010 salary increase.

### The Salary Increase:

To better understand the significant negative impacts the recent pay hike is causing within the Burmese economic sector, the enactment must be considered with similar historical precedents set by 4 similar pay hikes under the SPDC<sup>2</sup>. The practice of salary increases has gone hand-in-hand with significant inflation, as

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<sup>1</sup> Past pay increases occurred in 1989, 1993, 2000, 2006. See, "Burmese government staff unhappy despite pay hike," *Mizzama News*, January 6, 2010.

<sup>2</sup> "Trade unions attack Burma wage rise," *Democratic Voice of Burma*, Jan 8, 2010.

the “excess of cash reflects the broader problem that the regime funds much of its spending through the simple, but highly destructive, means of printing the kyat in whatever volumes it requires”<sup>3</sup>.

With the continued printing of unguaranteed cash, the regular prices set for commodities shrink in value, forcing trade guilds that are located in villages and towns throughout Burma to recalibrate prices nationally, based on the international market value of each product. Thus the practice of salary increases ultimately undermines any potential gain in wealth for government employees, similar to prior salary increases where, “the salaries of civil servants and military personnel were raised significantly in April 2000, [however] inflation also increased rapidly, eroding the value of the salary hikes”<sup>4</sup>.

The last salary increase for government employees was enacted in April 2006, which increased salaries nearly 10 fold. The result was a 20% increase in commodity prices over 6 weeks.<sup>5</sup> As reported by Scott Turnell, to the US senate foreign relations committee, at that time the actual market exchange rate was nearly 200 times what the government officially posted<sup>6</sup>, and that the inflation rate between 2005 and 2007 averaged around 30.1%. It is now estimated to be close to 50 % according to the US State Department.<sup>7</sup>

### Details of Commodity Price Increases:



**Villagers purchase food supplies at a market in**

The fallout from the 2010 salary increases has been dramatic. In the past month as HURFOM has documented the unfolding economic tribulation, commodity prices increased across the board. Due to the widespread problems of collecting economic data in Burma, from extreme security dangers, constant shifting economic values, and a lack of consensus on data, it is difficult to determine an average income for residents. According to the CIA World Factbook, the GDP per capita income is \$1,200, which when broken down to a daily income, would be \$3.29 a day, or approximately 3,290 kyat. While this only a general guide, the amount gives a picture of how difficult it is for average civilians to pay for basic costs. The commodity price

increases have, in particular, increased the costs of basic necessities. According to the UN 70% of household expenditures are spent on food.<sup>8</sup> The following are prices of common everyday commodities necessary for basic survival for families in Burma:

- 1 pack (50 Kg) of rice increased from an average price of 20,000 to 23,000 kyat
- 1 vis (1.54 Kg) of onions increased from an average price of 600 to 700 kyat
- 1 vis of cooking oil/ peanut oil increased from an average price of 600 to 750 kyat
- 1 vis of chili increased from an average price of 3,000 to 3,200 kyat
- 1 vis of fish paste increased from an average price of 300 to 350 kyat
- 1 gallon of diesel fuel increased from an average price of 6,000 to 6,500 kyat
- 1 vis of fish (salt water) increased from an average price of 6,000 kyat to 6,500 kyat

### Voices of Current Government Employees:

Even though the government salary increase has only been enacted as of January 1st 2010, most government employees interviewed have already reported to HURFOM that they are struggling for survival due to the rapid explosion of commodity prices. The increase in commodity prices has been so widespread and abrupt that the majority of interviewed civil servants have stated that the salary hike provided no financial benefit, or was even insufficient in covering inflated prices.

<sup>3</sup> Turnell, Sean “Reforming the Banking System in Burma: A Survey of the Problems and Possibilities”, 2002.

<sup>4</sup> Christina Fink. *Living Silence* (New York: Zed Books, 2001).

<sup>5</sup> F Barthassat. “Inflation in Burma” *Burma Issues Newsletter*, August, 2007.

<sup>6</sup> Turnell, Sean. “Burma’s Economic Prospects” *Testimony before the Senate Foreign Relations Subcommittee on East Asian and Pacific Affairs*, March 29, 2006.

<sup>7</sup> Turnell, 2002.

<sup>8</sup> *Chronic Emergency: Health and Human Rights in Eastern Burma*. Back Packer Health Worker Team, 2006.

According to Khin Mg Win, Chief of Police of the Department of Drugs and Crime, in an undisclosed township, whose current salary is 58,000 kyat:

In my opinion, the government increasing the salary for their staff is related to 2010 [election] and manipulating the economic system. In Burma, there are a lot of jobless people. Also our income is not matched with the commodity price that we spend daily. These are the reasons the government is raising the salary to make their employee feel a little less pressured and help to get out of the economic crisis. However they're also trying to make it easier to win our support to be involved on their side [in the election].

A Police Sergeant, Zaw Myint, whose current salary is 52,000 kyat in an undisclosed township, described that even though the military government was raising staff salaries 20,000 kyat, some government staff, like himself, still report having difficulty providing for the survival of their families:

Although the government gives me another 20,000 kyat, I cannot provide for the survival of my family. The commodity prices are increasing at the same time as they increase our salary so there is no increased benefit from us getting more salary. My family has 7 members. If they have to wait on me for my salary, they would no longer survive. The salary increase that they've given me does not even get one package of rice. At the movement I'm serving in the border so my family faces even more difficulty for their daily survival.

Aung Thu, who works at the Ministry of communication and information, in an undisclosed township, is currently paid 52,000 kyat:

The increase in staff salary didn't surprise me or make me happy. Everyone understands that the government must ultimately hold power during the election in 2010. As the election is prepared there have been many problems between the government, the National League for Democracy [NLD] and the [ethnic] ceasefire groups. They do not believe that the election will be fair. Also within the government staff, there have been some problems with people and their jobs. I think the reason they are increasing the staff salary is they are trying to get us to on their side in the coming election...Before the salary increase the commodity prices had already increased a little bit. But, after the salary increase the commodity prices skyrocketed. Even though the government increased the stipend it is not enough for our family. If we did not get extra jobs it would be difficult for all of us to survive. As for the government staff who have children that are attending school? Its even more difficult [for them].

Zaw Min Htun is employed by the Customs Department, at a salary of 52,000 kyat, and is from an undisclosed township. He explained to HURFOM about how little benefit the salary increase provided, and in particular noted the increased cost of commodities on the borders of Burma makes the augmented salary even less effective:

I think this is all part of their policy. They should be increasing [the salaries] because the commodity prices have risen very high. If they don't, their staff will not longer be able to work in government positions because they must find extra work for their livelihoods. In addition they're [staff] not focusing their attention on the election if their standard of living is at risk. I think the government gives a little more money to grab their [staff] attention to support their [government] side in coming election. By giving an extra 20,000 kyat instead of a real salary they help the staff who stay towards the inside of Burma, but not the staff who are based on the border like me."

According to Tar Bhu from the Ministry of Communication, whose current salary is 52,000 Kyat, and is from an undisclosed township:

I'm not interested in the extra 20,000 kyat increase. We cannot support our family despite the government having increased my salary. I only pay attention to the outside income. I have been working setting up or fixing satellite dishes. I got more money from that job than I do for my salary. I'm not interested what the government is doing or what their policies are in increasing their staff salary. I'm not interested in what the government has there...it seems to be that I will get no benefit so its none of my business. What I do care about is how my family will continue surviving."

Ko Win Myint, from the Land Survey Department in Paung Township, Kywe Chan village, who is paid 53,000 kyat, said:

The government spends our money for building bridges and constructing roads. When it's finished, they just come for the opening ceremony to cut the ribbon. Now is the same thing – they increase our salary and create a big celebration to appear as if they really care for and think about their employees. After [giving the salary increase] I think they will point us towards which party [they say] we have to vote for.

Naing Lee Mor, who is a primary school teacher, from an undisclosed township and whose current salary is 52,000 Kyat, said:

As for the government's staff located on the border like me, I do not think this is enough to spend for our families. If we exchanged our salary to Thai bhat, we do not even get 2,000 bhat. So, we have to consider about accommodation rentals, electricity, and water costs with that money. If my husband does not have a job, I don't know how our family's lives will be. Now, the salary has been a little bit increased; we are a little better off for our family's well-being. So, anyway, if we compare with the normal daily worker, our life is a little bit more stable. I'm happy because I got more salary...

U Moe Kyaw, a middle school teacher through the Ministry of Education from an undisclosed township, and has a current salary of 60,000 kyat, said:

For teachers like us an increase in salary made us happy. It's the government showing some good will and thought for their staff. But, it's difficult – whenever the salary increases the price of commodities also increases. We don't have extra money to save. Our family has never dreamed to be wealthy like other people. Our government jobs do not provide for us a stable way of life. We have to move whenever they want us to move. The best way to stay all right is saying nothing – either good or bad.

U Tin Oo from the Municipal Department, whose current salary is 52,000 kyat, and is from Thee Pagoda Pass town, said:

I'm not really clear on weather the act of increasing salaries is related with the coming election or not. I recognize that the government would like the lower levels of their staff to have enough for spending – I think that's the reason they increasing the salary. Yet in the last couple of years they've also increased the salary because the price of commodities has increased. I think, this time it's the same thing as before.

They are considering commodity prices and increasing their employees' salaries. Before they're increased the salary [20,000], the market price began to skyrocket. If we stop and consider the situation nowadays, the increased salary has resulted in nothing new. Even though it's had a big effect on our lives, we can spend a little more than before. I think that probably the salary increase has not helped the staff who take responsibility in the borderline areas, but it's enough for the staff inside [Burma].

Soldiers have also been included in the recent salary increase. In early January, according information that was gathered by HURFOM from a source close with the Burmese army battalion community, 3 divisions under control of Infantry Battalion (IB) No. 66 based in Pegue Division, Pyee District, defied their commander's orders because of insufficient payment for household and family expenses. Also reported by the Burmese section of British Broadcasting Corporation (BBC) and Voice Of America (VOA) news agencies, some political observers who analyzed this case, found that because of this conflict amongst the troops, the government increased their salary polices. "The increasing salary would relate with the conflict within Battalion No. 66," said U Khin Maung, a retired government staff member in Pegu.

## **Voices of Retired Government Employees:**

While the government policy of a flat 20,000 kyat pay increase could be construed as benefiting its recipients, the policy completely neglects the pension funding of retired civil servants. The average compensation after 30 years of work is 10,000 kyat a month. Most of the retired civil servants interviewed have reported that the inflation driven commodity price increase has so significantly undercut their meager pensions, and their ability to provide for their families has been severely crippled.

According to U Myit a 64 years old retired government worker in Mawlamyine, since the 20,000 kyat increase was only for current staff, no benefit was extended to retired persons:

The government increased their staffs salary, but only those who are currently serving, because of they want to solve their staff living standard problems. But, I don't think they can solve those problems. The government knows their staff are not getting enough salary to spend for their families well being, so the government has tried to reduce their staffs' stress by giving them more salary. But in my life, I've served over 30 years for my country. Because of the terrible administration of the country, our lives get worse and worse when we retire with a pension. I have many old co-workers who are in the same situation as me.

Daw Thein May, a 58 year old Thanbyuziart resident who retired for health reasons, said:

A little over 30 years ago government staff were very popular, I mean, like, the residents recognized us as gentle and considered us to be of a high position. During that period the Burma Socialist Program Party [BSPP] government led the country, and if we had one government staff in our house, all the members of our family could rely on his or her salary. But by 1989, because of the poor of the military

living standards or just surviving. Every time the salary increased, commodity prices would also increase. So increasing the salary is just a name, in reality its not benefiting anyone. Our house is the house that was provided by the government. Because we were government staff, we dare not to speak about politics. I'm not sure they are acting on good will for their staff, but I know they are not good at their administration. As far as I know, all middle class government staff are struggling for their survival. Compared to my family the money I get is not enough to use to support my family. If we did not get extra income from my children, our family would no longer be able to stay here. Getting a pension – many at only 3,000 kyat per month – makes it impossible to stand on your own in your life.

Daw Thein May also told HURFOM that the reasoning behind increasing the salary of 20,000 kyat for all staff, who are currently serving in the government service, is related to the coming election. She noted that other government efforts have been towards attracting civilians and staff to become involved and to vote for the political party backed by the SPDC.

According to U Tin Yuu, retired from the Ministry of Trade, from Phatkain quarter, Moulimein city:

The government gave this increase the title of “Additional Funds”...But [this increase] seems to me like stopping the children who are crying b/c they are hungry by giving them a snack. They do it to make their employees feel good in their jobs and prevent them from thinking about uprising. They pretend that they are a good government and to that they will give them votes in coming election. But they're just manipulated their current staff. This is not the first time that this has happened – In 1988 and 1990 it also happened. At that time, the government tried to get their staff to vote for the party that they [government] controlled through the back end, the National Unity Party [NUP]. They tried to do the same as what they are doing now. You can see the Union of Solidarity and Development Association (USDA), militias and administrative Township Peace and Development Councils (TPDC) that are very active for them [the government]. They're trying to get well organized and well prepared for the coming election. These new bills are probably just from the printing factory. The disadvantage here is that now our money is becoming like when the Japanese ruled our country. The money had no value at that time since they just produced money but had no guarantee to back it. Then what happens is that retired persons like us have a big challenge for living. Because of the inflation, the commodity price has quickly gone up all over the country. What will happen is that the government we are now being ruled by is a mismanaged corrupt government, and the future of the country cannot be seen under this government. If we compare with other countries and the people who serve as its staff, they [other countries] will not just leave their staff that had served the country in poor situation like in our country. Just in Thailand, where my children are working, they said their boss is a retired government staff, but he can buy a car and a house from his pension money. This is just only our very close neighbor country. This is the situation that is like oil and water [opposites]. Their government is so good to them – I don't think I will see a good government in this country until I die. This is my fortune.

Some retirees are currently living below the poverty level, at the lowest living standard in the country. The government set pensions so low that now with the increase of all costs, retirees can't afford to leave go to collect their pension.

According to Naing Noe from the Ministry of Transportation, a 56 year-old retiree based in Ngenta quarter, Mawlamyine said:

I'm not interested in the 2010 election. I also don't see any party that I prefer. I spent the entire my life serving my country. Now I'm afraid of these political problems. Currently, increasing the salary is not for us who are retired persons from the former pay period [prior to the salary increase]. I do not withdraw my pension money for long periods of time because I spend more than the pension on the cost of traveling to come get my pension [Naing Noe must travel to Moulimein from Ye to get his pension money]. Because I got cancer, I had to retire from my job early. Now the commodity prices are skyrocketing. My wife sells flowers in the market to get some income for our family. But I would offer one piece of advice to our new generation – do not want to be government staff, never be government staff in our country.

According to U Kyi Thein, who served 30 years as a government staff member, located in Kyaikmayaw Township, Mon State:

They are becoming twisted to be faithful those with higher positions and discriminate against people with lower position. It's mentally affecting the staff. Another thing is the staff income, economy, social services and health care are decreasing in quality after the State Law and Order restoration Council (SLORC) and State Peace and Development Council (SPDC) came to power. The staff have developed the bad habit of corruption over the last 20 years. If they did not do though they cannot get enough money to spend on their families survival. The high position people know about this situation, but they turn a blind eye. But for the staff, with low positions, they do not benefit from this. Only higher

rank government staff benefit from corruption. In the coming election, the military government have presented the USDA and NLP, and are stay in the background to support them. I think increasing salary is indirectly the government's effort to try and convince their staff to vote for them [these groups] and stay on their [government] side in the coming election. We get nothing, just effects from the economic crisis. I got nothing during my service with the government. Also, my family did not get enough food during my work as a government staff. I have sympathy for all the government staff who face difficulties in their livelihoods. I pray that our people get freedom from this dictatorship and bad government system.

A 65 year old former teacher from Thanbyuzayat Township, who preferred to remain unnamed, explained: In my opinion the government just tried to get the votes from their staff. That's the reason they're increasing their staff's salary. Another reason is to make their staff happy with them. I heard this month that there were some problems caused in the military community in which soldiers acted against the orders from the higher ranks above them. The military government is very worried about cases that could lead to the destruction of their military. To solve these fears, they...increase their [soldiers] salary. But it does not matter because they just produce more money. It's a consequence, the commodity prices becoming so high. We are being affected the inflation of our money. They are just concentrating their effort to make their power more stable.

### Voices from privately employed civilians:

While the vast majority of the country's wealth is distributed within the military's ruling elite, and civilians heavily connected to the junta, the remaining nearly 48 million people in the country will only experience pay hikes through the knock on effect of inflation. With 32.7% of Burma's civilian population living below the poverty line<sup>9</sup>, millions of residents will struggle even further to cover these costs. HURFOM field reporters have found that the families most severely challenged are day laborers and subsistence workers. Many of these families, who at the same time face regular pressure to form uncompensated militia groups, lose land through confiscation, and pay arbitrary taxes, are in fact the populations that now hardest hit on basic survival goods.

According to a U Gyi Myin, from Pa'an, who takes an interest in politics and the movement of SPDC forces, told HURFOM field reporter that:

The government is not solving the main problems of its citizens, it just wants to win the election and get lots of support from its own staff...[so they will] vote for them. If government really wanted to solve the problems [of the country] they would not need to do that [get support from staff members]. Really, they just need to reduce the price of goods and create jobs for citizens. Imagine how many people had to flee their villages and find jobs. How much outside money comes back into this country [from migrant workers]? As for now, the government doesn't analyze what people need and how to solve the country's problems. They only want to make a small amount of the country's population feel better, but not the rest. They only care about their staff. The SPDC's purpose is very clear; after they increase staff salaries, the price of goods for sure will increase. Villagers [will] have to struggle more to fill their stomachs and feed their families so villagers will have no time to think about politics and what is going on in the country.

According to Nai Banya tun, even though the regime added 20,000 kyat per month for their staff, the salary hike has been a failure due to the regimes inability to regulate prices with in its own country. All but the highest ranking staff would suffer, and that most of the employees "could not buy a pair of shoes for their wives. As for small staff they only got enough to pay for their tea and cigarettes".

The amount of government added 20,000 kyat per month could not solve any problem for their staffs but the regime thought that after they added 20,000 kyat per month they could persuade their staff to support them for the coming election and for another is the regime want out side world to see the regime already started changing in the country. This is all they thoughts about after they added 20,000 kyat per month. The amount of the regime increased salary 20,000 kyat per month was very small amount because the currency in the country now is not stable. With paper money the can print as much as they want. All the regime did was to persuade their staff to support them. The regime also wants to show their staff that they care for them and if their staff want to rely on the government they must support them to win. When they added 20,000 per month for their staff's salary, they want to show their staffs that after they win the coming election they [staff] will get more profit from the government.

According to Saw Ao Bow Mu, a university student who has focused on analyzing pre-election preparations by the SPDC, and activities carried out by regime staffs in his village:

<sup>9</sup> Estimated number from CIA World Factbook, with last year data available 2007. February 2010.

<<https://www.cia.gov/library/publications/the-world-factbook/geos/bm.html>>

### Information on HURFOM and Invitation for Feedbacks from Readers

Dear Readers,

Human Rights Foundation of Monland (HURFOM) was founded in 1995, by a group of young Mon people. The main objectives of HURFOM are:

- Monitoring the human rights situation in Mon territory and other areas in southern Burma
- Protecting and promoting internationally recognized human rights in Burma,

In order to implement these objectives, HURFOM produces the monthly "Mon Forum" newsletters. If publication is delayed it is because we are waiting to confirm information, and it comes with our heartfelt apologies.

We encourage you to write to us if you have feedback or if you know someone who you think would like to receive the newsletter. Please email or mail a name and address to:

HURFOM, P. O. Box 2237, General Post Office  
Bangkok 10501, THAILAND  
E-mail: [hurfomcontact@yahoo.com](mailto:hurfomcontact@yahoo.com)  
Website: <http://www.rehmonnya.org>

With regards,

Director  
Human Rights Foundation of Monland

The time of the elections is coming closer and closer. Villagers are facing many things, such as high prices of goods, and the expansion of household expenses, but our incomes are not increasing even though the prices of goods are increasing step by step. Villagers have never had good health care or opportunities to develop their communities. Many villagers have to struggle to fill their stomachs. Even though villagers are facing a terrible situation, the regime wants to get support from its staffs and added 20,000 kyat per month to their staffs' salaries, [so] the prices of goods have risen dramatically.

Ma Khin May Way, 46 years-old, explained of her family to a HURFOM field reporter as their experience:

I have seven people in my family – I and my husband and my six children. My husband and I are daily workers. My husband and I work in cashew nut plantation own by a business man from Rangoon. Our wage is 4,000 kyat per day – both of us earn this. But we cannot work everyday. We can only work some of the times. The other six people cannot not work as they are still young. My husband and I have to struggle very hard to survive. We need rice and cooking materials, the other stuff we can make by ourselves. Still, sometimes we have to borrow some rice from a neighbor to survive. I don't know why the price of goods has increased. But in the beginning of January the price of goods and the cooking materials increased. We can't afford even our daily expenses.

In numerous interviews, villagers struggling to provide for their families commented that they believe the increase in commodity prices is intentional or at least is favorable for the regime's 2010 election preparations, as villagers who struggle to pay for food daily have no opportunity to engage in politics. When HURFOM field reporter asked said Ko Myit Lon 45 year-old resident about election, he explain that:

We're not interested in the coming election, we're only interested in how to get food for today and tomorrow, and where we can work. We don't know about the election but we want to get enough food and live peaceful lives...The regime only wanted to make the lives of villagers terrible with their activities. The regime already knew about residents situations'. If they do this what will happen to residents? They do not want residents interested in election or thinking about election; so they create another problem for villagers to think about. If villagers have no food they have to struggle for with their daily expenditure and not think about politics. All the regime just wants villagers to work harder to get food.

### **Analysis:**

While the intention of increasing civil servant salaries will unfortunately remain ambiguous with out direct SPDC comment, the actual consequences of this policy are clear.

The timing of this salary increase, regardless of any potential cause, has already significantly affected the potential of this election to be conducted in a fair, informed and democratic manner. HURFOM would like

systemic shock this salary increase has, and will continue to have, has had a drastic impact the electoral process.

In considering the target of the salary increase, it seems that at face value, few votes would be won over by the flat rate salary increase, especially as the increase has prompted such widespread price increases. Even amongst the government's own staff at whom the salary increase was directed, the majority of those interviewed by HURFOM expressed their displeasure and concern over the commodity price increase.



**Villagers purchase snacks at a market stall in Three Pagoda Pass town in March 2010.**

For the remainder of the population that are either retired civil servants or privately employed citizens, the problems of an already unstable economic system have been exacerbated. The basic commodities necessary for daily life have increased in value, which in turn will impact not only a person's immediate capacity to feed themselves and their family, but more long term, disrupt their survival as they attempt to compensate for the inflation.

Thus this pay increase has the very real likelihood of subverting the democratic process in both urban and rural settings. As Christina Fink notes historically of the regimes economic volatility, "People were so busy hustling to survive that they had no time for politics."<sup>10</sup> If the most basic daily costs now becoming the stumbling blocks of daily existence for civilians, it would appear that indeed there will be more emphasis on immediate survival then on any sort of political inclination.

## Conclusion:

Since the implementation of the salary increase for civil servants in early January, the Burmese government's propensity towards printing cash without financial backing has exacerbated Burma's already volatile inflation rate.

With widespread commodity price increases hampering the livelihoods of current civil servants, retired government workers, and civilians alike, the SPDC salary increase is unlikely to win support among the disaffected population that will struggle with greater financial burden.

The reckless disregard for inflation by the current government has perpetuated an economy that will be inherited post 2010 election. Though the fiscal carelessness that is exhibited here cripples the possibility of a democratic process, it will continue to undermine the legitimacy of a newly formed, ostensibly civilian, government. As long as the economic system cannot guarantee civilians access to the most basic commodities in life, no real transition or political evolution can occur.

<sup>1</sup> Fink, 2001.

**HURFOM**  
**P. O. Box 2237**  
**General Post Office**  
**Bangkok 10501, THAILAND**  
E-mail: [hurfomcontact@yahoo.com](mailto:hurfomcontact@yahoo.com)  
<http://www.rehmonnya.org>

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