

BURMA ISSUES

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A Buddhist nun in Burma in search of some way to feed herself. There is little time left for carrying out religious duties.

"The classical definition of democracy is almost forgotten today. To most people, it means little more than parliamentary or other forms of representative government. The questions of real power, economic as well as political, are largely ignored. As long as there is a chance for every sane adult to have a vote in a general election every few years, then the system is said to be democratic. It does not matter if people have little or no say in matters concerning them at home or at work, or if the distribution of wealth is determined by the luck of inheritance - it is still democracy. According to this narrow and unsatisfactory definition we can live in a democracy yet be subject to the rule of hierarchy and authority for most of our lives." (THE DEMOCRATIC ECONOMY, by Geoff Hodgson)

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CONSTRUCTIVE ENGAGEMENT

Constructive Engagement Economics

The ASEAN constructive engagement policy promotes the idea that helping the military regime of Burma open up its economy is an important step in bringing about a gradual change towards democracy. While this may sound feasible to those involved in businesses which can make profits from present-day Burma, some economists are raising serious doubts that under the present military regime, economic changes will bring much if any benefits to the common people.

Thailand and Singapore companies, for example, have moved into Burma in very large numbers during the past few years. The vast majority of their economic involvements are related to the import/export business. When their activities are explained in terms of dollars and cents, it may look good for the Burmese people, but the actual process of their business leaves the vast majority of the Burmese people out in the cold.

For example, a Thai company called Thaibur Export/Import might import cement into Burma. They sell their cement to a Burmese company called Burma Cement which pays Thaibur in local kyats. The Burmese kyat has no value outside the country, so Thaibur needs to convert the kyat back into something of real value. So, they contact a Burmese company called Burma Teak and use the kyats to purchase teak logs. By law, they are allowed to purchase logs that have a value of 20% higher than the value of the cement they imported. They then export the logs which they can sell outside Burma at a very healthy profit. Burma itself has gained nothing.

They have simply exchanged some teak logs for cement at a loss.

Burma Cement and Burma Teak are probably related companies so that the kyats simply revolve between them. Their profits are increased by gaining a contract from the military regime to cut more teak logs, thus expanding their power to barter for more international goods. The only way the people themselves can benefit from this economic proc-

Constructive engagement, on the other hand, has been called by some Burma watchers as simply a nice sounding term for rapid and total economic exploitation of the people.

ess is to sell their labor to Burma Teak for cutting down their forests. The salaries they earn are minimal and hardly provide sufficient funds to feed their families. Thus the purchasing power of the people continues to decline despite the fact that economic figures might show some economic growth for the country.

Not many of the present economic investments in Burma are of a long-term, development nature. Most, like that of Thaibur Import/Export are designed to gain as much profit as possible within the shortest time possible. When Burma Teak has no more teak logs to cut and sell, Thaibur can move elsewhere, losing almost nothing in investment, but gaining a lot in short-term, immediate profits. The people of Burma will remain with empty pockets, and with an environment that has been shattered. They face no hopeful fu-

ture under this economic arrangement.

Under these circumstances, Burma watchers argue that an international economic boycott of Burma would bring little if any added hardships on the people. Economic sanctions would, however, hurt Burma Cement and Burma Teak, and would also cut off the financial power of the military regime which can collect large sums of money through taxes and corruption. Thaibur Export/Import would also suffer since they would lose a very lucrative (and probably very short-term) business arrangement.

Consequently, international economic sanctions against the military regime of Burma might be one of the more effective and peaceful ways of bringing about the democratic changes which the people so yearn for. They are gaining virtually nothing from the present foreign investments which are flooding the country, and thus they would probably be little affected by such sanctions.

Constructive engagement, on the other hand, has been called by some Burma watchers as simply a nice sounding term for rapid and total economic exploitation of the people. ASEAN nations need to seriously consider the long-term effects which their constructive engagement policy may bring to the people of Burma as well as to the stability of the region.

Stop Arms to Burma

Last year China sold F-6 and F-7 bomber fighters, patrol boats and light arms worth 1.3 billion US dollars to the military regime. It is these weapons which Slorc is now using to kill civilians in the delta. Hundreds of villages have already been burnt down and hundreds of thousands of people have become homeless.

A German private-owned company, Fritz Werner, has directly been involved in the killing since 1962. At one time it was owned by the West German government and produced the G-3 and G-4 assault rifles used by the Burmese military against the people. During the student's demonstration in 1962, hundreds of students were shot down in the streets by the Fritz Werner produced assault rifles. In 1984, Fritz Werner started a joint venture with the junta's Heavy Industry Corp. for manufacturing ammunition in Burma. According to staff in the Defence Weapons Industry of Burma, German experts are still providing the technical skills needed to produce the weapons. Some raw materials are also being imported from Germany to Burma. In 1988, Fritz Werner-made rifles were the most effective for shooting down about 8,000 innocent students and civilian demonstrators. Moreover, the company has indirectly been involved in the killing of the ethnic people for more than 30 years.

Singapore's Allied Ordnance is one of the major suppliers for the Burmese military junta. Allied Ordnance is a joint venture of Sweden's Nobel Industry and Singapore's Shengli Holding. At the end of 1990, Singapore exported ammunition to Burma.

Pakistani arms, mortars, rocket launchers and rifles worth about

US\$20 million arrived in Burma the middle of this year. Some of the weapons were made in China and Eastern Europe.

Yugoslavia's G-4 Super craft and training aircraft arrived in Burma in late 1991.

The result of all these weapons provided by foreign countries includes the creation of about 500,000 refugees and 12,000 political prisoners in Burma. None of the weapons are useful for any kind of purpose except maintaining the power of the military regime over the people. The military's dry season offensive this year will increase tremendously the number of refugees and deaths of the ethnic people in Burma. The military still demands that all the ethnic and political dissidents surrender unconditionally. To promote a peaceful solution to the war in Burma, all the arms shipments to Burma must immediately be ended.

The United Nations can play a very important and significant role in bringing this about. The UN Security Council has the power to initiate, not only an arms embargo, but also economic sanctions against the Slorc. This they could and should do in order to abide by their mandate



A young Burmese soldier with a G3 rifle

to promote peace and human rights for all people.

This is the Year of Indigenous People, and therefore would be a very auspicious time for the UN Security Council to take action which would save the lives and property of the indigenous people of Burma. You are urged to write to the United Nations, imploring them to move quickly before hundreds of thousands more ethnic people of Burma become refugees, displaced persons, or simply more statistics of the 45-year-long civil war of Burma.



CIVIL WAR

Talks Between KIO and Slorc

On the 2 of October, the Kachin Independence Organization (KIO) carried out a voluntary cease fire dialogue with the military regime in the capital of the Kachin State, Myitkyina. The KIO is the second strongest member of the Democratic Alliance of Burma (DAB) which is the organization of the allied armed dissident groups. A KIO source said that neither political nor formal military agreements had been signed yet. Further information indicates that the KIO is still searching for any possible way to solve the four-decade-long civil war in Burma. During the past year, there has been no sign of a Burmese army military offensive in the Kachin State.

- Source;
KIO
BBS

KNU Emergency Central Committee Meeting

The Karen National Union (KNU) called a meeting on September 20, and carried out a two-week-long discussion regarding possible dialogue

with the Slorc. Following the discussion, the KNU reached a consensus that and talks should only be held between the DAB and Slorc rather than with any single group. The president of the KNU, who is also the chairman of the DAB, stressed that the Slorc should show sincerity by releasing all political prisoners and announcing a total cease fire in all areas of hostility.

The DAB set up the following preconditions to dialogue with Slorc.

- 1) talks must be held in third world,
- 2) freedom of the press at the talks must be guaranteed,
- 3) UN officials and representatives from the respected countries shall be observers during the dialogue.

The DAB is still discouraging its members from holding independent talks with Slorc in order to show a unified voice.

- Source;
KNU

Slorc Reinforcements in Karen State

In the first week of October, Slorc sent two new infantry regiments to Saw Hta which are a direct threat to Manerplaw. The Karen National Liberation Army is building up their own reinforcements in order to protect this area in which the Salween Dam Construction project, which is a joint project between the Slorc and Thailand, is being planned.

Similar reinforcements appeared in the southern Karen State and ethnic Mon area which is where the proposed gas pipeline from Burma to Kanchanaburi province of Thailand is to pass. The gas project is a venture being carried out by Slorc and PTTEP of Thailand

The Karen and allied armed forces are preparing for a possible Slorc offensive aimed at taking over these areas.



SPECIAL NOTE

The negotiations between the Slorc and the KIO on October 1, has created a complex situation among the dissident groups in Burma. Reports continue to be contradicting as to what has actually taken place, but the negotiations will have an affect on the line of coordination among the jungle based dissident groups in Mannerplaw.

The foreign minister of the Slorc. Ohn Gyaw, stressed at the 48th session of the United Nation General Assembly held on 12 October that "Just last week, as the result of negotiations held between government and Kachin National Leaders in a spirit of mutual accommodation and understanding as befits blood brothers, the Kachin terrorist returned to the legal fold and have already joined hands with the government."

This was contradicted by a KIO source in Bangkok which said that no agreements had yet been sign with Slorc. The KIO is seeking every possible way for peace. The mediator between the KIO and Slorc, Saboi Gam said on 14 October at the UN building in New York that "up to now it is a only gentlemen's agreement but we will make a formal agreement in the near future, during this month."

SUPPORT EFFORTS

Thai Statement

On October 8 of this year, a Member of the Thai Parliament, Dr. Sutin Nophaket, read a statement to the international press calling for ASEAN to set conditions on Burma's invitation to attend the 1994 ASEAN meeting in Thailand as observers. Dr. Sutin was representing the Parliamentary Committee on Justice and Human Rights which was set up following the May 1992 uprising in Thailand to monitor human rights issues and make recommendations to the Thai parliament on positions and actions they should take.

The statement expressed a position which is diametrically opposed to the position the Thai government is presently taking towards Burma as expressed through their "constructive engagement" policy.

In his statement, Dr. Sutin said in part, "...we never imagined that Slorc's silent war against the ethnic villagers living along the borders of Burma would continue so savagely in the form of forced labor, rape, forced relocations, the establishment of free fire zones and executions. This has already been going on for over 45 years, and still the world knows little of these atrocities."

On behalf of the Parliamentary Committee for Justice and Human Rights, he made the following demands:

1. The immediate and unconditional release of Daw Aung San Suu Kyi and all other political prisoners and prisoners of conscience.

2. That all members of parliaments and the governments of the region bring pressure on Slorc to return full

human rights to all the people of Burma.

3. That ASEAN nations set conditions on Burma's acceptance as a member of ASEAN, including:

- **a. the immediate and unconditional release of all political prisoners,**
- **b. an immediate nationwide cease fire and the cessation of all violations against the human rights of the ethnic peasants,**
- **c. a guarantee that all ethnic nationalities will be allowed to live in safety and peace, and**
- **d. the turning of political power over to the winners of the 1991 national elections.**

War Crimes Proceedings

United States based organizations are now initiating war crimes proceedings against commanders of the Burmese army's Division 99, based on compelling evidence of Division 99 deliberately committing severe abuse of civilians in Pa'an, Papun, and Thaton areas during 1993.

Anyone with background information on Division 99, particularly details regarding Division 99 officers, should send the information to:

**Project Maje
14 Dartmouth Rd.
Cranford NJ 07016, USA**

Burma Pipeline

Groups in the US continue to call for a boycott of Texaco and Unocal companies who are involved in gas and oil exploration in Burma. Recent gas discoveries have resulted in a plan to build a gas pipeline from Burma to Thailand. The pipeline will run through territory occupied by Karen and Mon ethnic villagers and will result in tremendous suffering for these people as well as serious ecological damage to the area.

The US groups are asking people to cut up their Texaco and Union 76 charge cards and send them back with a letter demanding that they withdraw from Burma until the civil war is ended and the people have true participation in planning use of the country's resources.

Write to:

**Richard Stegemeier
Chairman and CEO, Unocal
Corporation
P.O. Box 7600
Los Angeles, Ca 90051, USA
Tel: 213-977-7600**

and

**Alfred C. DeCrane, Jr.
Chairman and CEO, Texaco
Inc.
2000 Westchester Ave.
White Plains, NY 10650 USA
Tel: 914-253-4000**



ECONOMICS

Politics and Economics

General Wimol Wongwanich, commander of the Thai army, has admitted that Thailand does not like the way Slorc is ruling Burma, but Thailand's policy to not interfere in Burma's internal affairs remains a corner stone of the relationship between the two countries. Wimol's comments reflect an interpretation of "interference in Burma's internal affairs" to mean only interference in political and human rights issues. In economic issues, Thailand continues to seek close economic ties with the military regime of Burma despite continued calls by the Burmese people to boycott Slorc and force them to negotiate for a peaceful settlement to the civil war.

General Wimol went on to say, "Others may consider the Burmese rulers inhumane. But if you ask the Burmese leadership, they would say before others judge the Rangoon administration, they should study Burma's history. They would say how could they allow someone under British rule to administer the country?" This was of course in reference to Aung San Suu Kyi, whose husband is British.

Criticisms that Slorc is inhumane are only partially directed at their continued detention under house arrest of Aung San Suu Kyi. Torture, forced relocations, forced labor, executions, and ethnic cleansing campaigns are even more serious issues for the world to consider.

• **Source:**
BP931109

The Economics of Opium

According to a US government survey, Burma will produce approximately 2500 metric tons of opium in 1993. This is double the production in 1988. (Report to the Honest Ballot Association, May 6, 1993)

This translates into a very large amount of heroin, and an even

The 1993 crop [of opium] will therefore be worth approximately US\$ 345,222,400 in Burma at the illegal kyat exchange rate. At the legal exchange rate it is well over 5 billion us dollars!

greater amount of money. The economics are staggering.

Two thousand five hundred metric tons of opium can produce about 434,028 kilograms of almost pure heroin. In Burma one kilogram of heroin now brings about 80,000 kyats on the market. This is equal to US\$800 at the illegal exchange rate (US\$13,300 at the legal exchange rate). The 1993 crop will therefore be worth approximately US\$345,222,400 in Burma at the illegal kyat exchange rate. At the legal exchange rate it is well over 5 billion US dollars! The street value in a US or European city is many times this.

We all know where the heroin ends up. It feeds the addictions of people around the world, especially in the large urban centers. But what about all the money generated inside Burma by the heroin trade? Where

does it end up? This is a question many people are asking, but there are few direct answers. Since the military controls every aspect of Burmese life, one can only speculate that it goes into their pockets to help pay for all the weaponry they have been purchasing during the past few years.

Slorc has been calling for international aid to help them fight opium in the country. They argue that they do not have sufficient funds to carry out their anti-opium campaign, and that the opium is grown in areas controlled by the ethnic nationalities, making it difficult for them to go in and clear the fields. However, the vast majority of the opium is now being produced in areas where Slorc has been able to sign cease fires with the ethnic groups, and therefore should be able to suppress the drug trade - if they themselves were not directly involved in it.

Tourism

A total of 17,607 foreign tourists visited Burma from April to August this year compared to 5,829 during the same period last year. This is a 300+% increase. (NLM 931010)

Each tourist must exchange US\$200 at the airport upon arrival, and is not allowed to change this money back upon departure if it has not all been spent. This represents a profit of almost US\$3,521,400 for the military regime. The tourist receives approximately 1,200 kyats for the US\$200 (legal exchange rate) which actually only has a buying power of approximately US\$10 in the country (based on the illegal exchange rate which reflects a more authentic kyat value).

POLITICS

Slorc's opinion of what the future of Burma should look like is best reflected perhaps by their view of past history. On October 12, Ohn Gyaw, Foreign Minister of Slorc and head of the Burmese delegation to the 48th session of the United Nations General Assembly, stated it this way:

"The history of the modern Myanmar [Burma] is synonymous with the history of the Tatmadaw [military]. Since the time of our struggle for national independence it has been in the forefront of national politics. The Tatmadaw does not covet power. Nor does it have any desire to hold on to the reins of power. It is above party politics." (NLM931014)

Burma observers may have difficulty reconciling this statement with the fact that during the 1991 elections, Slorc initiated at least one political party called the National Unity Party to contest in the elections, and has been putting pressure on the national convention to assure that the military will continue to play a leading role in the future of Burmese politics. In Burma, especially since 1962, the words military and politics have become almost synonymous. A civilian role in the political process has seemed only a vague concept, and the military has always been quick to justify their

hold over every aspect of life in Burma by claiming a threat by the ethnic nationalities to split apart the union, or a lack of proper civilian leadership to take over the role of guiding the country into the future. Strangely enough, Burma has a vast number of highly trained and skilled civilians who could direct economic, social and political development while the military, which holds these positions, has proven themselves quite inept at keeping any of the country's institutions together. Burma's once proud educational institutions are now in shambles, the economy is one of the worst in the world, and health care has deteriorated to the point that one Rangoon resident said, "Now we no longer go to the hospitals to get healed, we go there to die."

The justification of the Slorc to remain in almost absolute power is a difficult one for even Burmese, long accustomed to the military's double talk, to swallow. In mid-September, Lt-Gen Maung Aye, addressing a group of graduating under-officers, repeated Slorc's rationalization once again.

"The country is not for the Tatmadaw, but the Tatmadaw is for the country. The Tatmadaw is known to remain on the side of the country and the people. The Tatmadaw is known to have carried out reconstruction

and development of the State time and again and this proves that the Tatmadaw is acting without wishing for nay favors. It is now in need of a definite assurance for the Tatmadaw to be able to participate in the national political leadership role of the State and hence it has been included as one of the six objectives of the National Convention where fundamental principles to be included in the constitution are being discussed." (NLM 930918)

The development of a truly democratic system is a long and laborious one. No one can expect that democracy will come easily or quickly to a country which was under colonial rule for almost one hundred years and then under military dictatorship for over 30 years. However, for democracy to be able to grow, a democratic process must be initiated and given a chance to evolve. This means much more than simply allowing an election to be held or a few "people's representatives" to sit in a parliament. Before Burma can experience a move towards democracy, the civil war and its root causes must be directly dealt with and solved. Then, and only then, can people begin to participate in a way which will allow Burma to have a new future, free from military dictatorship.

THE BURMA DECEPTION

BURMA ISSUES has recently completed a video film titled THE BURMA DECEPTION. The film explores the plight of Burma's displaced people, and how they continue to suffer under the civil war which is now almost 45 years old. It also looks at foreign investments which are now flooding into Burma. With so much money moving into the country, why has the life of the people not improved? What is happening with all this money? BURMA ISSUES hopes that the video will be useful for action groups around the world who want to help build up the economic boycott against the military regime. Economic boycotts are one way we can put pressure on Slorc to bring an end to the civil war and allow peace to return to all the people throughout the country.

Contact BURMA ISSUES if you are interested in purchasing a copy of the video.

BRIEF NEWS NOTES

United Nations

The UN Secretary-General, Boutros Boutros-Ghali, has told the Thai prime minister, Chuan Leekpai, that the Burmese military junta has yet to prove its willingness to turn power over to the people.

Boutros-Ghali said he agreed with Thailand that Burmese leaders have softened their stance and were turning more towards negotiations with ethnic insurgents, but progress was not satisfactory, according to Thai government spokesman Abhisit Vejjajiva.

(TN-08/10/93)

Thai Fishing Companies

Following discussions from 14-18 September between the Thai Fisher-

ies Dept. and Slorc, both sides agreed that Thai fishing companies to be selected to join the joint fishing operation must not have been engaged in fishing activities in Burmese waters before. The Slorc has revoked old Thai fishing company contracts in Burmese water as the Thai companies violated the Slorc's regulations. Apparently the Fisheries Department of Thailand is supposed to select new fishing companies to resume concessions in Burmese waters soon.

(BP-02/10/93)

Berli Jucker Co. Ltd of Thailand

Berli Jucker, one of the largest trading firms in Thailand, decided to set up its consumer market in

Burma by the end of this year. The first products that will be launched in Burma in addition to parrot and Lervia soap is Trebor which is a snack. The Co. will spend Bt 7 million this year for advertising and promotion and another Bt. 15 million in the next year in order to gain a higher market share in the Bt 1.5 billion market.

(TN-08/10/93)

BURMA ISSUES

P.O. BOX 1076

SILOM POST OFFICE

BANGKOK 10504

THAILAND

AIR MAIL

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