

Burma Issues

SEPTEMBER, 1995

VOL. 5 NO.9

CONTENTS

POLITICS.....2

**RECONSOLIDATION OR
RECONCILIATION?**

INSIDE REPORT.....3

**BURMA: HOPE AND
DESPERATION**

HUMAN RIGHTS.....4

**FORCED LABOR IN
KYAUK KYI TOWN-
SHIP**

SLORC ADMINISTRATION 5

**STRUCTURE OF THE
SLORC ADMINISTRA-
TION**

INVESTMENTS.....6

**COMPANIES IN
BURMA FEEL THE
HEAT**

TOURISM OR BUST.....7

NEWS BRIEFS.....8

RECONSOLIDATION OR RECONCILIATION?

Mending relations among the people of Burma is a task much more difficult than simply reconsolidating the military's power over the people. Reconciliation must begin with a clear recognition of what the problems are.



Information for Action +++ International Campaigns for Peace +++ Grassroots Education and Organizing

RECONSOLIDATION OR RECONCILIATION?

by N. Chan

Four Political Objectives

- Stability of the State, Community Peace and Tranquillity, Prevalence of Law and Order
- National Reconsolidation
- Emergence of A New Enduring State Constitution
- Building of a new modern developed nation in accord with the new State Constitution

Since 1962, Burma's political scene has been dominated by a small military elite which uses a redundant set of slogans to try to mould the people's minds to fit into its narrow ideology. Whether it be "The Burmese Way to Socialism", or "The Tatmadaw [army] has been sacrificing much of its blood and sweat to prevent disintegration of the Union", military slogans have been a constant companion to the people of Burma for decades. Like military regimes around the world, the Burmese military believes that if they repeat something often and loud enough, the people will accept it as a truism and conform to it. Repeated uprisings by the people of Burma have yet to convince the military that slogans alone will never bring the people to a point of acceptance and respect for the military's plundering of the country's resources and institutions.

During the past months, a new set of slogans have been placed before the people. Twelve objectives summarizing the military's political, economic, and social ideology appear daily on the front pages of the newspapers

and are read every night in English and Burmese before the television news broadcasts. While sweeping in broad general strokes across the political, economic, and social lives of the people, they do reflect, in a depressing way, what the country will face in the future if some significant changes are not brought about soon.

The four political objectives raise some serious questions about the hope that a lasting peace can be brought to the country through the intervention of the military.

The emphasis in these objectives is on "national reconsolidation" rather than "national reconciliation". While the military has made it clear since 1962 that they are determined to consolidate the entire country under their grip, there has been virtually no move to bring the country and its myriad ethnic groups together through a process of reconciliation which addresses the long-standing and serious issues which have been at the root of the civil war for many decades already. Consolidation of the military's power base can only be done through military might and suppression of the people, and the military's determination to do this is reflected in their continued build-up and modernization of their forces at a time when they have no external enemies.

On 27 July 1995, Slorc Commander-in-Chief (Army) General Maung Aye noted that "Fifteen armed organisations of the jungles had returned to the legal fold in response to an invitation issued for national reconsolidation." What he did not say was that these groups were forced into returning to the "legal fold" after their populations were decimated through the military's four-cut policy which destroys food supplies, forcibly relocates villages, creates free-fire zones, and abuses almost every basic right human beings are entitled to. At no time did the Burmese military offer to discuss the pressing political and ethnic issues which are at the heart of the conflict, and which must be solved if peace is to ever visit Burma.

Two of the four political objectives relate to the new State Constitution which may soon be completed. While the military has indicated their willingness to begin a process which can lead Burma into a democratic future, their approach to developing that process shows no hint of being democratic itself. They have consistently manipulated the constitution-writing procedures so that the results conform to their own needs and interests.

On August 16, Burmese Army Chief of Staff Lt-Gen Tin Oo congratulated the military for its clear aims and objectives in building Burma into a happy nation. "The ultimate objective [of the army] is the emergence of a developed, peaceful and modern nation," he told members of the Organizing Committee of the 51st Anniversary Armed Forces Day. He went on to stress that there is a need for the military to secure public participation in marching towards the goal since it will be impossible

to build a new nation without their involvement. As a slogan, it sounds good. In practice, you can not make people participate through forced reconsolidation.

It is true that a developed, peaceful and modern nation can only be built with the participation of the people, but that participation will not happen by forcing them to accept things they do not understand or want. Slogans, whether from a military regime or from the democratic forces, are not sufficient to bring about reconciliation no matter how well sounding they might be.

It would do all those in Burma involved in the present political processes well to remember that the most important force in Burma is the grassroots villagers who are presently the most oppressed and poverty-stricken people in the country. Any new economic and political systems introduced to the country will only gain the grassroots support if those systems are within their experiences. This will require that any political force, either military or democratic, sit down with the people and listen well. For true reconciliation to finally begin taking place in Burma, the grassroots must be given opportunities to publicly voice their concerns, fears, and hopes. For a new modern developed nation to be built, economic and political systems must imitate the traditional systems of these people as well. Then the grassroots people can finally participate, and only then can national reconciliation begin.

Source:
NLM 950816



Sources in this issue include:

TN = The Nation
BP = Bangkok Post
NLM = New Light of Myanmar

BURMA: HOPE AND DESPERATION

by Christina Fink

Daw Aung San Suu Kyi's release has raised the hopes of millions of Burmese who have been suffering under the SLORC's rule. Having had their political freedoms suppressed, most Burmese have also seen their economic positions decline precipitously. People are angry with the SLORC not only because they want to see democracy restored, but also because the SLORC has mismanaged the economy so badly.

While the SLORC may have released Suu Kyi partly because they felt they could effectively limit her impact, they are not in as strong a position as some observers have suggested. As one informant in Rangoon stated, "the SLORC is as afraid of the people as the people are of them." This is because after seven years in power, the military junta has no legitimacy with the citizens of Burma. Inflation, stagnant government wages, and the lack of spending on public services has severely affected the standards of living for all but a select few. It is certainly true that SLORC leaders, their families, and a small class of business people are prospering, but the rest of the population has never been poorer.

Rice prices have increased dramatically leaving a number of people unable to feed themselves. One NGO is now running feeding centers in satellite towns around Rangoon, while the SLORC is exporting rice. In some areas, SLORC officials have forced fishermen to become farmers, but their lack of expertise results in low yields. Those who cannot meet their production quotas must buy rice on the free market to sell to the government at substantially lower official rates. Malnutrition has become a severe problem as not only rice prices but the prices of all basic commodities have risen substantially over the past seven years. Even the price of a bunch of bananas is beyond the reach of many families in Burma today.

Forced labor demands put additional strains on virtually every family in the countryside. One conservative estimate puts the number of forced laborers at 500,000 on any given day during the dry season. Individuals are usually conscripted for a week to ten days at a time. Neither paid nor fed, villagers also lose the opportunity to generate any income or to work in their fields during those days.

Levels of education and literacy are also declining, as parents cannot afford to spare their children's labor and see no value in education under the present system. Less than 25% of the school-aged population today completes even the basic five year curriculum. Year-long university courses have been shortened to three-month courses, greatly decreasing the quality of higher education.

Health care is woefully inadequate, partly because so many government doctors have emigrated, quit, or simply don't show up. Although the SLORC has been building hospitals and clinics, these facilities are not provided with any supplies, and patients must buy all the necessary drugs and even surgical gloves before doctors will treat them. Malaria and diarrhoea, two easily curable diseases, are the leading killers in Burma today.

While the statistics documenting increasing foreign investment initially appear impressive, a closer look is necessary. Virtually all the investment has gone into the extraction of natural resources and the construction of hotels rather than into the development of local industry. Much of the gas pipeline money has only been pledged, not actually given, and the majority of the eventual profits will go to the Western oil companies, not to the SLORC. The value of Burma's imports are nearly double its exports, and consumer goods rather than capital inputs dominate the import market. With foreign exchange reserves of only a half a billion dollars and a debt of over 5 billion, the SLORC is broke. Receiving virtually no foreign aid or loans, the military junta has sought to mask the country's financial crisis by issuing more money. At the local level, SLORC commanders and officials extort fees from the population to pay for

projects which are supposed to be covered by the state budget.

Most Burmese are angry, scared, and hungry. The growing Chinese presence particularly in Northern Burma is only exacerbating inflation, and the lack of peace in the ethnic areas, despite the cease-fires, continues to drain the national coffers. If the SLORC is not feeling desperate, they should. Unless they begin to transform the hope they have generated with Suu Kyi's release into a process of political and economic change, massive turmoil is likely to result.



Most Burmese are angry, scared, and hungry

HUMAN RIGHTS

FORCED LABOR IN KYAUK KYI TOWNSHIP

Part II - Military-run Rice Plantations

The August edition of Burma Issues carried the first article in a series detailing forced labor practices in Pegu Division's Kyauk Kyi Township in eastern Burma. The military-administered project was the damming of the Kyauk Ke Kyi Stream in order to provide hydropower and irrigation to lowland military installations. Although neither small-scale hydropower and irrigation schemes are necessarily detrimental to local economics, this article will elaborate on the context in which these "development" programs occur and the devastating effects they have on rural communities.

In 1994, severe flooding destroyed a large portion of the rice paddies under cultivation in Kyauk Kyi township. It is estimated that rice production in Kyauk Kyi and neighbouring Shwegyin townships was below 40% the usual yield. After the flood waters receded, local villagers attempted to salvage the growing season by planting beans in the recovered fields. However, as part of the Burma army's strategy to keep tight control over the area, then-Southern Region Commander General Soe Myint ordered the local Tactical Command to increase rice production to supply troops in the area. As a result, the villagers were ordered to destroy their own bean fields to make way for the military's dry-season rice plantations.

On February 7, 1995, villagers commenced work on three tracts of dry-season rice (which requires irrigation but not the flooded-paddy technique common throughout lowland Burma). The project was managed by Infantry Battalion 60 and Light Infantry Battalion 351, which were responsible for both seizing the land for use in the plantations and controlling the villagers' forced labor. The system is a familiar human rights abuse scenario in Burma: daily, approximately 500 villagers were required to work, providing their own food, medicine, tools and draught animals. "Substitute fees" for those unable to work were 100 kyats per day, but considering that even in stable economic times a typical daily income is 50 kyats, the burden of failing to report for duty was very high. There was never any evidence uncovered that the substitute fees were used in any administrative capacity, and certainly could not have been used to pay labourers, since none were ever paid. For poorer households struggling to survive, the only recourse was to avoid both the substitution fees and the loss of male labourer to bring in daily income by sending women and children to the fields to work.

Even after the preparation and planting were complete, forced labor was used to guard the fields from wandering buffaloes

and cows (the owner of a cow or buffalo convicted of trampling the military rice fields would be fined 500 kyats). The villagers felt that when the time came for the rice to be harvested (at the end of the 1995 dry season, in May-June), they would once again be called to work without compensation or regard for their own survival or welfare.

Deprived of rice stocks by natural disaster, then deprived of a cash bean crop by local authorities, throughout the 1994-1995 dry season lowland communities in Kyauk Kyi township suffered the added burden of forced labor on a military-run rice plantation. The project consumed their time, stole their land, and further entrenched the destructive presence of the Burma army in their community.

As forced labor continued in lowland areas throughout the 1995 dry season, in the neighbouring highlands a massive increase in military activity against the Karen National Liberation Army saw Burma army troops enter villages which had been removed from direct military conflict since the beginning of the Four Cuts strategy in the area twenty years ago. Entire villages and their rice stores were burned, and the people fled into the mountainous jungles. By the middle of the rainy season, unconfirmed reports began filtering into Thailand that the cumulative effect of the 1994 flooding, the seizure of communal labor and lowland growing areas, and increased abuse of social, cultural and economic rights associated with increased military activity was a severe food shortage in several districts surrounding Kyauk Kyi.

The resulting malnutrition has worsened people's health, and dysentery, diarrhoea and malaria are widespread. There have even been suggestions that some people have either died from starvation or have taken their own lives facing an absolute food shortage.

While an individual project using forced labor can not be held responsible for the totality of suffering in Kyauk Kyi, it does lend insight into the scope of military control in the area, and -- viewed in conjunction with the hydropower project reported on last month -- indicates that the military is cementing its presence in the economic and political life of rural Burma to ensure future control of the local populace.

Sources:

"Forced Labor in Kyauk Kyi Township", NN, *Burma Issues* 950500

OR/11DB/025

Other Sources



Victims of forced labor projects.

STRUCTURE OF THE SLORC ADMINISTRATION.

The word "Slorc" has become common English for anyone watching Burma, even from a distance. Standing for "State Law and Order Restoration Council", the Slorc is a military machine which controls virtually every aspect of life in most of Burma today. While the military elite makes up only a tiny fraction of the entire population (some people estimate they are less than .1%), it rules everything from the economy, to the education system, to the clothing styles singers in Karaoke bars can wear.

How do they do it? Through a tight organization which winds its way from the highest leadership all the way down to the smallest village. Loyalty is not based on a common ideology or a common vision. It is gained and held through special benefits and promotions. Any crack in the chain brings inconveniences and possible loss of benefits to those below. Therefore, pressure and fear also play a significant role in keeping the system intact.

Following is a brief outline of how this structure is set up.

1st class:

State Law and Order Restoration Council [Slorc] - consists of a small number of high ranking military senior officers

2nd class:

State Government - consists of military senior officers, Slorc members and a few civilians trusted by the Slorc

- a) At State and Division levels, Zone Commanders and/or Divisional Commanders are the Slorc Chairmen. Divisional police chiefs or State police chiefs, Divisional or State administration officers are members of Division or State-level Slorc
- Vice-chainmen, secretaries and assistant secretaries at such levels are senior military officers above the rank of colonel
- b) At District-level, the Slorc chairmen are military officers

from Major up to the rank of Colonel. District police officers and district administration office officers are the members of district-level Slorc.

- Vice-chainmen, secretaries and assistant secretaries are the military officers from the rank of Captain up to Major.
- c) At township-level, township administration chiefs are the chairmen of that level of Slorc. Township police officers and township administration officers are the members at that level.
- Vice-chainmen, secretaries and assistant secretaries of township-level Slorc are township senior police officers and/or administration senior officers.
- d) At the levels of the village or town-quarter, the officers from the township-level Slorc let the people elect their own chairmen and secretaries, usually from a hand-picked group nominated by the township-level Slorc officers.

The various levels have a specific nomenclature:

- Na Wa Ta -- State Law and Order Restoration Council [Slorc]
- Ta Wa Ta -- Division-level Slorc authorities
- Pa Wa Ta -- State-level Slorc authorities
- Ka Wa Ta -- District-level Slorc authorities
- Ma Wa Ta -- Township-level Slorc authorities
- Ya Wa Ta -- Town-quarter or village-level Slorc authorities

When village or town-quarter-level Slorc chairmen fail to fulfill the objectives of the township-level Slorc authorities, the latter have full authority to dismiss the Ya Wa Ta chairman and appoint a new one.

Source

The Rape of the Rural Poor, Mergui-Tavoy District, July 1995

RESOURCES

Indonesia is celebrating 50 years of existence as a nation state this August. The Asian Forum for Human Rights and Development (Forum - Asia) is making use of this opportunity to report on the human rights situation in Indonesia from a regional perspective. The report is submitted on behalf of Asian Forum for Human Rights and Development (Forum - Asia) as an expression of solidarity to the individuals and organizations in Indonesia who are working for human rights and democracy.

The report entitled *Stability & Unity on a Culture of Fear* concludes, "The military forces still loom large over politics and over society. They are the dominant force in the legislature and in the executive. They have a significant place in the economic sphere too."

The military leaders of Burma wish to imitate Indonesia's political and economic processes. For people interested in thinking about the future of Burma, this book is valuable reading.

Stability & Unity on a Culture of Fear, August 1995, 242 pages. Available from Forum - Asia, c/o Union for Civil Liberty, 109 Suthisarnwinichai Rd., Samsennok, Huay Kwang, Bangkok 10310, Thailand.

INVESTMENTS

COMPANIES IN BURMA FEEL THE HEAT

The rapidly growing combination of share-holder advocacy, selective purchasing laws and boycotts has taken a toll on companies doing business in Burma. The US apparel industry has largely abandoned sourcing from Burmese factories. Now other industries, particularly the oil companies, are feeling the heat

Burmese clothes: Too Hot to Handle

The Burma democracy movement has had its most notable impact in persuading apparel companies to stop buying clothing made in Burma. In 1992, Levi Strauss & Co. became the first firm to announce that it would cease buying apparel made in Burma after the company found that the factories that it bought from were substantially owned by the Burmese military junta. In the November 1994 *Investing For a Better World*, we detailed how Liz Claiborne had also come to the same decision and conclusion. Company Chairman Jerome Chazen stated: "we cannot support the activities of this country's current government."

Since then, both Eddie Bauer (a subsidiary of Spiegel) and Macy's (a subsidiary of Federated Department Stores) have followed suit. Starting in the summer of 1994, Eddie Bauer's stores had been the target of demonstrations in several cities across North America. On February 1, 1995 Eddie Bauer announced their withdrawal in a press release that attributed its decision to "the political climate and growing opposition to trade in Burma."

On April 6, 1995, Macy's told a meeting of Burma activists that the company's decision to withdraw was due to widespread corruption in Burma. Macy's also pointed out that the company had been misled regarding the ownership of the factories from which it was buying. Macy's had been told that the factories were joint ventures between investors from Asian countries and private Burmese citizens. It was later revealed that, in each case, the Burmese partner was in fact the Burmese military government.

Pepsi Going Flat?

PepsiCo has been a target of Burma democracy activists since Burmese student refugees in Bangkok called for a boycott in 1990. Recently, the company has become the subject of growing campus activism, particularly in the U.S. and Canada. On campuses as far apart as Penn State, Brandeis, Carleton University in Ottawa, University of Wisconsin at Madi-



Human rights abuses in Burma abound, and foreign investors must not close their eyes to this reality.

son and UCLA, students have called for the replacement of Pepsi machines.

Since Coca-Cola has wisely refrained from doing business in Burma, its soda is an easy "Burma-free" substitute for Pepsi. During the anti-apartheid campaign, many campuses replaced Coca-Cola with Pepsi due to Coke's presence in South Africa. Today, under different circumstances and in the light of a different issue, that process may start to reverse.

Big Oil, Big Problems

The main target of Burma activists' ire have been the oil companies: Texaco, Total and Unocal. All three companies have experienced demonstrations outside their headquarters and annual meetings. In Unocal's home town of Los Angeles, demonstrations have now spread to the company's service stations. However, despite this growing pressure, Texaco entered into an additional joint venture with the Burmese government in March, 1995, while Unocal and Total have signed an

agreement to pipe gas through Burma to Thailand.

Human rights activists have been most critical of Total and Unocal because of their plans to build a gas pipeline through territory inhabited by two indigenous people's: the Karen and Mon. Total and Unocal have made no attempt to discuss their plans with representatives of the Karen and the Mon. The companies have also resisted calls for an independent investigation of numerous reports by Amnesty International and Human Rights Watch/Asia of forcible relocation of villages, forced labor and other atrocities by the Burmese army.

Source:

Reprinted from *Investing For a Better World*, April 15, 1995

TOURISM OR BUST

On April 27, 1994, Slorc designated the year 1996 as the "Visit Myanmar Year". They have set a goal of receiving 500,000 tourists during the year. To accommodate the visitors, they estimate that 5,000 to 7,000 hotel rooms must be ready. In a country which received tourists numbering only in the thousands a few years ago, the infrastructures is hardly ready to deal with these crowds. (Presently there are only about 1,500 hotel rooms in Rangoon, many of those far below normal tourist expectations.)

To prepare for this expected influx of foreigners, Slorc has urged foreign firms to invest in hotel construction. Of total foreign investments of around US\$2,700 million, more than US\$600 million is related to hotels and the tourism sector. Presently 13 hotels are being constructed in the capital of Rangoon, putting a terrible strain on water and electricity for the surrounding communities. Many people are complaining that they have to go for long periods of the day without water and electric power, and fear that it will get worse as more hotels are completed.

In a recent interview, Aung San Suu Kyi raised the question of the propriety of the hotel boom. Schools, clinics, proper nutrition for children, and agriculture development are issues much more urgent to deal with than bringing foreign visitors to Burma, many of whom will learn little of the realities of life under Slorc, nor leave much money behind for future development.

Following is a list of companies helping develop the tourism industry of Burma:

1. Golden Triangle Paradise Resort Hotel	Hotel and resort management	100% foreign owned	Thailand
2. Thahtay Kyun Resort Hotel	Hotel and resort management	do	Thailand
3. Myanmar Hotels International co., Ltd.	Hotel and Inyalake Hotel		
4. Myanmar MCG	Construction and owning of "Yangon International Hotel"	100% Foreign owned	Japan
5. MM3 Corporation	Operation, control and management of "Yangon International Hotel".	100% Foreign owned	Japan
6. Myanmar Macau Hotel and Tourism Ltd.	Hotel and tourism services	Joint Venture	Macau
7. Savoy Hotel Co., Ltd.	Hotel and tourism services	Joint Venture	U.K.
8. Baiyoke Kandawgyi Hotel Ltd.	Hotel and tourism related services	Joint Venture	Thailand
9. Nawarat International Hotel Ltd.	Hotel and tourism related services	Joint Venture	Singapore
10. Emerald Rose Garden Ltd.	Hotel and tourism related services	Joint Venture	Hong Kong
11. Mceyatha International Hotel Ltd.	Hotel services	Joint Venture	Hong Kong
12. Myanmar Swan Investment Ltd.	Hotel services	Joint Venture	Hong Kong
13. Straits Greenfield Ltd.	Hotel and tourism related Services	Joint Venture	Singapore
14. Unicorn International Hotel	Hotel and tourism related services	100% Foreign owned	Singapore
15. L.P. Holding Co. Ltd.	Hotel services	100% Foreign owned	Thailand
16. Atlantic Outline Myanmar Co., Ltd.	Hotel and tourism services	100% Foreign owned	Malaysia
17. Central Floating Hotel (Yangon) Ltd.	Hotel and tourism services	100% Foreign owned	Thailand
18. Shangri-La Yangon Co., Ltd.	Hotel and tourism services	100% Foreign owned	Singapore
19. Traders Yangon Co., Ltd.	Hotel and tourism services,	100% Foreign owned	Singapore
20. Dorison Myanmar Co., Ltd.	Hotel and tourism services	100% Foreign owned	Singapore
21. CEH-National Holdings Ltd.	Hotel business	Joint Venture	Singapore
22. Yangon Hotel Ltd.	Hotel and tourism services	Joint Venture	Singapore
23. L.P. Holding Co., Ltd.	Hotel services	100% foreign owned	Thailand

Sources:

Investing in Myanmar 1995-1996 and NLM950801

NEWS BRIEFS

BRIEF NEWS ITEMS OF THE MONTH

News Broadcasts - Both the British Broadcasting Corporation (BBC) and the Voice of America (VOA) say that their broadcasts into Burma have been jammed since early August. It is suggested that the Burmese military is trying to disrupt these broadcasts so prevent the people inside Burma from hearing news from the outside world.

BP950829

World Conference on Women - The Burmese military has sent a male-led delegation to Beijing to assure the World Conference on Women that Burmese women enjoy equal rights. The delegation was told by General Khin Nyunt at a departure speech to immediately refute any suggestions made at the conference that Burmese women are facing any problems.

BP950831

Burmese Models - A Singapore-based company, Carrie Models, has held a model contest in Burma. Winners in the contest were chosen, and they will now compete against other Asian models in a contest to be held soon in Singapore.

BP950904

Muslims in Burma - minority Muslims have borne the brunt of official and community prejudices since British occupation ended in 1948. Although they have lived there for generations, often marrying into the Burmese community, speaking local languages, etc., they are denied citizenship and suffer forced relocations from areas where they have been commercially successful.

TN950915

Pacific Arc Exploration NL - Pacific Arc Exploration NL of Australia, and the

Department of Geological Survey and Mineral Exploration signed a contract on August 15 for mineral prospecting, mineral exploration and feasibility study for developing gold and copper resources at Kwinthongze area, Thabeikkyin Township.

NLM950916

Thai/Burma Trade - A 32-member Thai trade mission led by Chairman of the Federation of Thai Industries of Kanchanaburi Province, Mr. Singh Tangcharoen, met on August 14 with the Burmese President of the Union of Myanmar Chamber of Commerce and Industry U Khin Maung Yi. They discussed investment procedures and opportunities in Burma.

NLM950916



BURMA ISSUES
PO BOX 1076 SILOM POST OFFICE
BANGKOK 10504, THAILAND

AIR MAIL

ADDRESS CORRECTION REQUESTED