

BURMA ALERT

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Burma News:

GENERAL SAW MAUNG REMOVED FROM SLORC

On 23 Apr, Senior General Saw Maung, Prime Minister and Chairman of the State Law and Order Restoration Council (SLORC) was replaced by Vice Chairman General Than Shwe. Saw Maung suffered a 'nervous breakdown' in Nov.90 and gave up his defence portfolio to Than Shwe on 20 Mar but analysts believe that Intelligence Chief Major-General Khin Nyunt has consolidated his position and that Than Shwe will be a figurehead like Saw Maung [A920508, F920507].

SLORC PROMISES TO HOLD NATIONAL CONVENTION

On 24 Apr, SLORC announced that it will release prisoners who are not 'a threat to national security'. SLORC also wants to talk to the opposition and hold a national convention to formulate 'principles for a constitution'. The National Coalition Government of the Union of Burma (NCGUB) led by Prime Minister Dr.Sein Win denounced the national convention as a trick to relieve international pressure and avoid handing over power to the national assembly elected on 27 May 1990. The NCGUB stressed that SLORC does not have the mandate to hold a national convention [Reu/GUB920425].

DAW AUNG SAN SUU KYI ALLOWED FAMILY VISITORS

On 25 Apr, SLORC announced that Daw Aung San Suu Kyi, General Secretary of the National League for Democracy (NLD) and 1991 Nobel Laureate, would be allowed to receive family visitors. Her husband, Dr.Michael Aris, a visiting professor at Harvard, immediately left for Rangoon. Daw Aung San Suu Kyi was placed under house arrest on 20 July 1989 and prevented from participating in the 1990 general elections. Her family last saw her in Dec.89. She is reported to be in good health. On 12 May, she released a statement calling for reconciliation *"which requires a genuine desire to place the happiness and well-being of the whole nation above the narrow interests of individuals and groups."* She also said that true reconciliation *"goes beyond token gestures of appeasement to become a meeting of hearts and minds united in efforts to find solutions to common problems."* She warned that to achieve such healing, the citizens of Burma must be able to participate fully in the political process; their will expressed through free and fair elections must be respected; and that an independent judiciary to promote the rule of law and protect human rights is required [ASSK920512, Ny920518 & BBC/Focus 9205].

EUROPEAN COMMUNITY CALLS FOR END TO SLORC OFFENSIVE

On April 15, the European Community said SLORC was seriously threatening regional stability and called for a world-wide ban on arms sale to SLORC in order to stop its military offensive against Burmese Muslims on the Bangladeshi border and against Karen and other democratic forces on the Thai border. The EC and its member states imposed an arms ban on SLORC in July 1991. It is now appealing to other countries to take similar action. The EC also urged SLORC *"on strictly humanitarian grounds to refrain from further military and any other repressive action"* [Reu/B920417].

SLORC SUSPENDS MILITARY CAMPAIGN AGAINST KARENS

On 28 Apr, SLORC announced that it was suspending its military campaign against the Karens in the interest of national unity and reconciliation. The Karen National Union (KNU), however, dismissed the announcement as an excuse to call off a costly military campaign which failed to capture the headquarters of both the KNU and the NCGUB. SLORC has lost over 3,000 troops and several jet aircraft in the current offensive. Pointing to the campaign of terror launched against thousands of helpless civilians in the Karen area since Dec.91, the KNU refuted SLORC's alleged interest in national reconciliation. In addition, SLORC troops have not withdrawn as announced but are digging in, strengthening positions and stockpiling weapons and supplies in readiness to launch another offensive when the rainy season which has started ends in November. The KNU wants SLORC to show its sincerity by declaring a nation-wide truce. At present, the Burma Army is still amassed on the Bangladeshi border and has intensified attacks against the Kachins and the Shans on the China border (see below) [BBC/Focus 9205 & KNU920506].

Burma News:**ROHINGYA REPATRIATION DELAYED BY REFUGEE DEATHS**

In trying to implement an agreement with SLORC to repatriate Burmese Muslim refugees, Bangladesh police opened fire at Balukhali camp killing at least one person on 14 May. Following the incident, the repatriation was postponed. The Rohingya refugees said that going home without a UN guarantee of safety would be suicidal and refused to cooperate with authorities who attempted to force them to comply. The repatriation of the over 250,000 refugees was agreed to by Bangladesh and SLORC in April following the intervention of UN Under Secretary-General and Humanitarian and Relief Coordinator, Jan Eliasson of Sweden. The UN offered to assist in resolving the refugee crisis which was threatening regional security but SLORC refused to accept the participation of the UN High Commissioner for Refugees (UNHCR) in the repatriation process. The UNHCR has appealed for US\$27 million for the refugees who will be very vulnerable once the monsoon starts [F920507, Reu920515 & UN920516].

SAUDI ARABIA CHARGES SLORC WITH GENOCIDE

General Prince Khaled Bin Sultan Bin Abdul Aziz, Army commander of the Saudi contingent of UN forces in the 1991 Gulf War, described SLORC persecution of the Rohingyas as genocide and called on the UN to use its full weight to pressure Rangoon to take back its Muslim nationals who fled to Bangladesh. He said, *"The United Nations should do for them just what it did to liberate Kuwait. Saudi Arabia condemns the forced labour, imprisonment and genocide being committed against Muslims in Myanmar. It is not too much to ask that all Rohingyas be repatriated, their civil and political rights as full citizens of Burma be recognized and they be compensated for the losses due to forcible eviction."* Prince Khaled spent four days visiting Rohingya refugee camps and Bangladesh military installations from April 11-14 and welcomed the earlier visit to Burma of UN special envoy Jan Eliasson [Reu/B920416].

CHINESE MILITARY ASSISTING SLORC FIGHT KACHINS

The Kachin Independence Organization (KIO) said that on March 29-30, 20 Chinese army trucks transported Burma Army troops from the Nong Tao - Ruili border crossing through Chinese territory to the Burmese garrison at Loi-je, in Burma. On March 30, five other Chinese trucks transported arms and ammunition from Wan-Din, China via Kyu-kok to Mu-se. In early April, six battalions of the Burma Army launched an attack from Loi-je on the headquarters of the 3rd Brigade of the Kachin Independence Army (KIA). Analysts believe the campaign may be aimed at clearing the area for the construction of a hydro-electric power station. China has expressed interest in helping SLORC build a hydro-electric plant on the border. The KIO has also requested Peking to clarify if this new cooperation with SLORC is the policy of the central government or whether this was only sanctioned by local authorities. The KIO is worried that local authorities who are heavily involved in drug trafficking with SLORC officials may be acting independently of Peking because of the KIO's drug eradication program [B920414 & F920423].

AUSTRALIA URGES CHINA TO CUT ARMS SALES TO SLORC

Australia's Foreign Minister Gareth Evans on an official visit to China gave a strong warning to Peking to stop arms sales to Rangoon. On April 11, Evans said, *"The regime in Burma has become impossible to defend. China is increasingly being put in the position of being the regime's only friend. It does have some clear influence as a result and it ought to exercise that influence, in particular by ceasing arms sales. China is becoming increasingly aware of just how little support the Burma regime now has and the risks of being isolated in that respect"* [AFP/B920412].

EUROPEAN PARLIAMENT CALLS FOR UN ARMS EMBARGO

On 15 Apr, the European Parliament called for international action against SLORC. Citing SLORC's persecution of minorities, its refusal to honour the 1990 election results, its continued detention of political prisoners, its infringement on the territory of neighbouring countries and the Burma Army's brutal ill-treatment of the civilian population, the European Parliament called on the EC and its member states to take the lead in imposing sanctions against SLORC. It also called on the UN Security Council to impose an arms embargo and sought to delay the implementation in Burma of UN programs especially those under the UN Development Programme [EP920415].

Burma News:**U NU, OTHER POLITICAL PRISONERS RELEASED**

To date, the majority of those released by SLORC since April are criminals. The political prisoners include the last democratically elected Prime Minister, U Nu, 84; members of U Nu's parallel government - Bohmu Aung, U Than Sein, U Ba Swe, and Thakin Khin Aung; Daw Cho Cho Kyaw Nyein, General Secretary of the Anti-Fascist People's Freedom League (AFPFL); Mahn Nyunt Maung, AFPFL Joint-Secretary 1; U Chit Khaing, NLD Secretary; NLD Central Executive Committee members U Soe Thein, U Maung Maung, U Ohn Maung, U Saw Chit Than and U Tin Aye. Also released were Ma Theingi, Daw Aung San Suu Kyi's personal secretary and Daw Nita Yin Yin May, Information Officer at the British Embassy. Daw Nita was sentenced in late 1990 to 3 years in prison. Her sentence was recently doubled to 6 years. Ma Theingi was also recently given a 10-year sentence in addition to the two and a half years she has already spent in prison without trial [F920423, P920427, Reu/Focus 9205].

MAJOR-GENERAL KHIN NYUNT STRENGTHENS POSITION

Anticipating Sr-Gen Saw Maung's departure, Maj-Gen Khin Nyunt has strengthened his position within the ruling junta by expanding the circle benefiting from SLORC rule and appointing officers loyal to him to key positions. On 29 Jan, three major-generals were added to SLORC - Maung Hla (Army Secretary), Kyaw Min (Northwest Command), and Soe Myint (Southeast Command). Two brigadier-generals - Myo Thant and Maung Maung, two colonels - Win Sein and Than Shwe, a lieutenant-colonel - Khin Maung Thein, and two civilians - Khin Maung Yin and Soe Tha, were added to the cabinet (*Note: Alert No.3, Vol.3 wrongly identified U Soe Tha as a lieut-col and identified Khin Maung Thein as a civilian. Apologies - Ed*). Brig-Gen Myo Thant was chief of the Army Signals Corps and the main liaison between Khin Nyunt and the drug warlords in the northeast. On 6 Feb, the air force and navy chiefs were replaced by Khin Nyunt loyalists - Maj-Gen Thein Win and Rear-Adm Than Nyunt. On 20 Feb, Brig-Gen Thaung Myint, a prominent member of the Border Areas Development Committee (Drug cultivation areas in the northeast) was added to the cabinet. On 5 Mar, Maj-Gen Mya Thinn (Western Command) became Minister for Co-operatives. Maj-Gen Myint Aung (Southwest Command), whose troops almost fired on Daw Aung San Suu Kyi in Danubyu, was appointed the Adjutant General of the Ministry of Defence and Minister of Agriculture on 5 Mar. Brig-Gen Tin Hla (22 Light Infantry Division), whose troops killed thousands of unarmed demonstrators in Rangoon in 1988, is now Southwest Region commander. Both Myint Aung and Tin Hla are close to Khin Nyunt. Another Khin Nyunt loyalist Brig-Gen Myint Lwin is chief of the military police. Lieut-Gen Aung Ye Kyaw, the former Adjutant General and Minister for Co-operatives, was reassigned as Minister for Culture [F920423, 0507].

PROSTITUTES KILLED BY SLORC TO COMBAT AIDS

Crime Suppression Division Deputy Commander Bancha Jarujareet told the English-language Bangkok newspaper 'The Nation' that he has learnt that 25 AIDS-infected prostitutes were injected with cyanide in Burma in order to prevent the disease from spreading. The prostitutes were rescued by Thai police from a brothel in Ranong and deported last June. All had tested positive for the HIV virus which causes AIDS. Bancha said that as a result, no further Burmese girls rescued from brothels would be deported. Nitaya Thippayanuraksakul, Director of Emergency Home, a shelter for abused women, recounted to United Press International that Thai police in Mae Sai told her that 20 prostitutes deported last year from the Emergency Home were murdered by SLORC. They were injected with 'something' and buried. Burmese dissidents have also recently reported that prostitutes deported from Thailand were killed and their bodies dumped into the sea. Last year, SLORC said that more than 74,000 Burmese tested positive for AIDS [UPI/N/Focus 9204].

JAPAN GRANTS POLITICAL ASYLUM TO THREE BURMESE

On 22 Apr, it was disclosed that Japan had granted political asylum to Dr. Win Naing, 33, President of the Burmese Association in Japan (BAIJ), his aunt, Daw Mya Mya Win, 45, and her 16-year old son, Moe Min Oo. Japan has a very tough asylum policy and the move was seen by analysts as an indication of Japan's growing impatience with SLORC. Since Japan signed the UN Refugees Recognition Act in 1981, only 200 foreigners have been granted asylum. None of the Chinese students seeking asylum after the Tiananmen massacre in 1989 have been granted refugee status. The Japanese Foreign Ministry denied any political implications in the case of the Burmese refugees [Asahi 920423 & IPS920425].

Foreign Investments:**AUSTRALIA:**

The NCGUB announced on 15 Mar that BHP PETROLEUM of Melbourne will not renew its oil exploration concession (Block H) with SLORC when it expires at the end of this year. BHP signed a US\$25.2 million contract including a US\$5 million 'signing bonus', with SLORC in Nov.89. BHP drilled one exploratory hole in Mar'91 to 6,500 feet but it was dry. By the end of 1991, BHP had reduced its 12-man team to one administrator who will leave Rangoon in May [GUB920312 & W09208].

HOLLAND:

SHELL EXPLORATION, which signed a US\$80 million exploration contract (Block G) with SLORC in Oct.89, started drilling in Jul.91. To date, no oil has been found but on 3 Jan.92, a small quantity of natural gas was discovered. Well No.1 is yielding 14.78 million cu.ft of gas per day which may be sufficient for domestic consumption but not for export [P920111,16 & W09208].

JAPAN:

TOYOTA MOTOR CORPORATION has denied that it supplied SLORC with trucks for military use (Alert No.2, Vol.3, Feb'92). Toyota said it sold only 15 light trucks (including 4 mini-vans) and 21 passenger cars to Burma in 1991. All were for non-military use. Customers included the Indonesian Embassy, the Japanese Red Cross, Shell Oil, Thai Airways, a Singaporean mining concern, and a construction company. Toyota emphasized that it is not the company's policy to provide vehicles for military use [T920410].

THAILAND:

The Permanent Secretary of the Finance Ministry, Panas Simasathien, who was attending the 25th Annual Meeting of the ASIAN DEVELOPMENT BANK (ADB) in Hong Kong in May, encouraged the ADB to resume its lending operations in Burma and Vietnam to 'support rehabilitation schemes in Cambodia and Laos' [B920515].

Pongpol Adireksan, Chart Thai Party Member of Parliament and Foreign Minister in General Suchinda Kraprayoon's government accepted an invitation from SLORC to visit Burma 'to create a better understanding between the two neighbours' [B920515].

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International Activities:**CANADA:**

On Earth Day, Apr.22, the FRIENDS OF THE RAINFOREST launched a campaign to boycott PETRO-CANADA by demonstrating at a Petro-Canada gas station at Somerset and Bronson in Ottawa. Pamphlets were handed to passers-by urging them to take their business elsewhere.

JAPAN:

The BURMESE RELIEF CENTER - JAPAN and the INTERNATIONAL NETWORK FOR BURMA RELIEF sponsored a "FESTIVAL FOR BURMESE DEMOCRACY" on 24 May in Kyoto to commemorate the Second Anniversary of the General Elections in Burma. A traditional Burmese dance, a performance on the Burmese harp, a dramatization of the struggle for democracy, a video on Burma and a handicraft bazaar were featured. Proceeds were for refugee relief.

UNITED STATES OF AMERICA:

The BURMA PROJECT USA is campaigning to educate the American public about the genocide in Burma. Executive Director Alan Clements, a Buddhist monk who lived in Burma for seven years did a photo essay for the 6 Apr international edition of NEWSWEEK titled "Dragon King's Fire", featuring SLORC's military offensive against the Karens. Tax deductible donations can be sent to: The Burma Project USA, 45 Oak Road, Larkspur, CA.94939, USA. Fax: 1 (415) 924-6101, Tel: 1 (415) 924-6447. For donations of US\$50 or more, you will receive a free copy of Alan's book - "BURMA - THE NEXT KILLING FIELDS?" and a 90-minute audio cassette of 1992 interviews conducted in Manerplaw. Copies of the 96-page book giving Alan's personal observations and factual accounts of how the Burmese people are dealing with the nightmare of SLORC rule, can also be obtained for US\$5 from Odonian Press, Box 7776, Berkeley CA.94707, USA. Fax: 1 (510) 524-4185, Tel: 1 (510) 524-3143.

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Economics:**THE RISE IN BASIC COMMODITY PRICES**

by Dr. Than Nyun, Pro-Rector
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The recent political moves by SLORC have been greeted with skepticism by most Burmese democracy advocates. However, others have welcomed them and are optimistic that SLORC is becoming more flexible and reasonable. SLORC is actually incapable of solving Burma's problems. To illustrate, we have reproduced below a report by SLORC's top technocrat, Dr. Than Nyunt, who is a Cambridge graduate and Chief Advisor to the SLORC Ministry of Planning and Finance. Typically, the root cause of the economic problem is not dealt with. Instead, more repressive policies are recommended to suppress the symptoms:

1. The prices of basic commodities in Rangoon have risen suddenly within a very short period of time. Generally, prices tend to rise during the rainy season but the price rises this year are unusual and abnormal. I believe this is the result of destructive elements who want to destabilize commodity prices.
2. The main weapons of these destructive elements are a) financial resources, and b) rumours. These two weapons can be used simultaneously. Rumours are spread and money can be used to create an atmosphere whereby the market will respond according to the rumour. At such times, other manipulators also enter into the picture and destabilize commodity prices even more.
3. The way to strike at the plans of the destructive elements is to a) destroy their financial resources, and b) defuse the rumours.
4. The following steps can be used to destroy their financial resources:
 - a) Confiscate goods and money involved in market manipulation,
 - b) Give half the value of goods discovered as a reward to informers,
 - c) Punish offenders severely with heavy cash fines,
 - d) Take strict action under tax laws and collect income tax, commercial tax, municipal tax, etc.,
 - e) Expose those who lend money to manipulators of commodity prices and take action against them under the Profit Tax law (another paper on this matter will be presented).
5. If the financial resources of the destructive elements are not destroyed even after the above steps are taken, they can still represent a danger.
6. The way to strike at rumours is to publish comprehensive reports regularly on marketing, manufacturing, the status of commodity stocks and trading activities. Publishing reports after the market has become unstable is not as effective as regular reporting on the subject in commercial circles. If true news is received regularly, it will become difficult to believe in rumours. If goods are definitely going to be scarce, informing the public of the actual situation will prevent the rise in commodity prices. It is also very important that marketing news is published and distributed. Comprehensive news should include the opinion, analysis and discussion of respected businessmen on the current situation and future possibilities. Market news that is currently available is likely to be unconfirmed reports. It is necessary that they be checked and analyzed by well-informed professionals. Market situation reports should not be left unpublished or undistributed just because the facts are incomplete or some facts cannot be verified. The news must be published and distributed together with analysis and commentaries.
7. Wide dissemination of marketing news can lead to more competition amongst manufacturers and traders. Monopolies can then be destroyed.
8. A commodity newsletter for each commodity should be published weekly. Another type of marketing news in the form of a magazine should also be published monthly. The weekly newsletter will provide current market prices and commentaries. The monthly magazine will contain confirmed comprehensive reports. The newsletters should be published by relevant merchants and manufacturers associations (with the assistance of the State).

Economics:

THE RISE IN BASIC COMMODITY PRICES (continued)

CONCLUSION

9. I am of the opinion that the existing instability of commodity prices is caused by the action of destructive elements. In order to destroy the destructive elements, long-term action will be necessary in addition to the above outlined immediate actions.

10. The methods to balance the supply and demand of commodities have been outlined above. However, to achieve the objective of the above methods, the following control instruments must be used:

- a Duties and taxes,
- b Bank interest and lending rates,
- c Wages,
- d Dissemination of information,
- e Controls based on volume of business
- f Controls based on assets,
- g) Reward and punishment system,
- h) Formation of associations or groups,
- i Financial assistance,
- j) Enacting laws, and
- k) Making trade arrangements for businessmen.

11. Control instruments must be applied in conformity with the economic situation. If necessary, new control instruments must be created and applied. If the instability in supply and demand factors persist, more efficient control instruments will be necessary.

12. In order to guide the country's economy efficiently, comprehensive and correct data is required. The income of the State, employment conditions, the manufacturing and transportation situation, etc. and other relevant data is needed. The currently available data is not yet satisfactory.

signed: *Than Nyun*

"True Copy"
Ministry of Planning and Finance

News sources this issue: A = Asiaweek, AFP = Agence France Presse, ASSK = Aung San Suu Kyi, Asahi = Asahi Evening News, B = Bangkok Post, BBC = British Broadcasting Corporation, EP = European Parliament, F = Far Eastern Economic Review, Focus = Burma Focus, Sars gt 50, 0564 Oslo, Norway, GUB = National Coalition Government of the Union of Burma, IPS = Inter Press Service, KNU = Karen National Union, N = The Nation, Bangkok, Ny = New York Times, P = Working Peoples Daily, Rangoon, Reu = Reuters, T = Toyota correspondence, UN = United Nations, UPI = United Press International, and WO = World Oil.

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BURMA - INSURGENCY AND THE POLITICS OF ETHNICITY

by Martin Smith

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