CENTRO STUDI PER I POPOLI EXTRA-EUROPEI "CESARE BONACOSSA" - UNIVERSITÀ DI PAVIA

The Journal of the Italian think tank on Asia
founded by Giorgio Borsa in 1989
Vol. XXVI / 2015

The Chinese-American Race for Hegemony in Asia

Edited by
Michelguglielmo Torri
and Nicola Mocci

viella

Asia Maior. The Journal of the Italian Think Tank on Asia founded by Giorgio Borsa in 1989.
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ISSN 2385-2526

Annual journal - Vol. XXVI, 2015

This journal of the Associazione Asia Maior is published jointly by Associazione Asia Maior & CSPE - Centro Studi per i Popoli extra-europei "Cesare Bonacossa" - Università di Pavia

Editor (direttore responsabile): Michelguglielmo Torri, mg.torri@gmail.com
Junior editor: Nicola Mocci, nicolamocci@yahoo.it
Editorial Board: Axel Berkofsky, Simonetta Casci, Diego Maiorano, Nicola Mocci, Giulio Pugliese, Michelguglielmo Torri, Pierluigi Valsecchi
Book review editors: Oliviero Frattolillo, oliviero.frattolillo@uniroma3.it; Francesca Congiu, francesca_congiu@hotmail.com

Segreteria di redazione: asiamaior@gmail.com

Progetto grafico di Nicola Mocci

Asia Maior. The Journal is an open-access journal, whose issues and single articles can be freely downloaded from the think tank webpage: www.asia-maior.org.

Paper version	Italy	€ 50.00	Abroad	€ 65.00

Subscription abbonamenti@viella.it www.viella.it

viella
libreria editrice
via delle Alpi, 32
I-00198 ROMA
tel. 06 84 17 758
fax 06 85 35 39 60
www.viella.it

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Myanmar 2015: Political turning point, economic and social challenges

Pietro Masina

University of Naples «L'Orientale»
pmasina@unior.it

The year 2015 will be remembered as a watershed in the political evolution of Myanmar. After 5 years of semi-civilian government, the country was allowed to hold free elections for a new national parliament and regional assemblies. In November, the National League for Democracy (NLD) led by Aung San Suu Kyi won by a landslide obtaining almost 80% of votes throughout the country, including in ethnic states in which it scored much better than expected. The incumbent Union Solidarity and Development Party (USDP) – the party created by the army – suffered a crushing defeat: it got only 8% of the votes, while many party leaders had hoped it would get up to one third of the national popular vote. The scale of the NLD victory will allow it to choose the new president and to form the new government. However, the constitution approved by the outgoing military regime has created a number of important obstacles to real regime change. First, the Tatmadaw (the army) will continue to nominate 25% of parliamentary members and will have the power to veto constitutional changes. Second, the Tatmadaw will continue to appoint the ministers of Defence, Border Affairs and Home Affairs. This implies that the army will maintain control of the police as well as of the General Administration Department, which forms the backbone of the administration at the local level. Third, a clause in the constitution prevents the election of Aung San Suu Kyi to the presidency, thus confronting the NLD with two equally risky choices, either selecting a non-entity as president, potentially damaging the reputation of the NLD, or endangering the leadership of Aung San Suu Kyi by choosing a capable politician for the state's highest political office. The limits imposed to far-reaching political change help to explain why the army accepted the transition and immediately recognized the electoral results.

The complexity of the political and institutional transition is bound to cause continuing difficulties in addressing the main national challenges. A ceasefire with eight ethnic armies reached in October 2015 was an important result, but the ethnic conflict remains rampant. Political and ethnic tensions in Rakhine state between the Buddhist majority and Muslim minorities have become particularly severe, and the dramatic conditions of the Rohingya produced an international crisis in spring 2015. To a very large extent, these ethnic conflicts are the result of both the conditions of poverty in which the large majority of the population live and the political, cultural and economic suppression of ethnic minorities since national independence.

1. *The elections and the political transition*

After five decades of military rule, a political transition began in 2011. International sanctions had made the country excessively dependent on China, weakening the prestige of the army as the guardian of national sovereignty.[1] The looming economic crisis and ethnic insurgency in several states made evident the need for change. This became particularly urgent after the 2007 mass protests triggered by an increase in oil prices, during which the influential Buddhist clergy took an open stance against the junta. Eventually, the pressure for political change came also from inside the regime. The business elite – traditionally made up of the army leadership and its cronies, but increasingly becoming an autonomous oligarchy – saw the prospects of large profits deriving from a closer integration into the world economy.[2] The strategy adopted by the army was a process leading towards a «discipline-flourishing democracy», in which the return to a civilian government – most likely dominated by the NLD – would continue to guarantee the long-term interests of the army itself and its allies.[3] Political elections were held in 2010 leading to the creation of a semi-civilian government. Army strongman Than Shwe stepped down as country leader, and former general Thein Sein took over as president. Although the NLD had boycotted the elections, Aung San Suu Kyi was released from house arrest and a timid political dialogue began. The same Suu Kyi agreed to participate in the by-elections in 2012 and was elected to parliament. Eventually, the NLD and other regional parties were allowed to reorganize and prepare for the elections anticipated in 2015.

In early July 2015, the Electoral Commission announced that political and administrative elections would be held on 8 November. Only a few days before, the outgoing parliament had refused to abolish one of the most controversial articles of the constitution drafted by the military rulers in 2008. This article impedes any citizen with family connections with foreigners to be elected as president of the republic – a norm obviously designed against Aung San Suu Kyi, whose two sons hold British passports from their late father. Other articles further contributed to maintaining a strong military influence on future administrations. First, 25% of parliamentary seats are to be occupied by officers nominated by the army, while changes to the constitution require the support of 75% of the parliament. Second, the army will continue to appoint key ministers in future governments. These ministers

1. See infra par. 2.

2. Michele Ford, Michael Gillan & Htwe Htwe Thein, 'From Cronyism to Oligarchy? Privatisation and Business Elites in Myanmar', *Journal of Contemporary Asia*, Vol. 46, No. 1, 2016, pp. 18-41.

3. Giuseppe Gabusi, 'State, Market and Social Order: Myanmar's Political Economy Challenges', *European Journal of East Asian Studies*, Vol. 14, No. 1, 2015, pp. 52-75.

include Defence and Border Affairs, thus giving the army unlimited authority upon the management of the conflict with insurgent ethnic groups. The other ministry controlled directly by the army is Home Affairs, from which depend the Police and the General Administration Department, managing the local administration throughout the entire country.

In calling for free elections, the army had probably expected to be able to continue to control parliament or at least to force the NLD to form a coalition government. Since 25% of the MPs are appointed officers, had the army-backed Union Solidarity and Development Party (USDP) obtained one third of the popular votes, it would have controlled the absolute majority in parliament.[4] The army had possibly also expected that the NLD would do rather poorly in ethnic states, where local parties were supposed to have more appeal. The lack of reliable opinion polls created a climate of incertitude ahead of the 8 November elections. The results, however, completely dispelled any illusion that the army may have had of its popularity in the country. The military-backed USDP, led by the outgoing president Thein Sein, obtained only 8% of votes. The NLD scored ten times more, coming close to 80%, i.e., the same result it had obtained in 1990. At that time, the army had reacted by annulling the vote, putting Aung San Suu Kyi under house arrest and jailing many of the NLD leaders and supporters. The USDP and the NLD were the only national parties to gain seats in the parliament. The ethnic parties obtained only 11% of the popular vote with only two achieving some success: the Arakan National Party obtained 12 seats in the House of Representatives (*Pyithu Hluttaw*) and 10 in the House of Nationalities (*Amyotha Hluttaw*), while the Shan Nationalities League for Democracy obtained 12 and 3 seats respectively. The other ethnic parties won just a few seats or none at all.[5]

The clear victory obtained by the NLD was also reflected in the administrative elections. In the seven Burman-majority regions, it obtained 95% of the votes, whereas in the seven ethnic states it achieved, on average, 45% of the popular vote, conquering the majority of the popular votes in four states, while in the other three states no party was in a position to rule alone.[6]

The outgoing government immediately recognized the NLD's victory. President Thein Sein's spokesman and minister of Information Ye Htut,

4. Senior USDP officers expressed privately the hope that the party would get about 20% of votes, corresponding to 15% of the elected seats. Combined with seats occupied by the army representatives, this would have secured 40% of the parliamentary seats to the outgoing regime and would have made a cohabitation government the most likely outcome. See 'Myanmar's Electoral Landscape: Vibrant, But Uncertain', *The Diplomat*, 23 September 2015.

5. Crisis Group, *The Myanmar Elections: Results and Implications*, Crisis Group Asia Briefing N°147, Yangon/Brussels, 9 December 2015, p. 4.

6. *Ibid*.

on his Facebook page, congratulated Aung San Suu Kyi, declaring that the outgoing government would respect and obey the decision of the electorate and would work peacefully in the transfer of power.[7] Encouraging declarations came also from the powerful commander-in-chief of the Myanmar Armed Forces, Senior General Min Aung Hlaing who congratulated Aung San Suu Kyi for winning a majority. Under the constitution, General Min Aung Hlaing retained a considerable influence, which made it imperative for the new government to cooperate with him.[8]

In the following weeks, it became clear that the army was committed to respecting the electoral results but would not surrender its power unconditionally. On the one hand, the outgoing military leaders demanded guarantees preventing any possible prosecution for the crimes committed under their decades-long harsh rule. Whereas Aung San Suu Kyi and the NLD have repeatedly declared the need to look ahead, it was unclear if a complete impunity could and would be guaranteed. On the other hand, the army and its cronies were eager to defend their economic interests and, from this perspective, their offer of a smooth power transition was their way to buy the new leadership's goodwill.

In the intense and confidential contacts between the outgoing and incoming leaderships, particularly important was a secret meeting between Aung San Suu Kyi and Than Shwe, the head of the military junta that had ruled the country until 2011. News about the meeting was revealed by the grandson of the 82-year-old former army leader with a post on Facebook. Than Shwe, who is reported to maintain considerable power and influence, not only acknowledged that Aung San Suu Kyi would become the new country leader but also expressed his will to support her with all his efforts.[9] Although no further information about the exact content of the meeting is available, it is likely that Aung San Suu Kyi sought support for the suppression of the norms preventing her from being elected as new president of Myanmar.

The future presidency remained a key issue in the two final months of 2015. The NLD continued to seek army consensus to amend the constitution and explored ways to circumvent the norms barring Aung San Suu Kyi from assuming the job. The solution prospected by Aung San Suu Kyi before the elections – nominating a figurehead who would let her continue to take all the important decisions – was considered to be an uncomfortable second best. A president with inadequate experience may compromise the reputation of the NLD and may be resented by the senior party leaders. At the same time, the election of an experienced politician may undermine Aung

7. 'Government and army congratulate Aung San Suu Kyi as Myanmar count continues', *The Guardian*, 11 November 2015.

8. *Ibid*.

9. 'Former Myanmar military ruler Than Shwe «supports new leader»', *BBC News*, 6 December 2015.

San Suu Kyi's authority over a party that remains largely dependent on her charismatic leadership. The parallel with Sonia Gandhi – who renounced becoming Prime Minister after winning the elections in 2004 and remained president of the Indian Congress Party – seems to be inappropriate.[10] Not only was the role of Aung San Suu Kyi – commonly referred to as «mother» – a key element in the NLD success, but also her authority to keep together a party that has few experienced leaders and lacks administrative experience. The absence of a strong collective leadership is an acute problem as many of the old generation, tempered by decades of struggles against the military rule, have died or are in too poor health to continue leading the party. The creation of a reliable, honest and inspiring younger leadership is a daunting task for a party that has obtained so large a majority of votes and will be asked to govern a country with many challenges ahead.

In this sense, a more relevant parallel seems to be with South Africa at the end of the apartheid regime. The charismatic leadership of Nelson Mandela was paramount in securing a fairly smooth power transition and creating a united and democratic country. However, the aspirations to social and economic change that had fashioned such a strong consensus around the *African National Congress* were eventually frustrated by a transition that left economic power in the hands of the old white elite. This seems to be the challenge ahead for Aung San Suu Kyi and the NLD. At the end of 2015, there was some optimism for a power transition that would create the space for a functioning democracy. However, the economic and social agenda of the NLD remained too undetermined to make predictions about its ability to address the expectations of a population still facing poverty and vulnerability.

2. *The international relations of the «new» Myanmar*

The years immediately following the advent of the semi-civilian government led by Thein Sein (2007) saw a realignment of Myanmar's international relations. The country had become increasingly dependent on China, which had a strong strategic interest in Myanmar especially because it could provide a friendly corridor to the Indian Ocean. Decades of military rule and international recognition for the cause represented by Nobel Peace laureate Aung San Suu Kyi had isolated the country, making China its only viable partner. China provided funds for (often controversial) infrastructural projects, became the major source for the import of consumption goods and represented the main export market for local natural resources. Animosity connected with ethnic conflicts along the borders has historically domi-

10. 'With Suu Kyi banned, Myanmar voters ponder «proxy presidents»', *Reuters*, 7 November 2015.

nated the bilateral relations and the Burmese army is known to harbour anti-Chinese sentiments. However, warmer relations with China had been a necessity for the military juntas facing international isolation. Cooperation with the ASEAN – the Association of Southeast Asian Nations – was only a limited surrogate for the lack of integration into the wider international economy and could not reduce the dependency on China. It was only in 2011 when Thein Sein took the first steps in the direction of a political transition that the international relations of Myanmar started to shift. The United States and the European Union were quick to adopt a policy of positive engagement, removing most sanctions against Myanmar. A number of high profile visits revealed the recognition given to Thein Sein's government for its commitment to political transition.[11] With the reestablishment of political dialogue with Western countries and an improvement in cooperation with India, relations between Myanmar and China became more complex and tense.[12] Whereas Myanmar was keen to reduce dependence on its giant neighbour, China tried to exert pressure on Myanmar to prevent a waning of bilateral cooperation. Relations turned sour from September 2011, when the government suspended an important hydroelectric project financed by China (the Myitsone dam).[13]

Two major events shaped the relationship between China and Myanmar in 2015: the first confirming the deterioration of relations between Beijing and the Thein Sein administration; the second, possibly anticipating a new phase of bilateral cooperation.

The first event was a military and diplomatic crisis produced by clashes along the borders. The incidents developed as a consequence of the ongoing conflict between the Burmese army and Kokang insurgents. After six years of ceasefire, in February 2015 fighting resumed as the Kokang army reportedly attempted to regain lost territory.[14] This local conflict – per se not different from others setting the Burmese army in opposition to ethnic militias – immediately had repercussions in relations with Beijing, as the Kokang are a Chinese-speaking minority living in the northern part of Shan States, on the border with the Yunnan province of China. The Kokang's Myanmar National Democratic Alliance Army (MNDAA) had once

11. Some observers accused Western governments of having been too quick in removing the sanctions and in extending economic support to the semi-civilian government, when it was still unclear if the political transition was an irreversible process. See Giorgio Pescali, 'Un processo di democratizzazione molto lento ma reale', *Asia Maior 2014*, pp. 207-9.

12. Jeremie P. Credo, 'Myanmar and the Future of Asia's New Great Game', *The Diplomat*, 24 July 2015.

13. Simone Dossi, 'Regime Change and Foreign Policy: Explaining the Fluctuations in Myanmar's Economic Cooperation with China', *European Journal of East Asian Studies*, Vol. 14, No. 1, 2015, pp. 98-123.

14. '47 Burmese soldiers killed in Kokang conflict: state media', *DVB*, 13 February.

been part of the pro-China Burmese Communist Party and is considered to maintain close connections with Beijing. As the military clashes escalated, President Thein Sein warned China not to encroach on Myanmar's sovereignty, while both the MNDAA and Beijing denied that China had provided support to the Kokang insurgents.[15] Neither the negotiations between the Myanmar government and the MNDAA nor the dialogue between Naypyidaw and Beijing helped to find a settlement. In March, the Burmese air force bombed the Chinese territory in three distinct episodes and killed or wounded several farmers, besides causing material damage. In the evening of 13 March, the Burmese ambassador was summoned to the Chinese Ministry of Foreign Affairs: Beijing formally and strongly protested and demanded a complete investigation of the incidents. The following day, the vice chairman of the Chinese Central Military Commission made an urgent call to Min Aung Hlaing, the commander-in-chief of the Burmese armed forces, and made an ultimatum-type statement that the PLA would intervene immediately if such incidents happened again.[16] The tension was so high that the Burmese government immediately chose to send its Foreign Minister to Beijing to offer an official apology.[17] The episode, which eventually led to a new ceasefire, was highly indicative of the critical status of relations between the two countries.

The second event was Aung San Suu Kyi's mission to Beijing. The strained relations with Thein Sein's government had resulted in a decline of FDI flows from the giant neighbour – from a peak of US$8.2 billion in 2010/11 to only US$56 million in 2013/14, followed by a timid recovery to US$516 million in 2014/15.[18] Nevertheless, China remains by far Myanmar's largest trading partner, accounting for over half of the country's external trade.[19] Economic relations with Beijing are expected to remain of paramount importance for the NLD-led government after the 2015 elections. After Aung San Suu Kyi's victory in 1990, China was one of the first countries to congratulate the NLD and this led to a suspension of diplomatic relations once the army refused to acknowledge the electoral results. Relations between the two countries were soon re-established and, as discussed above, China became a major partner of the military junta. As a result, for many years there were practically no contacts between the NLD and the Chinese government. When Thein Sein inaugurated the transition process,

15. 'President warns China and rebels over Kokang', *Myanmar Times*, 3 March 2015.

16. 'Deadly Myanmar air bombings prompt Chinese military buildup on border', *The Washington Times*, 19 March 2015.

17. Wai Moe, 'Why Kokang Rebels Are Giving Fits to Burma's Military', *Foreign Policy*, 6 May 2015.

18. Yun Sun, 'China's relations with Myanmar: Does an NLD government mark a new era?', *Asia Times*, 8 December 2015.

19. European Commission, DG Trade Statistics online, last reported year 2014.

relations with the NLD resumed, although the two parties remained diffident for different reasons. Beijing feared that Aung San Suu Kyi would support pro-democracy groups in China and may even sustain the Tibetan cause of her fellow Nobel Peace laureate, the Dalai Lama. Even more importantly, Beijing was concerned that she would establish cooperation with Western countries and Japan with an anti-Chinese aim. On the other hand, Aung San Suu Kyi and the NLD could not easily forget the support given by the Chinese government to the military junta during two decades of brutal rule. Given the importance of bilateral relations, however, from the beginning of the transition process both sides did their best to build confidence through a rather intense dialogue via the Chinese Embassy in Yangon, cultural and academic exchanges, and high-level meetings.[20] The visit that Aung San Suu Kyi paid to China in June 2015 to meet President Xi Jinping and the Prime Minister Li Keqiang represented a major step forward in bilateral dialogue. Officially, the visit was held at party level, as the Burmese guest was a simple parliamentarian, but it was clear that the aim was to lay the ground for state relations after the elections in Myanmar. The new NLD-led administration would need economic support from China and, in recent years, Aung San Suu Kyi did her best to dilute Beijing's fears. This constructive attitude was interpreted as another sign of Aung San Suu Kyi's pragmatism.[21] On the Chinese side, creating a positive relationship with the NLD is considered a way out from the impasse that had characterized bilateral relations in the previous five years. While Beijing had no illusions about resuming a warm and preferential cooperation with Naypyidaw, its aim was to reach a «new normal» that could help to achieve long-term political and economic priorities.[22] At the core of Beijing interests continued to be infrastructural works – an oil and gas pipeline, railways, highways and harbours – which would connect the landlocked south-western provinces of China with the Indian Ocean.

In political terms, 2015 did not see any major development affecting relations with Western countries, Japan and India. For all, the months ahead of the Burmese elections were a period of suspense, possibly because high-level international meetings would have risked consolidating the power of the semi-civilian government in a critical election year. At the same time, the year confirmed the tendency toward a major reorganization of the Burmese economy on the basis of a World Bank-inspired neoliberal model and a closer integration in the regional and international economy. The lack of access to Western markets represented a major loss both for the ex-

20. Yun Sun, 'China's relations with Myanmar: Does an NLD government mark a new era?'.

21. Jurgen Haacke, 'Why Did Myanmar's Opposition Leader Just Visit China?', *The Diplomat*, 15 June 2015.

22. Yun Sun, 'China's relations with Myanmar: Does an NLD government mark a new era?'.

port of extractive products and for the ambition to develop a manufacturing industry. A «pro-market» economic reform became the point of consensus between the army, the NLD, major international players such as the US and Japan, and the Washington-based International Financial Institution.[23] The economic template is the same as had already been experimented with by other Southeast Asian countries, and currently being enforced by the newcomers in the regional division of labour (Vietnam, Cambodia and Laos): FDI-led and export oriented industrialization relying on very low labour costs, trade liberalization, privatization of key state assets through an alliance between international capital and local elites.[24] Interestingly, these «pro-market» reforms are promoted by neoliberal pundits (such as Francis Fukuyama) on the basis of the argument that reducing state control over key assets and liberalizing international economic relations is a major contribution to state formation and the rule of law.[25] For these free-marketers, the reforms will create a level play field for national and foreign firms, forcing all economic actors to submit to the neutral discipline of the markets. However, these reforms tend to overlook the reality that in the context of Myanmar, even more dramatically than in other neighbouring countries, the inflow of foreign capital only occurs in alliance with local elites, and *de facto* implies creating new opportunities for the cronies of the former regime, including those more directly involved in criminal activities and drug trafficking.[26] Keeping in mind the enormous economic interests at stake in the Burmese political reform process is important to better appreciate the complex mosaics of power struggles and new alliances, which have characterized the transition process before and after the elections of November 2015. One of the most remarkable political events of the year was the removal in August of Shwe Mann as head of the USDP, the army sponsored party. When the country was still ruled by military junta, Shwe Mann had been the number three of the *Tatmadaw* and a protégé of Than Shwe. He then left the army to become the Speaker of the Lower House and in 2013 took over the leadership of the USDP from Thein Sein. Eventually he became a close confidante of Aung San Suu Kyi to the point that he was considered as a possible candidate for president of the republic with NLD support. His removal from the USDP leadership with a palace coup-style intervention of security forces loyal to Thein Sein suggested that his relationship with Aung San Suu Kyi had become too warm for the incumbent

23. Michele Ford, Michael Gillan & Htwe Htwe Thein, 'From Cronyism to Oligarchy? Privatisation and Business Elites in Myanmar'.

24. World Bank, 'All Aboard! Policies for Shared Prosperity in Myanmar', 2015.

25. 'Francis Fukuyama: «It's Not That Hard to Hold a Free and Fair Election»', *Irrawaddy*, 13 August 2015.

26. Jared Naimark, 'Fukuyama's Flawed Take on Burma', *Irrawaddy*, 24 August 2015.

president.[27] The political turnabout of a former general suspected to have had responsibility for severe human rights abuses might be explained by the need to protect the economic interests of his family. As highlighted by *Asia Maior 2014*, Shwe Mann and his sons continued to control important monopolies in the Burmese economy.[28] While the November elections have probably compromised the chances of Shwe Mann becoming the next president, it is likely that the NLD will not challenge his economic empire nor the economic interests of the elite connected with the previous regime.

3. *The Rohingya crisis, ethnic conflicts and social issues*

As noted at the beginning of this chapter, the elections of November 2015 are likely to represent a watershed in Myanmar's politics. However, the legacy of decades of military rule remains difficult to address. A major obstacle is represented by ethnic insurgency along the Thai and the Chinese borders. About 40% of present day Myanmar's population belong to ethnic minorities, which have historically felt underrepresented and suppressed in the process that led to the creation of post-colonial Burma. The advent of military rule made the conflict intractable as the army committed severe human rights abuses not only against the insurgents but also against the civilian populations belonging to ethnic minorities. To make the situation even more complex, many rebel groups have become dependent on illegal activities – drug trafficking, illegal trade of jade and precious stones – to support their armies. The conflict over control of these illegal activities has often been the real cause of confrontation between the *Tatmadaw* and local militias. Furthermore, the hostilities between the ethnic groups and the central government have often also become part of wider games involving neighbouring countries Thailand and China.

The NLD has been accused in the past of scarce attention to the cause of ethnic minorities, but in recent years has been able to improve its standing in ethnic states, as witnessed by the results in the national and administrative elections. On his side, Thein Sein made a settlement with ethnic insurgents a priority of his government. One month before the election, the government announced an important breakthrough: 8 of the 15 ethnic armies had agreed to a cease-fire. A ceremony was held in Naypyidaw on 15 October with Thein Sein, representatives of the insurgent groups and international observers. Aung San Suu Kyi refused to attend, suggesting that the ceasefire did not represent the breakthrough that the government suggested it to be.

27. Larry Jagan, 'Myanmar president's palace coup', *The Daily Star*, 16 August 2015.

28. Giorgio Pescali, 'Un processo di democratizzazione molto lento ma reale', p. 210.

A rather sceptical view was expressed also by the international media. First, the ceasefire only involved some, but not the largest, of the ethnic armies and only those on the border with Thailand. Second, the terms of the agreement remained quite elusive, while the negotiation of more critical issues – including the monitoring of the ceasefire itself – was deferred to further negotiations.[29] Among the groups signing the agreement, the most notable was the Karen National Union, which had been fighting the Burmese army for 60 years. Other major groups refused to sign and government officers even voiced the suspicion that China had discouraged ethnic Chinese groups from participating in the negotiations.[30]

In May 2015, a refugee crisis related to the Rohingya – a Muslim minority from the Rakhine state – obtained international attention. At the beginning of the month, graves were discovered by Thai authorities in a «waiting» area at the border with Malaysia normally used by human traffickers. This tragic discovery drew attention to the traffic of Rohingya and Bangladeshi people across the Andaman Sea and eventually led traffickers to abandon thousands of people on-board makeshift boats. For days, Thailand and Malaysia refused to rescue these people until the crisis assumed worldwide visibility and international outcry forced them to act.[31] The crisis shed light on the tragic conditions in which this Muslim population live. Animosity between the Buddhist majority of the Rakhine state and the Muslim minorities have roots in the British colonial era, when ethnic tensions were deliberately used as a medium to control local populations. Tensions between the Buddhist majority and the Rohingya escalated into violent confrontation in 2012, largely as a result of the political transition process for which the central government and local politicians tried to exploit nationalism to attract consensus. Since then, about 140,000 Rohingyas were forced into squalid and crowded refugee camps, and kept under apartheid-like conditions, with little access to education or adequate medical care.[32] These conditions were so terrible that the Simon-Skjodt Centre of America's Holocaust Memorial Museum, which campaigns to prevent genocide, indicated that the Rohingyas are «at grave risk [of] additional mass atrocities and even genocide».[33]

To please the most radical elements of the Buddhist clergy, in 2014 the Government Office drafted four bills as part of a «National Race and Religion Protection» strategy giving legal coverage to discriminatory poli-

29. 'Myanmar agrees limited ceasefire without most powerful rebel armies', *The Guardian*, 15 October 2015; 'Myanmar signs ceasefire with eight armed groups', *Reuters*, 15 October 2015.

30. 'Myanmar and 8 Ethnic Groups Sign Cease-Fire, but Doubts Remain', *New York Times*, 15 October 2015.

31. 'Indonesia and Malaysia Agree to Take Rohingya and Bangladeshi Boat Migrants', *Newsweek*, 20 May 2015.

32. 'Burma President Signs Off on Contested Population Law', *Irrawaddy*, 24 May 2015.

33. 'The most persecuted people on Earth?', *The Economist*, 13 June 2015.

cies against the Muslim minorities. These bills were eventually signed by Thein Sein in May 2015, right in the middle of the Rohingya refugee crisis, making more dramatic an already appalling situation.[34] Although these discriminatory policies were directed against all the Muslim communities, the Rohingya were particularly affected. Not only have they been progressively marginalized from social and political life, but also many have long been denied full citizenship.[35] For the Rakhine majority the Rohingya do not even exist as a distinct ethnic group as they are simply considered to be illegal immigrants from Bangladesh who, therefore, should not be entitled to Burmese citizenship. Historical evidence, on the contrary, suggests that the Rohingya are the descendants of seafarers and traders from the Middle East that settled in the kingdom of Arakan (present day Rakhine) in the 8th Century and then intermarried with Bengali Muslim slaves.[36]

The events of May 2015 gave international visibility to the discrimination faced by the Rohingya. From an internal question it transformed into a regional and international crisis when thousands of Rohingyas and Bangladeshi migrants were abandoned at sea by human traffickers. However, the international visibility did not help to improve the situation of discrimination faced by the Rohingya and the entire Muslim community. The inability to address this interethnic conflict was also reflected in the November elections. If the Thein Sein administration and the USDP were directly responsible for the anti-Muslim policies harshly implemented since 2012, the same NLD could not or did not want to distance itself from those policies. Not a single Muslim candidate was included in the NLD lists at national and regional level. The NLD claimed to have been forced to exclude Muslim candidates because of the pressure of increasingly powerful ultranationalist Buddhist monks. However, these claims do not reduce the disillusion of Muslims who had previously supported the NLD.[37] Even Aung San Suu Kyi was often criticized abroad for her silence and ambiguity on the Rohingya cause. In an interview given to the BBC immediately after the election, she indicated that as the new country leader she intended to protect all citizens, independently from their ethnic or religious background. [38] She also promised to punish hate speeches, thus condemning the role of ultranationalist monks.[39] Given the very poor results obtained in the election by radical Buddhist candidates

34. Lynn Kuok, 'Myanmar's «Religious Protection» Laws: Widening the Rift', The Tony Blair Faith Foundation, 18 May 2015.

35. International Crisis Group, *Myanmar: The Politics of Rakhine State*, Asia Report N°261, 22 October 2014.

36. 'The most persecuted people on Earth?', *The Economist*, 13 June 2015.

37. 'No vote, no candidates: Myanmar's Muslims barred from their own election', *The Guardian*, 3 November 2015.

38. 'Myanmar election: Full BBC interview with Aung San Suu Kyi', *BBC World News*, 10 November 2015.

39. *Ibid*.

and the large majority of seats that the NLD will control in parliament, the NLD will be called to live up to these promises.

The November elections boosted the expectation that the country's economy was bound to rapidly expand and that living conditions were to improve. However, a major natural disaster is expected to have a significant negative impact on the national economy and on the livelihoods of hundreds of thousands of citizens. In July 2015, the worst flooding in decades hit a large part of the country. By August, the situation had become so critical that the government declared a state of emergency in four regions.[40] Hundred and three people died and up to one million more were affected by the floods. Unlike in 2008, during Cyclone Nargis, when the junta refused outside help, this time the government required and obtained international aid.[41] The floods compromised the main rice crop of the year, although a precise estimate of the damage was still not available at the time of writing this article. While climate change has probably been the cause of higher-than-usual rainfalls, mismanagement of irrigation projects and deforestation caused by logging certainly contributed to make the impact of this natural disaster more severe.[42] These problems are also likely to become part of the agenda of the new NLD-led administration, although the many vested interests connected with the non-sustainable exploitation of natural resources will not allow easy fixes.

40. 'Myanmar floods worst in decades', *BBC World News*, 2 August 2015.

41. 'Myanmar floods leave a million affected as death toll passes 100', *International Business Time*, 10 August 2015.

42. 'Flooding Spurs Disaster Zones in Myanmar', *New York Times*, 1 August 2015.