
CHALLENGES TO DEMOCRATIZATION IN BURMA

Perspectives on multilateral and bilateral responses



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Acronyms

ABFSU	All Burma Federation of Students' Unions
ABSDF	All Burma Students' Democratic Front
ADB	The Asian Development Bank
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
BIMSTEC	Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation
BSPP	Burma Socialist Program Party
CCP	Chinese Communist Party
CII	Confederation of Indian Industry
CPB	Communist Party of Burma
CRPP	Committee Representing the People's Parliament
EIU	Economist Intelligence Unit
ICFTU	the International Confederation of Free Trade Unions
ICRC	International Committee of the Red Cross
IDO	International Development Organization
IDU	intravenous drug users
ILO	International Labour Organisation
IMF	International Monetary Fund
INC	The Indian National Congress
KMT	Kuomintang party
KNLA	Karen National Liberation Army
KNU	Karen National Union
LTTE	Liberation Tigers of Tamil Eelam
MMCWA	Myanmar Maternal and Child Welfare Association
MOU	Memorandum of Understanding
NCGUB	National Coalition Government of the Union of Burma
NCUB	National Council of the Union of Burma
NGO	non-governmental organization
NLD	National League for Democracy
NLM	New Light of Myanmar
OGD	Observatoire Geopolitique des Drogues
PRC	People's Republic of China
SAIN	Southeast Asia Information Network
SLORC/SPDC	State Law and Order Restoration Council/ State Peace and Development Council
UNDP	United Nations Development Programme
UNGA	United Nations General Assembly
UNHCR	Office of the United Nations High Commissioner for Refugees
UNHRC	United Nations Human Rights Commission
UNICEF	United Nations Children's Fund
USDA	Union Solidarity and Development Association

Preface

Burma experienced a democracy summer in 1988 when tens of thousands of people demanded an end to military rule. Although this was brutally suppressed, the democratic opposition led by Daw Aung Sang Suu Kyi won the elections held subsequently in May 1990. The junta's refusal to honour the election results has led to their increased international condemnation and isolation.

The only real route to political reform is a tripartite dialogue with the junta, the democratic opposition and the ethnic minorities. This dialogue must be informed by a realistic appreciation of national, regional and international considerations. The International Institute for Democracy and Electoral Assistance (IDEA) has worked for over three years to bring attention to the need for a concerted approach by national and international actors to support a democratic transition in Burma.

International IDEA invited a group of Burma Watchers and activists to contribute to such an endeavour – to identify the challenges and provide perspectives on the multilateral and bilateral responses to Burma, assessing how they strengthen or reduce the prospects of democratization in Burma. This publication is the outcome of this endeavour. Given the volatile nature of developments, such a study is in danger of being out-dated as it is being written. Nevertheless, it underscores the importance of adopting a comprehensive approach and a realization that internal as well as external factors impact developments in Burma.

International IDEA is mindful of the fact that information on Burma and from Burma is restricted and may not always be verified. This is but one of many challenges. The views reflected in this publication are those of the individual writers and do not necessarily reflect the views of the Board and staff of International IDEA.

In 1991 Daw Aung Sang Suu Kyi was awarded the Nobel Peace prize and remains the icon for non-violent democratic struggle. On this tenth anniversary of the award of the Nobel Peace Prize, the Burma Question remains unresolved. It is fitting to commemorate her struggle by renewing attention to it.

It is hoped that international attention will re-focus on this and that current initiatives of the Special Envoy of the Secretary General of the United Nations to break the impasse on political dialogue will be fruitful.



Bengt Säre-Söderbergh

Secretary-General
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Executive summary

Introduction

After years behind a curtain of secrecy and self-imposed international isolation, Burma/Myanmar¹ came unwillingly into the headlines in 1988. This was Burma's democracy summer. Millions of Burmese people took to the streets to demand an end to military rule. Six weeks later the democracy summer ended in a bloody reassertion of power by the military. Thousands were killed and martial law imposed.

In response, all multilateral and bilateral aid to Burma was cut off. The government promised multi-party elections and opened the Burmese economy to international investment. But when the National League for Democracy (NLD) won the May 1990 election by a landslide, the government refused to hand over power...

Since Burma's democracy summer of 1988 and its abortive elections of 1990, vast amounts of time and energy have been spent by individuals, organizations and governments to try to bring about a transition of Burma/Myanmar to a democratic state that respects human rights. From 1991 to 2001 the UN General Assembly and Commission on Human Rights adopted a total of 21 public resolutions on "the situation of human rights in Myanmar".

Can we see any progress?

The regime recently took positive steps, among which were the release of some political prisoners, reopening of some NLD offices and talks with the movement's leader Nobel Prize laureate Daw Aung San Suu Kyi. In September 2001, Burma allowed International Labour Organisation (ILO) officials in to assess efforts by the military government to end the use of forced labour.² Although these were welcome developments, Burma still has a long way to go towards respect for human rights and democracy.

The military government has made no real moves towards political liberalization. Human rights abuses continue, including arbitrary arrests and executions,³ as well as relocation of ethnic minorities.⁴ There is no freedom of expression. In addition, the education system is in a state of collapse and the greater population lives in poverty, while the drugs trade blossoms and afflicts neighbouring countries, in particular, with drug and HIV/AIDS problems. What remains of civil society and those that marched

¹ The official title is Union of Myanmar, a term not used by, among others, the European Union, which prefers the original name of Burma.

² A declaration adopted earlier at the annual ILO conference (June 2000) had asked members to reconsider all ties with Burma in light of the military regime's continued violation of the ILO's charter banning forced labour.

³ A UN resolution of 12 April 2001 deplores: "The deterioration of the human rights situation and the continuing pattern of gross and systematic violations of human rights in Myanmar, including extrajudicial, summary or arbitrary executions, enforced disappearances, rape, torture, inhuman treatment, mass arrests, forced labour, forced relocation and denial of freedom of assembly, association, expression and movement." (E/CN.4/2001/L.20)

⁴ "...including extrajudicial executions, rape, torture, ill-treatment and the systematic programmes of forced relocation directed against ethnic minorities...use of anti-personnel land mines, destruction of crops and fields, and dispossession of land and property, which deprive these persons of all means of subsistence and result in large-scale displacement of persons and flows of refugees to neighbouring countries, and an increasing number of internally displaced persons." (UN resolution E/CN.4/2001/L.20)

the streets in 1988 is an opposition movement of Burmese exiles abroad and a few government-sponsored organizations within Burma.

Meanwhile, facing international pressure, the regime has a number of cards to play. The so-called China card and the economic potential of Burma were major reasons why, in 1967, Burma/Myanmar was taken into the fold of the Association of Southeast Asian Nations (ASEAN).⁵ This fact and other international developments, including increasing investment from both East and West, have given the regime “legitimacy”. Economic incentives for Burma are increasingly presented as a better form of persuasion than moral or even economic pressure. It is even argued that condemnation by the West has helped to prolong military rule by giving the government a much-needed external enemy on which all its failings can be blamed. Among those actively engaged in attempts to bring about a transition to democracy in Burma, there is increasing awareness of the need for reassessment. How can the international community help the people of Burma to foster democracy?

This report looks at Burma’s relations with neighbouring states and other governments. It also looks at policies and measures adopted by the international community. The intention is to create a clearer picture of where we are and thus how one might formulate future policies and strategies. Whatever policies are decided upon, one clear failing of the international effort on Burma has been the lack of will by governments and multilateral institutions to take on Burma as a priority and see policies through to fruitful conclusions.

Essentially there have been two types of policy on Burma, isolation and engagement.⁶

In its pure form isolation seeks to cut off all financial, economic, social, cultural, diplomatic and moral support, in the hope that this will lead to a collapse of the government, or at least pressure the military into making the required changes in order to prevent collapse. At its most hard line, isolation assumes that fundamental change can only take place with a complete change in government. It also assumes therefore that there is a viable alternative to military rule, that is, the government elected in 1990.⁷

Constructive engagement is a longer-term approach which assumes the military’s ongoing “leadership role” in Burma, and works to try and change the military by stealth. Thus advocates of constructive engagement believe that increased diplomatic ties, and an increased foreign presence in the form of aid workers and companies, will gradually encourage the generals to loosen their hold on the political strings. Constructive engagement advocates have also assumed that economic development is both a prerequisite of and necessary to political change.

Neither isolation nor engagement can be said to have failed at this point, for neither has really been tried. For much of the past 11 years these two strategies have been applied side-by-side, with little co-ordination between them. The West, lead by the USA and UK, have practised isolationism, cutting off all bilateral aid and using their influence in multilateral institutions such as the World Bank to withhold financial assistance. By 1999, the European Union and the United States also had arms embargoes against Burma, and restrictions on diplomatic contact. They give substantial sums in aid to Burmese refugees in Thailand and support for Burma’s pro-democracy movement.⁸ However, the isolation they sought has been undermined by the flow of investment from private companies,

⁵ Countries in the region are afraid that China could threaten their security by gaining a strategic/military and economic foothold via Burma.

⁶ This analysis of the two policies towards Burma was written by Zunetta Liddell, author of Chapter 6.

⁷ Taking into account that some kind of transition, involving training of, for instance, civilian economists and civil servants, would be necessary.

⁸ A note on terms: in this report, Burmese refers to all the peoples of Burma, and to the official language of Burma. Burman refers to the majority ethnic group of Burma.

including from the West, and aid from Burma's neighbours, especially China and the Association of Southeast Asian Nations (ASEAN).

Meanwhile, Burma's neighbours have practised engagement, with Thailand's then Army Chief of Staff Gen. Chaovalit Yongchaiyudh being the first foreign leader to meet with the newly formed State Law and Order Restoration Council (SLORC) in December 1988. This trip was an indicator of the main driving force behind constructive engagement: economic self-interest. Chaovalit saw the opening up of the Burmese economy as a great opportunity, and signed lucrative timber and fishing deals for Thai companies. In exchange, he promised to repatriate student dissidents who had fled from Burma. It soon became evident that the "constructive" part of engagement applied only to those companies investing in Burma, not to the people of Burma. However, it is perhaps too cynical to see only economic motives behind the policies of Burma's neighbours – for a quarter of a century Burma had imposed a self-isolation which prevented even the minimum of neighbourly contacts, and for those in Asia who also wanted to see Burma develop and become part of the regional economic miracle, or at least not a drain on regional resources, any contact with any government in Burma was better than no contact at all.⁹ It is significant that, a decade later, the democratic government of Chuan Leekpai followed essentially the same line of business and political engagement with Rangoon.

The gulf between these positions was most strikingly reflected in July 1997 when Burma became a full member of ASEAN; only two months earlier the USA had passed legislation which could sanction all new private investment in Burma by US companies.

At the multilateral level, the policy of United Nations agencies and mechanisms has been hampered by the tensions created by this lack of international consensus. In addition, initiatives by agencies such as UNICEF and the World Bank, stalled at the first hurdle when negative signals from the military were taken as final answers. A further difficulty in creating a cohesive and clear policy was failure of institutions – UN agencies, government administrations and NGOs – to adopt mechanisms by which the knowledge and experience of individuals involved with Burma could be effectively passed on to their successors. All too often new staff in Rangoon or Geneva or Washington or Tokyo, had to reinvent the wheel. While there have been four UN Special Rapporteurs to Burma, three changes of administration in the US and numerous foreign office officials have come and gone over the past fourteen years, Ne Win (now ailing in his nineties) Khin Nyunt, Maung Aye and other senior SPDC officials all remain in place.

In the very recent past, as Burma has continued to slide down a dangerous slope and its problems have spilt over to neighbouring countries, there has been an acknowledgement that for the most part both the isolationists and engagement theorists have common goals as to how they would like to see Burma change. While human rights remain a higher priority in the West than in Asia, nevertheless a transfer of power, economic restructuring and a diffusion of power through a growth of civil society organizations are desirable to all sides. This made possible attempts by the UN Secretary-General to try and co-ordinate these strategies, so that the carrot and stick are held by the same person, cajoling movement down the same lane.¹⁰ However, this work is still in its infancy, and is hampered by the polarization of positions not so much between governments, but also by those in civil society – solidarity groups and the business community – most interested in trying to support change. It has also been hampered by a failure to understand the main actors involved in the Burmese drama: the military, the ethnic minorities and the political opposition.

⁹ For an analysis of other factors influencing the Thai/Burma relationship, see Human Rights Watch/Asia, "Unwanted and Unprotected, Burmese Refugees in Thailand", New York: Human Rights Watch, September 1998.

¹⁰ In this respect see the section The UN Secretary-General's Office in Chapter 6 for the input of Tan Sri Ismail Razali.

Background¹¹

Burma won independence from Britain in 1948. Under the 1947 constitution the country was to be ruled by a parliamentary system with a bicameral legislature which guaranteed ethnic minority representation in the Chamber of Nationalities. As more than one third of Burma's population is composed of ethnic minorities, living mainly in mountainous border regions, this formulation, essentially a federal structure, allowed participation by the ethnic minorities in central Burmese political life for the first time. Under the British the non-Burman¹² areas had been administered as separate "Frontier Areas", a divide and rule policy which continues to have repercussions today. Soon after independence, the Karen took up arms against the Rangoon government, demanding greater autonomy. They were shortly preceded by the Communist Party of Burma and eventually, by the mid-1970s, nearly every major ethnic group in Burma was represented by armed groups. Civil war and ethnic strife have thus dominated Burma's history and have been the *raison d'être* of the armed forces in their dominance of the country.

The civil war and splits and faction fighting amongst the politicians meant that the democracy era, such as it was, was short lived. After an initial "military caretaker" period in 1958, the army, led by General Ne Win, took control in a coup in 1962. Ne Win introduced a socialist and isolationist programme, expelling all foreign companies, closing all private schools, and nationalizing all major companies and industries. Burma was closed entirely to foreigners, and until 1988 foreign tourists were only permitted to stay for one week. In 1974 a new constitution was endorsed by a (staged) referendum legitimizing one-party rule (the Burma Socialist Programme Party) and the military leaders swapped their uniforms for ministerial garb. Between 1962 and 1988, the military adopted a policy of total economic and political isolation from the international community, even leaving the Non-Aligned Movement in 1978. Isolation and a reliance on military officers rather than technocrats in the government were to blame for an economic decline which drove the country from once being the rice basket of Asia to being declared a "Least Developed Country" by the UN in 1987.

In 1988 hundreds of thousands of Burmese people, led by students and monks, took to the streets to demand an end to military rule. The unrest began in March, but it was only after July when General Ne Win announced his resignation from the ruling Burma Socialist Programme Party, that the desire for change among the vast majority of the population came to be seen by many as an achievable goal. By August, on the auspicious 8th day of the 8th month, the country came to a standstill as a nation-wide strike took hold and hundreds of thousands demonstrated, in the face of a massive military presence in all towns and cities. In the following days and weeks the confidence of the people grew, and every day hundreds of thousands of people marched in towns and cities across the country. Six weeks later the democracy summer, as it became known, was ended in a bloody re-assertion of power by the military and the formation of the State Law and Order Restoration Council. As many as 3,000 people are believed to have been killed during this period, unarmed students, monks, housewives, even primary school children, gunned down by soldiers more used to jungle fighting against the ethnic minority armies. The SLORC has only ever admitted the deaths of 16 demonstrators and around 500 people it described as "looters".¹³

There were no international TV crews in Burma when the army re-assumed power, few journalists had ever been to Rangoon, but as students and others arrived in Thailand to tell their stories, the full horror

¹¹ This background was written by Zunetta Liddell, author of chapter 6.

¹² Burmese refers to all the peoples of Burma, and to the official language of Burma. Burman refers to the majority ethnic group of Burma.

¹³ There has never been any national or international investigation into the deaths of 1988, and many families still today do not know whether, where or how their sons or daughters were killed.

of those weeks was revealed. The SLORC imposed martial law and enacted a series of decrees, designed to severely restrict civil freedoms, while in remote non-Burman areas of the country it stepped up military campaigns designed to boost the army's image as the savior of the nation. At the same time, the collapse of the CPB in northeastern Shan state gave the SLORC an opportunity to emasculate one of the largest guerilla armies in the country. Urgent negotiations took place with the former CPB groups, some of whose primary interests in the area had long ceased to be political but were rather economic, as they were the among the leading opium growers, heroin producers and traffickers in Burma.¹⁴

The events of 1988 were met by the cutting off of all international multilateral and bilateral aid to Burma, and the abandoning of the international donors club, the Aid Burma Consortium. Desperate for foreign exchange, the new government promised multi-party elections and opened the Burmese economy to international investment. Under new laws allowing the formation of political parties, 233 parties were formed (of which 53 contested the election). By the far the largest were the National League for Democracy (NLD) led by Aung San Suu Kyi, the Democratic Party for New Society (DPNS) a coalition of student bodies, and the National Unity Party (NUP) backed by the military.¹⁵ Despite a denial of freedom in the election campaign, the harassment and arrest of some party members, and the detention of Aung San Suu Kyi from mid-1989, the NLD won the May 1990 election overwhelmingly taking 82% of the seats. It is widely thought that the SLORC in allowing relatively free elections (there was no international monitoring, but the result suggested that it was fair), totally misread the mood of the people, revealing just how cut off from the people the senior army leaders had become.

Having made such a massive miscalculation, the SLORC simply refused to hand over power, claiming in July 1990 that the election had only been for a constitutional assembly, and that a new election would have to be held once a new constitution had been written.¹⁶ Only then would power be transferred. Dozens of elected members of parliament were arrested when they refused to sign their agreement to this new formulation, and more were arrested when some NLD members tried to form a parallel government in Mandalay in November 1990. For the next two years, the army responded with increasing brutality to all signs of dissent. A protest by hundreds of monks, who refused alms from members of the Tatmadaw (the armed forces), led to raids by fully armed soldiers and scores of monks were arrested and sentenced to long prison terms. School children as young as eight who showed support for the NLD were also arrested. In 1991, when Aung San Suu Kyi was awarded the Nobel Peace Prize, demonstrations in Rangoon University (which had only just re-opened after being closed since 1988) led to further arrests. Protests by political prisoners were silenced by beatings and long spells in isolation cells.

The head of the SLORC, Sen. Gen. Saw Maung, was replaced in April 1992 by Gen. Than Shwe. His appointment heralded a change in the presentational style of the government which remains today. Unlike Saw Maung, Than Shwe took pains to try and rebuild the economy, further extending efforts to sanitise Rangoon and other major cities, and making humanitarian gestures to appease Asian, if not Western, governments and attract investment. Under an amnesty declared the day he came to power, Than Shwe released several hundred political prisoners who were no longer considered a threat to the

¹⁴ These groups are mainly the Wa and Kokang who are now represented by "parties". Many of these groups are now dominated by ethnic Chinese traders and drug dealers. See Bertil Lintner, *Burma in Revolt: Opium and Insurgency Since 1948*, Colorado: Westview Press, 1995. It is important to note that, since the SLORC came to power, opium and heroin production in Burma is estimated to have doubled.

¹⁵ 53 parties actually contested the election, but by 1992 the vast majority of them were denounced as illegal organizations, including the DPNS, and only eleven political parties remained "in the legal fold".

¹⁶ SLORC Declaration 1/90. See Diller JM, "The National Convention in Burma/Myanmar: An Impediment to the Restoration of Democracy", New York: International League for Human Rights, April 1996.

state. Many of those released had only days left to complete their sentences, and all were forced to sign papers agreeing not to become involved in politics. His Deputy, Secretary-1 Khin Nyunt also stepped up the policy of forging cease-fire agreements with ethnic minority armies, and for the first time in decades, guns fell silent in some areas of the country. By early 1996, 15 armed groups, including the Kachin Independence Organisation, had agreed cease-fires, and the notorious Shan drug warlord, Khun Sa, had surrendered on favourable terms. By 1999, the Karen National Union (which was severely weakened by splits and the loss of its main headquarters in February 1995), the Karenni National Progressive Party, several Shan groups allied under the Shan States Army, the Chin National Front and the Rohingya National Alliance were the only groups of any real size at war. In most cases the cease-fires permitted the ethnic armies to maintain their weapons and troops in the areas designated as their territory until Burma's new constitution was introduced. They also permitted the cease-fire groups to enter into trading and other business ventures in mainland Burma.¹⁷

In January 1993, the long-promised constitutional assembly, the National Convention, was opened. It was no surprise that, contrary to Declaration 1/90 which had said that those elected in May would write the constitution, the only 106 elected NLD MPs and party members were invited to attend the Convention. The majority of the other 600 delegates were hand-picked by the SLORC. However, while the Convention sat for several months over a three-year period, only a third of the chapters were discussed. Discussions stalled in 1994 over the difficult issue of the ethnic minority states and a power sharing formula that all sides could agree to. In November 1995 the NLD withdrew from the Convention, calling it a "sham". They highlighted the lack of freedom of expression within the forum and the "principles" for the new constitution as set down by the military which include a "for the military in State politics in the future", with a quarter of the seats in both houses being reserved for the military".¹⁸ With no NLD representation, the Convention lost any credibility it may have had.

The only real route for political reform is dialogue with the NLD and the ethnic minority parties. In September and October 1994 there were two meetings between Than Shwe, Secretary-1 Khin Nyunt, and Aung San Suu Kyi (who was still under house arrest at the time). There was great hope that these meetings might be the start of a process of dialogue, especially after Aung San Suu Kyi's release from house arrest in July 1995, the day before her administrative detention should have ended.¹⁹ However, despite one other meeting between Khin Nyunt and Aung San Suu Kyi during her detention, there was no ongoing dialogue until October 2000, when contact was re-established. A year later, as neither side has talked publicly about what appears to be only indirect talks, it is unclear how much, if any, substantive progress has been made. As for the ethnic minorities, despite the fact that against all odds the cease-fires have all held (with the exception of the Karenni National Progressive Party which had a brief cease-fire from March to September 1995 and the recent return to arms of some Mon units), the political settlements which would make the cease-fires into lasting peace have thus far been avoided. The settling of the political structure of the union is way overdue, but the Tatmadaw, despite its apparently overwhelming strength, has been reluctant to get to grips with such a thorny issue. In the same way, it has been reluctant, or indeed unable, to enter into meaningful dialogue with the political

¹⁷ For details of the cease-fire agreements and background, see Smith M, *Burma: Insurgency and the Politics of Ethnicity*, London: Zed Press, 1999. See also Aung Lwin S, "Background to Peace Talks in Burma", Burma, Thailand, 1992.

¹⁸ The full six principles are: Non-distintegration of the Union; Non-disintegration of national solidarity; Consolidation and perpetuation of sovereignty; Emergence of a genuine multi-party democratic system; Development of eternal principles of justice, liberty and equality in the State; Participation of the Tatmadaw in the leading role of politics in the State in the future. SLORC Order 13/02, "The Formation of the Commission for Holding the National Convention," 2 October 1992.

¹⁹ Aung San Suu Kyi was detained under the 1975 State Protection Law, which allowed for three years detention without charge or trial for anyone thought to be doing or planning anything which "infringes the sovereignty and security of the State". In August 1991, the SLORC amended this law to allow for detention for up to five years.

opposition in Rangoon. Instead, it claims to be still building the internal conditions for stability and economic progress which must, it states, be the foundations for political reform.

Thus, in 2001 the army is still in power, although lacking internal legitimacy and also lacking the capacity to solve Burma's many social, economic and political problems. Indeed, the Tatmadaw is the problem in Burma, and Burma watchers and policy-makers have frequently expressed frustration at the lack of progress. Since 1988 there has been no move towards political liberalization, still less to end abuses of human rights and fundamental freedoms which the military government, and to a lesser extent, the armed opposition, have perpetrated with impunity on a daily basis. All political activity is effectively banned, and since 1988 the military has promulgated a series of decrees having the force of law which have obliterated free expression, association and movement. While many of the thousands of political activists arrested in the early years of the SLORC were released after completing their sentences, or under the 1992 limited amnesty, hundreds of others have been arrested and remain in jail. The country's health and education systems are in a state of collapse, with the universities closed for eight years since 1988, and there is a rapidly rising HIV infection rate. In rural areas human rights abuses – especially the targeting of civilians in counter-insurgency campaigns – and economic hardship have been compounded by floods and drought in some areas of the country.²⁰ There are 3-4 million internally displaced persons within Burma, 120,000 official refugees and over 1 million illegal migrant workers.

Relations with ASEAN

To what degree has ASEAN nullified the attempts of the West to encourage positive change in Burma? What are the prospects for ASEAN to take a more active role in Burma's politics? Chapter 2 looks at these questions, touching on the driving forces behind constructive engagement, the modus operandi of non-interference and indicators that might signal a change in ASEAN's approach to Burma.

ASEAN's policy towards Burma evolved from an initial short-lived interest at the time of the organization's inception in 1967 to over two decades of disassociation and, since the beginning of the 1990s, constructive engagement.

In Southeast Asia, the realignment of the late 1980s brought changes in threat perception with regard to security and ASEAN's political and economic position. One aspect of this was the rekindling of ASEAN's interest in Burma and the vaguely delineated policy of constructive engagement.

With the resolution of the Cambodian conflict, latent fears of China resurfaced within ASEAN, in part due to China's proximity, power and territorial claims. The decrease in the US military presence in East Asia was viewed as a decreasing deterrent to China's growing assertiveness.

Towards the end of the 1980s, Southeast Asia emerged as a vibrant economic area. But the impending formation of regional trade blocs in the Americas and Europe brought the fear that ASEAN exports might be subjected to harmful trade restrictions, aside from concern about a loss of investment.

One aspect of ASEAN's action to remain competitive has been enlargement to include all of Southeast Asia. The expansion to include Laos, Cambodia, and Burma offered ASEAN the opportunity to enhance its attractiveness as an investment area. Burma held the potential of 45 million new consumers for Southeast Asian goods as well as natural resources.

²⁰ These natural disasters left tens of thousands of people in the south and east of the country facing the possibility of starvation in 1999.

While some member countries had doubts about admitting Burma, the support of three of the association's most influential members – Malaysia, Indonesia and Singapore – helped Burma to win a place in ASEAN. Singapore, in particular, was concerned about Burma's economy and investment policies, and access to its natural resources.

What tipped the balance of opinion was the fear that if Burma was excluded from ASEAN it would be an invitation to China to take a more prominent role in the country. In addition, Western condemnation of the regime was perceived by some as an attempt to impose alien values on the region. For Prime Minister Mahathir Mohamad of Malaysia and others, admitting Burma was a way to indicate rejection of Western condescension.

The term constructive engagement can be traced back to 1991 and credited to Thai foreign minister Arsa Sarasin. The idea that instead of condemnation and sanctions one might gently nudge Burma towards more acceptable government provided a rationale for stronger ties with Burma.

When ASEAN finally took Burma into the fold in 1997, contrary to ASEAN expectations that the country's generals would behave more responsibly, the regime stepped up its campaign of repression against the democratic opposition and ethnic groups, perhaps believing that admission into ASEAN was a sign of approval for its policies. The regime made clear that it would pursue its own political agenda regardless the criticism of the rest of the world, and made much of the ASEAN policy of non-interference, as if that accorded Burma greater licence.

Among ASEAN efforts that failed to convince the generals: in 1998, Philippine Foreign minister Domingo Siazon, chairman of a two-day ASEAN foreign ministers conference in Manila, urged Burma's junta leaders and the NLD to resolve their differences at the negotiating table, adding that they should be prepared to enter a dialogue unconditionally. At the same meeting the Thai foreign minister, Dr Surin Pitsuwan, called for negotiation with the opposition. He also introduced the concept of "flexible engagement" as an alternative to constructive engagement. Rejecting the notion that ASEAN members had no right to criticize each other's domestic politics if they impacted upon other countries, Surin cited the flow of Burmese refugees onto Thai soil as an example of Burmese "interference". He told his fellow foreign ministers, "We do not seek to interfere in the internal affairs of any country but we will voice our opinion on any issues that impact our country's ability and our people's well-being."

The effects of constructive engagement and of Burmese presence in ASEAN include the following.

- Previously, the promise of Burma's admission was a useful tool to exact compromises from the Burmese junta. But after its admission, ASEAN no longer possessed such a policy tool.
- The Burmese regime has thus far made few concessions in exchange for admission into ASEAN. In fact, since becoming a member, Burma has consistently demanded that ASEAN abide by its policy of non-interference, as if it had joined the association only on the condition that it not be subjected to criticism.
- ASEAN investment has helped the government contain political dissatisfaction over inflation and assists its ailing economy. Without Chinese and ASEAN investment, Burma would have been forced to make cuts in spending that could have incited protests, or face international donors and their demands for political reform.
- Investment has *not* promoted sustainable economic growth. Part of ASEAN's interest in Burma was that it would develop into a market able to absorb ASEAN exports, but persistent economic mismanagement and infrastructural inadequacies have hindered its development into such a market.

- Despite ASEAN's hopes of decreasing Burma's reliance on China through constructive engagement, the regime continues to look towards its largest neighbour as a major source of political and economic support.
- In terms of promoting the national security interests of Thailand, engagement with the Burmese has not helped. The trafficking of amphetamines by the United Wa State Army (UWSA), a cease-fire group based in Burma's Shan state adjacent to Thailand, continues to threaten Thai national security as drug-related criminal activity spills across the border. Far from cooperating with the Thais in their fight against the burgeoning drug trade, the regime has warned Thailand that any attack on the source of the drugs would violate Burmese sovereignty.
- Despite expectations that the Burmese regime would converge towards ASEAN's openness to the outside world as a result of its entry into ASEAN, it would appear that ASEAN has converged more towards Burma's insularity. ASEAN's resistance to international calls to put pressure on Burma has revealed the basically reactionary nature of the organization.
- Burma's admission into ASEAN seriously upset the delicate balance between authoritarianism and more liberal forms of government in the association, and sent a signal to the world that it was moving backwards, not forwards. This miscalculation had disastrous consequences for the "miracle economies" of Southeast Asia, as it may have undermined international investors' confidence in the judgment of the region's leaders at a time when criticism of corruption and cronyism was becoming widespread.

Until ASEAN establishes guidelines for closer interaction amongst member nations, many complex problems will go unsolved.

Opportunities for opening political space:

- Although the Thai and Philippine initiatives mentioned above did not result in a dramatic break with established policy, they did mark a subtle shift in thinking about intra-ASEAN relations. One reason for this shift was the collapse of the Suharto regime in Indonesia, ASEAN's largest member and Burma's closest ideological ally.
- When ASEAN realized that the regime was not taking any positive steps, the association became more impatient and some countries are now showing greater interest in finding a political settlement.
- The people in the region are becoming more conscious about their human rights and democracy. Whenever and wherever there is violation of human rights, they are critical.
- While member states find it difficult to side-step ASEAN constraints on discussions of internal political matters during official meetings of the association, they are able to act more independently in the UN, where they are under no obligation to shield the Burmese regime from criticism and are free to take their own positions on engagement policy.
- In the new millennium the first sign of easing the deadlock has been put down to the influence of an ASEAN country operating within the UN system. As a special envoy of the UN Secretary-General, Ismail Razali, an advisor to the Malaysian government on foreign affairs, was allowed to carry out his mandate in Burma and in June 2000 met with Aung San Suu Kyi as well as the military and ethnic leaders.
- Burmese dissidents in exile have begun to realize that, despite the generally unfavourable conditions for dialogue with ASEAN as a whole, there is considerable potential for gaining support from individual ASEAN countries. As a result, the NCGUB and other dissident groups have stepped up their efforts to lobby policy-makers in more sympathetic ASEAN countries.

- Under Suharto, Indonesia's adherence to ASEAN's policy of non-interference was strictly upheld. Since his downfall, however, Indonesia became more responsive to the possibility of foreign intervention to help it resolve its internal problems, particularly in East Timor. This shift could have important consequences for the future of Burma's relationship with the rest of the world.

Bilateral relations

Bangladesh

The widespread repression and the killing of civilian protestors in 1988, the cancellation of the elections of May 1990 and arrest of NLD leader Aung San Suu Kyi and others, aroused a keen sympathetic reaction for the democratic struggle in Burma, especially in the Awami League. There are many similarities between the lives and struggles of Aung San Suu Kyi and Sheikh Hasina, the leader of the Awami League.

However, the response was muted.

- The major political formations did not enjoy historic associations with the leaders of the independence of Burma U Aung San and Thakin Nu (such as enjoyed by the Indian National Congress).
- Secondly, the major political parties were then engaged in the gathering civil movement to overthrow Ershad.
- Democracy is still a sensitive plant in Bangladesh, and it is only slowly that the legacy of prolonged military and authoritarian rule is being sloughed off.
- Burma's close links with China may also have influenced Bangladesh attitude to Burma and silence on the fate of Suu Kyi. It is noticeable that the Awami League, although clearly sympathetic to Suu Kyi, has been silent on this matter after coming into power in 1996.
- While Bangladesh's policies were influenced by those of the donor community, in particular, the United States, the EU and Japan, it was noted that foreign direct investment in Burma went up significantly, with major British and US investments in the oil and gas fields and in the tourism sector.
- Bangladesh needed to keep cooperation at a high level to ensure repatriation of refugees.

In 1991, a major influx of Rohingya refugees started.²¹ By July 1992, their numbers had swelled to 250,877.

In contrast to efforts at repatriation after an earlier influx in 1978, it took over three years to repatriate 215,000; and by 1999 over 20,000 refugees remained to be repatriated. The slow tempo of the return of the Rohingyas created severe economic and social problems for Bangladesh.

The UNHCR has recommended measures to Bangladesh for permanent absorption of the 20,000 Rohingyas. In addition, Bangladesh fears that donor countries may bring increasing pressures to bear on Bangladesh to absorb the remaining Rohingyas as part of a general plan to win over the Burmese leadership.

²¹ This was the second major influx. In 1978 the first trickle of Muslim refugees from Arakan entered Bangladesh, and soon became a flood of 300,000 displaced persons bringing reports of murder, rape, harassment and desecration of their places of worship by Burmese Army personnel. The crisis was successfully resolved with an agreement for complete repatriation of the refugees.

Relations continued to be cordial. After Sheikh Hasina and the Awami League came to power in 1996, the exchange of official visits between Burma and Bangladesh multiplied. In addition, the formation of BIMSTEC (Bangladesh India Myanmar Sri Lanka Thailand Economic Cooperation), and the Burmese entry into ASEAN, offered valuable new platforms for relations with Burma.

To conclude:

- For Bangladesh, its relations with Burma have been dominated by a refugee crises provoked by the actions of the Burmese Army. These crises generated unbearable economic, political and social pressures within Bangladesh thus limiting its room for creative initiatives.
- These crises also significantly increased Bangladesh dependence on foreign assistance to relieve the burden of the continued presence of the refugees. In the latest crisis, this dependence has led leading donor countries to openly seek to influence Bangladesh bilateral policies towards Burma.
- Burma's improved economic position, its greatly expanded armed forces, its relative success in neutralizing the major insurgencies within the country, its close links with China, its admission into ASEAN, have all contributed to greater negotiating power. The ruling SPDC is in a position to dangle the promise of trade access to the rich resources of their country before the eager Bangladesh business community.
- The occupation of the Burmese Embassy in Bangkok and the holding of hostages was expected to harden public opinion against the so-called "terrorist" activities of the student supporters of Aung San Suu Kyi. Against this background, a potential liberal coalition in Bangladesh will find it hard to mobilize opinion in support of Aung San Suu Kyi.

The opening of political space:

The restoration of democracy in Burma would greatly improve the lot of the Rohingyas in Arakan and eventually contribute to a durable settlement of the refugee crisis. It is also true that the Awami League Government in Bangladesh is, at least in ideological terms, favourable to the cause of Aung San Suu Kyi. However, the greatly strengthened Burmese military presence on the border and the traditional reluctance of Dhaka to be seen to interfere in the internal affairs of a neighbouring country will act as formidable barriers to any liberal initiative. It is submitted that the key to any meaningful Bangladesh contribution to create political space in Burma would be unambiguous international support for the early solution of the refugee problem and the early return of the Rohingyas to Burma.

China

China's post-1988 support for the Burmese military preserved the regime and increased the military and economic influence of the People's Republic of China (PRC) in Burma. However, by allowing the survival of a regime committed to putting maximum human and material resources into building up the Burmese army, Chinese assistance has blocked the effective reform of the Burmese economy and reduced the chances of a stabilizing political solution to the civil war. In addition, cheap Chinese imports have weakened the Burmese economy. These factors are harmful to China's longer-term economic interests, which require stable trading partners capable of making a positive input to the region. Under military rulers, Burma's major contributions to the region have been enormous flows of refugees, an aggravation of the HIV/AIDS epidemic, and drug trafficking accompanied by other forms of crime.

From 1989 into the early 1990s, trade between China and Burma increased, but apart from military sales and an increase in illegal exports, principally heroin, this was largely due to imports into China of newly-accessible hardwood, a limited resource, and the export to Burma of consumer goods which effectively destroyed Burmese light industry and further weakened the structure of the Burmese

economy. From 1997, due to Burma's idiosyncratic reaction²² to the Asian Financial Crisis and the progressive weakening of the Burmese economy, trade between Burma and China fell. China currently ranks fourth among Burma's trading partners, behind Singapore, Thailand and Japan.

Furthermore, the anticipated development of a modern transport infrastructure from the Mekong countries through Burma to South Asia has made very little headway. This undertaking, which would allow the accelerated development of Yunnan and neighbouring Chinese provinces, has not moved forward, in part because the Burmese military, on account of its political, economic and human rights shortcomings, is blocked from receiving the international assistance required for large-scale infrastructure projects. The generals do not have the necessary expertise and confidence, nor does Burma have the required institutional or technical capacity for the necessary growth of the economy.

The rapid expansion of the drug economy after 1989, due largely to deals made between SLORC and armed groups in northeast Burma, has led to an explosion of drug trafficking into and through China. This has resulted in several million young people throughout China becoming addicted to heroin. The trafficking of heroin from Burma has been the leading factor in generating a decade-long crime wave in China. The sharing of needles by intravenous drug users (IDUs) is the main cause of the rapid spread of an HIV/AIDS epidemic which the Chinese authorities may not be able to control. Taken together, these factors constitute not only a humanitarian crisis, but also a severe threat to China's development.²³ One could conclude that for short-term trade, political and military advantages, the People's Republic of China has sacrificed her long-term interests.

The origin of what one might call the "invasion" of China by these destructive elements is indeed Burma. However, as Chapter 3 of this report argues, China must bear a certain responsibility for preserving the regime which has presided over the conversion of the "Ricebowl of Asia", the "Golden Land", into an economic and human disaster which exports social and economic calamity to its neighbours. China could also contribute to a solution, though of course it is the Burmese people themselves who have the greatest responsibility and authority in this matter. In seeking solutions, Burma's neighbours must tackle the difficult ideological matter of non-interference in the internal affairs of a sovereign nation. Chapter 3 argues that something which crosses international borders and threatens the comprehensive²⁴ national security of the neighbours cannot be regarded as purely the "internal affair" of one country. Friendly advice, or even friendly persuasion, should never be thought of as interference.

With regard to the opening of political space, this chapter argues that it is in China's comprehensive national interest, as well as her responsibility to a neighbour in difficulties, to join with other countries in the region to persuade the Burmese military to move beyond the "confidence-building" stage of the talks with Aung San Suu Kyi which began in October 2000. Furthermore, these interested countries should continue to watch and encourage the development of the dialogue into a genuine political process of national reconciliation and democratization. When this process becomes irreversible, it is likely that the international assistance necessary for the improvement of the social and economic conditions in Burma will be resumed. Among other things, this bilateral and multilateral assistance would allow a speedier development of transport and other infrastructure programmes as well as serious political and economic measures to reduce the poppy-growing regions' (and the country's) dependence on the drug economy. Thus a move towards a political process in Burma is a necessary step towards removing the major obstacles to the comprehensive development of the region.

²² They shut all the trading gates with the neighbours, including China.

²³ Birsell R, "AIDS seen threatening Mekong growth plan", Reuters, 1 June 1999. This article announces the launch of an ADB action plan to tackle the spread of AIDS in six Mekong river countries.

²⁴ Political, economic, social, cultural and strategic aspects of national security.

In addition to the points summarized above, which are largely focused on the harm done to the China side of the relationship, Chapter 3 also touches on a number of the ways Burma has been damaged. A major reason for this lack of balance is that the literature contains very little examination of the suffering of the Chinese people as a result of this dysfunctional relationship.

India

India's relations with Burma have been warm and cold by turns. India has moved from close friendship with Burma, nurtured by leaders Nehru and U Nu at the time of independence, to isolationism and then back to active engagement with Burma.

When the Generals crushed the 1988 people's uprising in Burma, India gave shelter to activists forced to flee Burma and went through a period of complete disengagement. But in the 1990s economic and security factors prompted India to revive its relations with its neighbour. Although many politicians, academics and other sectors of the Indian people still harbour a strong sympathy for Aung San Suu Kyi and the forces of democracy, there are no longer official statements of support for the Burmese opposition. The new millennium has marked the return of high-level visits between the two countries. The Indian and Burmese military are cooperating in efforts to counter insurgents, trade relations continue to pick up, and India is giving assistance to Burma in the form of credits and road-building projects. Earlier India was the only Asian state to sponsor a UN resolution against Burma. But in 2000, India joined the minority of countries that did not support condemnation of Burmese labour practices by the International Labour Organisation.

The change in foreign policy dates back to 1991 when New Delhi concluded that India must have a working relationship with whatever government is in power on its eastern boundary.

- One of the major factors was the insurgency problem in Northeast India. Some major insurgent groups have bases on Burmese side of the 1600-km long Indo-Burmese border. These groups include both factions of National Socialist Council of Nagaland (NSCN) and Manipur insurgent groups. India wanted cooperation from the Burmese regime to "contain" or "eliminate" these insurgents.
- Another factor was India's concern over the growing influence of China in Burma and its overall policy towards its neighbouring countries to promote trade with them. In particular India was concerned about China gaining a strategic foothold in the region and gaining an open access to its northeastern borders through Burma.
- India's policy towards Burma can be seen as a part of the larger "Look East" policy, which India adopted after the late-1980s, to have closer relationship and cooperation with the countries of the Asia Pacific Rim.
- There was also a feeling of pessimism among policy-makers about the strength of the Burmese opposition and its chances of gaining power in the foreseeable future. After some years of active support to democracy in Burma, Indian political circles felt that India could not wait any longer for the emergence of a democratically elected government in Burma while other countries including China and ASEAN nations were taking economic opportunities.
- Moreover, Indian policy-makers observed that Western countries, despite a policy of isolating the military regime in Burma, allowed their business interests to grow in Burma.²⁵

²⁵ Malik PMS, *India Foreign Policy*, p. 286.

- The narrower approach to Burma can also be seen in relation to changes in the Indian government. International role-playing and involvement virtually disappeared in India foreign policy after Rajiv Gandhi. The successive Prime Ministers after him were either not interested in international affairs or were too encumbered with domestic politics. After 1989 there were minority governments or coalition governments, generally preoccupied with making the government survive or heavily involved in internal affairs.

From the SPDC's point of view, it is important to have a good relationship with India as it enhances its own image both inside and outside the country. Moreover, it is important for trade purposes and to reduce the degree of dependence on China. Over the years, India has emerged as the largest export market for Burma, accounting for one-fourth of Burma's total export.

India and Burma are now cooperating in many fields, including countering insurgency on the border, and checking narcotics smuggling. Annual meetings between officials have become a forum to discuss all matters concerning security, trade, intelligence sharing, and cultural exchange programmes.

High-level visits took place in the new millenium, for the first time since 1988. The number two of the State Peace and Development Council (SPDC), General Maung Aye, visited India in November 2000, and Indian foreign minister Jaswant Singh visited Burma in February 2001. The high-powered Burmese delegation was given the kind of "ceremonial welcome" usually reserved for visits by heads of State.

Through regional networks such as BIMSTEC and the Mekong-Ganga Cooperation (launched in the Laotian capital of Vientiane in November 2000) India is working with the Burmese government to develop new transport links, expand energy cooperation and enhance trade in the region. Burma's cooperation is crucial to implement some regional projects like the trans-Asian highway and railway projects.²⁶

Trade figures show the fruit of greater economic cooperation.

- India has emerged as Burma's largest export market accounting for US\$ 163.4 million, i.e. one-fourth of Burma's total exports.
- The trade turnover, which was just US\$ 13 million in 1980-81, touched US\$ 194 million in 1999-2000.

The opening of political space:

In India, a new coalition government led by the Hindu nationalist Bharatiya Janata Party (BJP) won the general elections in September 2000. George Fernandes' Samata Party is a key coalition partner in the government. The current government is continuing the previous government's policy of having a "working relationship" with the Burmese military government.

However, there is strong support found among the Members of Parliament in India towards the Burma democracy movement and Aung San Suu Kyi. In a petition launched by Burmese student activists in India in November 2001, more than 50 MPs belonging to various political parties (both ruling and opposition parties) signed to express their support for a "MP Declaration on Burma" which calls upon the Burmese military government to release imprisoned Members of Parliament and political prisoners in Burma.

The signed declaration also calls upon the Burmese junta to recognize the right of the duly elected representatives of Burma to convene the parliament. The petition, which was still underway at the time of writing, is expected to be endorsed by more than a hundred Members of Parliament in India.

²⁶ Burma is being linked to the rest of Southeast Asia under the trans-Asian highway project from Iran to China.

In addition to presenting and analyzing the policies of India towards Burma from the post-independence era to the present time, Chapter 4 puts forward some suggestions on how the Burmese pro-democracy groups could get political support from India.

In particular it is suggested that NLD and other opposition organizations should take up regular contact with Indian politicians and embassies, as they have been lax about this in the past and have given the impression that all their interests lie with the West.

Thailand

Over time various attitudes towards Burma have evolved in Thailand, formerly Siam.

- *Enmity*: After Ayudhya was ransacked in 1767, Burma was viewed as a violent and dangerous nation, although the two countries managed to co-exist without major wars. These negative stereotypes have continued, reinforced by literature and TV series. In addition suspicion was fostered by Burma's period of socialism, while more recently resentment has arisen over problems that spill over into Thailand from Burma: refugees, criminal activity, drugs and HIV/AIDS.
- *Opportunity*: Another attitude is found among business groups, who view Burma as a new market where they can get rich. This attitude was widely prevalent during the Chatichai Choonhavan government (1988–1991). The Chatichai administration went all out to accommodate the Burmese junta in exchange for concessions to exploit natural resources such as logging, fisheries and gemstones.
- *Sympathy and admiration*: Most Thais also sympathise with the plight of the Burmese people. The Thai public admires the courage of Aung San Suu Kyi, the leader of the opposition party, the National League for Democracy, because they see a quality that is lacking in Thailand.
- *Condescension*: The Thai people also view their country as more developed than Burma. The emerging civil society and political reform since 1997 have rendered a strong sense among the Thai people that Thailand is a democratic country that respects human rights. In contrast, Burma is still ruled by military dictators and political oppression continues.

While attitudes have changed, so have bilateral relations.

When after almost two decades of socialism the Burmese government loosened its grip on the economy, stimulating border trade, dialogue improved and the Thai government began, in the 1980s, to push back the minorities who had sought sanctuary inside Thai territory.

After the military crackdown in Burma, the Chatichai government initially appeared to follow international sentiment that the Burmese regime must be sanctioned and isolated. The Thai decision not to hand the students back to the Burmese government was done on humanitarian grounds and under growing international pressure. Locally, press, academics and activists urged the government to pressure the Burmese government to halt all forms of violation and suppression against the students.

However, Chatichai soon followed his own policy of maintaining ties and dialogue with the junta, thus going against the worldwide condemnation. The government considered the crackdown Burma's internal affair and Thailand decided to refrain from joining the international community in pressuring the country.

Between 1988 and 1990 Burma adopted a more positive approach towards Thailand in exchange for its friendship. Numerous new logging, fishing and gemstone concessions were given to Thai businessmen while Thai military leaders were given trade and commercial concessions.

Constructive engagement, as mentioned above in the section on ASEAN, provided a rationale for Thailand's friendship with Burma.²⁷ Given support and incentive, Burma would be able to sort out its own problems.

In 1994, Burmese Foreign Minister U Ohn Gyaw was invited to participate in the ASEAN meeting in Bangkok for the first time. Burma's presence caused a commotion among human rights and non-governmental organizations. The Thai government, under constant public pressure over its lenient policy towards Burma, then gave in and allowed Nobel Prize laureates to visit the Thai-Burmese border and refugees, showing solidarity with the jailed Aung San Suu Kyi.

Bangkok opposed the admission of Burma to ASEAN on the grounds that it was still a very repressive regime and needed to liberalize before joining ASEAN. But confronting a myriad of domestic political issues, Thailand was unable to articulate ASEAN-related issues. Malaysia and Indonesia were able to take the lead and bring Burma into the association.

Bilateral ties between a new ASEAN member and other members have never before deteriorated as fast they did with Thailand and Burma. A few months after Burma was admitted into ASEAN, Thai and Burmese naval forces went to battle on the high seas over fishing disputes in the Andaman Sea.

Various issues have plagued the two governments.

Ethnic minorities on the border: Burmese leaders and officials have alleged that Thailand secretly supports the Karen rebels against Rangoon.²⁸ Displeasure on the Thai side relates, among other things, to Burmese troops forcing thousands of Karen refugees into Thailand. There are numerous incidents of robbery and theft because armed minority factions refuse to lay down arms and use them to rob villagers in the areas.

Burmese border troops: Second, the presence of Burmese troops and artillery along the Thai-Burmese border is a major concern for Thailand. In volatile spots like Doi Lang fully armed soldiers of both sides are standing within a stone's throw of each other.²⁹

Thai illegal fishing within the Burmese maritime boundary: Due to depletion of Thai marine resources, Thai fishing trawlers, the fourth-largest fleet in the world, continue to fish inside Burmese territorial waters.

Illegal logging inside Burma: Illegal logging continues unabated, especially in areas where Burmese troops are unable to wrest control. Thai timber companies often use fake documents to back up timber felling operations.

Illegal Burmese workers and migrants: Currently over 100,000 refugees are seeking safety inside Thai territory, along with 47,000 displaced persons of various ethnic backgrounds, 110,000 illegal immigrants, about 3,000 Burmese students in exile and 50,000 illegal immigrants from other countries.

Flow of illegal drugs into Thailand from Burma: Thailand has long been contemplating heavy-handed measures that would stem the flow of methamphetamine tablets into its territory. In March to June

²⁷ First brought up by Thailand at an ASEAN meeting with Western dialogue partners in 1991.

²⁸ That Burma still accuses Thailand of harbouring its enemies can be seen in an article "The bad neighbour" in *The New light of Myanmar*, 1 March 2001: "What Thailand has done is like the act of a person in a ward who is accommodating hoodlums, ruffians, crooks and robbers at his house. These hoodlums, ruffians, crooks and robbers burgle other houses at night."

²⁹ Burma's attitude towards Thai border troops is not welcoming, as shown in an article entitled "The bad neighbour" in *The New light of Myanmar*, 1 March 2001: "Thailand is showing hostilities and making threats against Myanmar. A large number of Thai forces were deployed along the border as a means to show hostilities toward Myanmar."

2000, about 100,000 people were moved to towns in the eastern Shan State bordering Thailand, leading to the increase of methamphetamine factories along the border.

Since 1997, Thai policies towards Burma have changed.

- With the political reform since 1997, the Foreign Ministry took the lead in the formation and execution of Burma policy. Surapong Chaiyanama, director general of the East Asian Department, had long advocated a dual-track policy toward Burma to increase Thailand's bargaining position, and argued that the ASEAN policy of supporting Burma did not reflect Thai foreign policy, which is based on respect for human rights and democratic principles.
- After years of unquestioned collaboration between the Thai and Burmese armed forces, the Thai army no longer tolerates the old pattern of relationships. It was common in the past for security forces along the Thai-Burmese border not to pursue policy as directed by the central government, and to obtain logging and gemstone concessions in return for security cooperation.
- Thai policy-makers have publicly expressed frustration over bilateral ties, especially over the issue of narcotics suppression.
- At the annual meeting of the International Labour Organisation on 14 June 2000, Thailand abstained from supporting Burma – the only ASEAN member to do so.
- However, when the government under Prime Minister Thaksin Sinawatra came to power in early 2001, he turned the Burmese policy upside down. With strong support from his coalition partner, Defense Minister Gen Chavalit Yongchaiyudh, he has followed a policy of appeasement to further economic ties and, in particular, gain cooperation in narcotics suppression.

The opening of political space:

The political reform that has taken place since 1997 is serving as new political bedrock. With a stable government, Thai policy towards Burma will not be so prone to change or manipulation as in the past. It is hoped that a greater concern about democracy and human rights in Thailand will influence the constructive side of its government's engagement with Burma.

International policies towards Burma

It was always assumed that changes in Burma would come from within. However, efforts to assist and support that process from without have achieved little so far, and in some respects worsened the situation.

Still, there have been some modest achievements during the last year or so. These have included a sign of willingness to engage with international organizations concerned with human rights. This is a change from a previous attitude of disdain for the international community, and role-casting of international actors as part of an international plot for intervention in Burma.

Since 1988, while much in Burma has remained the same, the international community and the unspoken rules governing international relations have undergone incredible changes. The fall of the Berlin wall heralded a new international era – the New World Order – and it was hoped that the actions of countries would be judged on their own merits, not by their adherence to either capitalist or socialist camp. However, the end of the cold war gave rise to a new East/West divide and an ideological battle over human rights versus “Asian values”. The Burmese junta sought to ally itself with Asian powers which could, it hoped, defend the country from Western “neo-imperialist

tendencies” or efforts to induce democratization. Thus on the one side of the divide were the Asian countries, who went against the pro-democratic forces by taking Burma into ASEAN. The rationale of this and of constructive engagement was that it would be more likely to bring change in the long run than sanctions and/or moral condemnation. On the other side were the Burmese activists, along with the USA and the West, proponents of various degrees of isolation to make the government crumble or at least be forced to start a liberalization process.

Neither tactics were successful as neither was applied consistently; besides, even if both tactics had been applied energetically, they might have cancelled each other out. Sanctions could not work to this end while Burma’s neighbours and others East and West were willing to trade with and invest in Burma. At the same time sanctions could be used as a fig leaf to cover lack of real political will in the West to bring about changes. Meanwhile ASEAN’s constructive engagement policy gave moral cover to attempts to exploit Burma’s economic potential, while giving Burma the moral support it needed to be able to shrug off international censure. As with all cases of polarization, hardened positions and rhetoric took attention away from the real issue: how to address the desperate plight of the *people* of Burma.

The Burma initiatives of multilateral organizations, the Burmese pro-democracy movement and other NGOs are dealt with Chapter 6, the most comprehensive chapter of this report. In addition it briefly runs through the Burma policies and initiatives of “the West”, in particular Australia, Europe, the USA and Japan.

The chapter stresses that the human rights of the people of Burma should be the real concern of the international community; human rights in their broadest sense: health, education, development and right to life as well as civil, religious and political rights. At the same time Chapter 6 stresses the importance of sanctions, shaped to encourage change and not to just give punishment.

Australia, Europe, Japan and the USA

Western governmental policy towards Burma tends to a premise that positive transition will be induced by the use of sticks and carrots. The idea is that the Burmese government will rationally choose to make the reforms stipulated in order to not be isolated and denied assistance (the stick approach), or to gain specified assistance for specified changes (the carrot approach). However, the government has found other ways of securing the benefits denied by the West, or decides it can do without them. The Tatmadaw relies increasingly on China for development aid, and at the same time promotes self-reliance as the key to sustainable growth. A newer approach of the West aims at strengthening civil society, and bringing humanitarian aid.

The United States

The USA currently has the most wide-ranging economic sanctions in place against Burma. At the same time, it gives the largest amounts of assistance to promote democracy and human rights.

Following the military crackdown in 1988, the USA suspended all aid and loans to the government. Although, in 1990, Congress called on the President to impose sanctions, for the next few years, policy on Burma remained largely at the level of rhetoric. By 1995, the USA was the fourth largest investor in Burma, with investment primarily in the oil sector. The Administration continued to state that it would support multilateral sanctions through the UN, but could not do so without support from other governments.

Finally, in April 1997, President Clinton announced his decision to impose the investment ban. It did not meet any of the criteria required of effective sanctions: there was no clear objective other than punishment, and there was no “exit clause” of reforms the SLORC would have to make in order to get the sanctions lifted. After the sanctions were imposed, the USA had no direct leverage left with

Burma. Further pressure could only be applied through using its influence with ASEAN countries and Japan.

Europe

There is no bilateral co-operation programme with Burma/Myanmar. European Commission funding is currently limited to the repatriation and reintegration of Rohingya refugees from Bangladesh and a number of small NGO projects working primarily in ethnic minority areas and focusing on water, sanitation, medical care, reproductive health and HIV/AIDS.

EU countries cut off aid to Burma in 1988, in 1990 agreed on an arms embargo, and in 1991 suspended defence cooperation. The EU Common Position on Burma/Myanmar, first adopted in October 1996, confirmed existing sanctions, and introduced a visa ban on high-level members of the military regime and their families, as well suspending high-level governmental visits to Burma. The Common position has been maintained since 1996.

In April 2000, the Council further strengthened the Common Position, by (a) adding a ban on the export from the EU of any equipment that might be used for internal repression or terrorism, (b) publishing the list of persons affected by the visa ban, and (c) imposing a freeze on the funds held abroad by the persons named in the list. The Common Position was renewed on 9 April 2001 without further amendment for a further six months until 29 October 2001, but recent developments (i.e., the on-going talks) were highlighted in the Council Conclusions. An EU Troika Mission that visited Rangoon from 29 to 31 January 2001, confirmed that Aung San Suu Kyi had met with senior officials of the SPDC on a number of occasions since October 2000. The Troika Mission concluded that the contacts were promising, but still at a delicate stage and not yet irreversible.

Australia

Following the crackdown on demonstrators by the Burmese military government in 1988 Australia, like most other donor countries, suspended bilateral aid to Burma. A ban on defence exports to Burma remains in place along with the suspension of defence visits from Australia. A humanitarian assistance programme is channeled through international NGOs and UN agencies. Since 1989, the government has also provided humanitarian assistance for refugees mainly along the Thai/Burma border.

Australia has offered rewards for progress on 10 benchmarks. There was, however, no clear timetable for compliance, the carrots were not specified, and there were also no sticks to punish the SLORC for failing to reach any of the benchmarks.

Five workshops have been delivered since July 2000 on Human Rights and Responsibilities and International Law to Burmese civil servants. The programme has faced criticism from the Australian opposition because of Aung San Suu Kyi's opposition to it.

Japan

Japan has given generous assistance and worked for human rights in Burma using quiet diplomacy. At times, it seemed that Japan's policy was having success, but sometimes it appeared that SLORC simply took the money and ran.

Japan played an important role in negotiating with the SLORC to ensure the initial acceptance of a UN Commission on Human Rights Special Rapporteur. Likewise, the release of Aung San Suu Kyi in July 1995 was widely credited to the persistent efforts of Japan. At the same time as Japan tried to use its influence constructively, Japanese businesses were becoming increasingly active and visible in Rangoon.

In April 2001 Japan announced it would provide more than US\$ 28 million to rehabilitate the Lapida hydroelectric project in Kayah State built by the Japanese in the late 1950s. The Japanese government informally justified this measure as humanitarian assistance.

Multilateral organizations

A major obstacle facing implementation of UN resolutions on Burma is the lack of political will by those governments that sponsor those resolutions. In addition, only two regional governments, India (in 1991) and Korea (in 1998), have ever sponsored a resolution. Even among Western governments, there was not enough support to try to remove Burma from its seat at the UN. There have also been some initiatives to bring Burma before the Security Council but none succeeded.

As the UN resolutions have grown longer and stronger each year the SPDC/SLORC has found that there is no sanction for ignoring the recommendations. Nevertheless, the UN resolutions on Burma represent the only international consensus there is: an agreement at least on the problems in Burma, and some of the steps the government needs to take to remedy the situation.

The UN General Assembly, UNCHR and UN Secretary-General's office

The elections of 1990, and the governments' failure to transfer power to the victors, brought Burma to the General Assembly's attention.

In December 1991, the General Assembly passed the first resolution criticising the human rights situation and calling for a transfer of power to a civilian government. The seriousness of the human rights situation was again drawn to international attention following the exodus of some 265,000 Rohingya Muslims to Bangladesh.

The 1992 resolution of the General Assembly (47/144) called for the release of Daw Aung San Suu Kyi, and also urged the government to cooperate with UN organs in respect of the repatriation of the Rohingya refugees. The government's immediate response was that the resolution revealed a lack of understanding of the Myanmar mind: "Never in our long and proud history have our people given in to outside pressure." Since then both the resolutions and the responses have followed a similar pattern.

When the UN Commission on Human Rights met in March 1992 it decided to nominate a Special Rapporteur³⁰ to examine the human rights situation in Burma. The Special Rapporteur was to establish contacts with the government, imprisoned political leaders and their families and lawyers.

For the next three years, the Special Rapporteur undertook annual visits to Burma, and reported both to the General Assembly and the Commission. The extent of governmental cooperation during the visits of the rapporteur was minimal. In April 1995, Yokota resigned, and was replaced by Rajsoomer Lallah. The SLORC never allowed Lallah to fulfil his mandate and visit Burma.

In February 2001 Lallah was replaced by Paulo Sergio Pinheiro. It was a sign of changes within Burma that Pinheiro was allowed to visit Burma in March and again in October 2001. His subsequent verbal report to the UN General Assembly included praise of "positive initiatives" taken by the government, including the release of political prisoners, talks with Aung San Suu Kyi and the establishment of the Human Rights Committee. It is hoped that genuine progress may be achieved if Pinheiro continues to be granted access. At the very least, trust between some members of the SPDC and the UN mechanisms may be established.

In fact, it was only after the appointment of Ismail Razali as a special envoy of the Secretary-General that it was possible for real progress to be made in engaging both the SPDC and the opposition. Razali is an advisor to the Malaysian government on foreign affairs, and a former president of the UN

³⁰ Resolution (1992/58)

General Assembly. As such, he has the weight not only of the UN but crucially of Malaysia, one of the main supporters of Burma's entry into ASEAN. Though he was denied entry in 1998, Razali was accepted in early 2000. In June 2000, he met with Aung San Suu Kyi as well as the military and ethnic military leaders.

When it was announced in October 2000 that the SPDC had resumed talks with Aung San Suu Kyi, there were expectations both in Burma and internationally that a breakthrough would come about. In November 2001, as Razali prepared to make yet another trip to Rangoon, those hopes were rather more cautious.

International Labour Organisation

Burma joined the ILO in 1948 and has ratified 21 Conventions, of which 19 are still in force, including the conventions on forced labour. In 1997 a Commission of Inquiry was established to look into forced labour in Burma.

The Commission's report, published in July 1998, expressed regret that it had not been permitted to visit Burma, but found that forced labour was carried out "in a widespread and systematic manner, with total disregard for the human dignity, safety and health and basic needs of the people".

In June 1997 a resolution in effect expelled Burma from the ILO, the first time that such a step had been taken. This strong measure was recognition not only of the seriousness of the forced labour situation in Burma, but also of the governments' refusal to accept any responsibility for the problem, or undertake any measures to remedy the situation.

In June 2000 the Conference adopted a further resolution with a view to implementation of the Commission of Inquiry's recommendations which requested ILO members (workers, employers and governments) to review their relations with Burma and take appropriate measures to ensure these did not contribute to forced labour – a clear endorsement of sanctions.

An ILO communication of 7 November 2001 summarizes recent events, including some breakthroughs:

As a result of the action taken by the competent organs of the ILO and following two technical cooperation missions sent by its Director-General, Juan Somavia, the Myanmar authorities agreed in October 2000, for the first time, to adopt a framework of legislative, executive and administrative measures making all practices of forced labour illegal and a criminal offense for all authorities including the military.

On 19 May this year, the authorities further accepted an objective ILO assessment to be freely carried out within the country as regards the "practical implementation and actual impact" of that new legislation on the realities of forced labour as previously established. The High-Level Team was appointed by the Director-General to carry out this assessment and its report, after four weeks of investigation from 17 September to 13 October, 2001, has just been made public.

While recognizing that the new legislation has been the object of a wide, although uneven, dissemination across the country, the report finds that its impact on the realities has been limited. In particular forced labour is practised in its various forms (portering, building of military camps, agricultural work, etc.) in areas affected by military presence and especially in border areas where fighting may still be ongoing.³¹

The document concludes that eradication of forced labour is seen by the High-Level Team as an essential element of a broader modernization of the country. However, it stresses that this modernization requires international involvement, which cannot be accomplished unless the authorities themselves give more cogent evidence of their determination to fulfill their obligations.

³¹ International Labour Organization communication *ILO/01/48*, 7 November 2001, <http://www.ilo.org/public/english/bureau/inf/pr/2001/48.htm>.

UN development agencies and the aid debate

Arguments in favour of withdrawing aid include:

- withdrawal signals disapproval and, at least in theory, provides a stick and carrot mechanism;³²
- because UN agencies tend to work with long-term programmes, new programmes agreed with the Tatmadaw give it a sense of legitimacy and thus undermine the results of the 1990 elections;
- any aid given to the government or spent in Burma frees money for spending on the military; and
- without humanitarian assistance, the people of Burma may be driven into such desperation that they once again take to the streets.

However, arguments in favour of humanitarian aid must win the day. It is generally agreed that the seriousness of the humanitarian situation in Burma cannot be ignored. Besides, even without international aid, it is unlikely that the government would spend more on education, health and social welfare. In addition, the past 10 years have shown that it is possible to give aid to Burma in ways which maximize the positive impact on Burmese people and communities, and minimize the benefits which the government might accrue.

The main obstacle to effective aid programmes in Burma is the “top-down” political culture. In addition, UN agencies working in Burma have been handicapped by the lack of reliable information about all areas of the country. Furthermore, it has been difficult to objectively assess the successes and failures of the UN agencies and have dialogue with key actors. Solidarity groups have failed to closely monitor and maintain a dialogue with UN agencies working in Burma. As a result, the debate has become more ideological and less based on an informed position.

In the meantime, the humanitarian situation in Burma has continued to worsen. In June 2001 all the UN agencies in Rangoon sent out an urgent appeal to governments to give increased assistance to Burma immediately, warning that “The cost of neglecting assistance will be substantially higher if delayed, as the magnitude of problems escalates (e.g., HIV/AIDS), human capital disintegrates (e.g., increasing illiteracy, low completion rates in primary school), natural resources diminish and disparities widen (e.g., among geographical regions and among ethnic minorities).”

United Nations Development Program (UNDP)

Along with many other international bodies, such as the World Bank, the UNDP has recognized the importance of respect for human rights as a fundamental condition for sustainable development. This is reflected in the 1998 policy document, *Integrating Human Rights with Sustainable Human Development*, in which the UNDP commits itself to the protection and promotion of civil and political as well as social, economic and cultural rights.

The United Nations Children’s Fund (UNICEF)

In Burma, UNICEF took a lead in drawing international attention to the humanitarian needs post-1988 under the direction of the then resident representative, Rolf Carriere. When Carriere joined the UNICEF team in Burma in 1989, he was amazed at the lack of international awareness of the appalling conditions in which children were living. He thus drew their attention to the “silent emergency”.

³² Attempts to use aid as a “carrot” have largely failed because, as many observers have noted, the prime consideration for the Tatmadaw is always its own survival.

In August 1991 Carriere persuaded the SLORC to accede to the Convention on the Rights of the Child (CRC), which was devised to recognize and protect the economic, civil, cultural, political and social rights of children. Within its articles, the CRC includes a requirement for states to report to the Committee on the Rights of the Child in Geneva, detailing progress towards implementation of the CRC.

When Burma came up for discussion by the Committee in January 1997, some members of the Burmese government team showed a willingness to learn and a genuine confusion as to critical remarks made by the Committee, but the hearing revealed a huge cultural gap in the understanding of the fundamentals of the rights of the child. Apparently, attempts have been made to try and bridge this cultural gap through increased engagement with government departments on some of the less politically sensitive areas,³³ though there is clearly a long way to go.

NGOs and the exiled opposition

Burma-focused NGOs

By 1999, hundreds of NGOs had formed to support Burma's peoples in the struggle for human rights and democracy. In all but a few cases, NGOs focused solely on Burma were established by young, idealistic Westerners. The strength of these groups as a network has been important in ensuring that Burma does not slip off the agenda of Western governments. In some cases the activists have shaken companies by successfully inducing selective purchasing campaigns in areas of the USA.

However, problems have reduced the general effectiveness of their efforts to support democratization in Burma.

- The impact on capacity building among the Burmese opposition has been patchy at best.
- Despite the presence of many professed human rights workers among the armed opposition, human rights abuses by those groups have continued.
- Hardly any of the NGOs working on Burma are run by Burmese or have Burmese staff in high positions.
- The impact on civil society in Burma has been mixed: on the one hand, the international campaign has given moral support to the internal opposition, but at the same time opposition groups have been weakened by SLORC/SPDC accusations of links with and funding from Western governments.³⁴ In this climate, fear reigns, and the NLD has been severely weakened by resignations (often forced) and new opposition movements, especially among students, are nipped in the bud.
- NGOs outside the country have an extremely limited circle of influence, which does not extend to the Burmese government at all. They have to find ways of working through other bodies, be they companies, national governments or UN agencies, to try and effect change by the military. But even here, it is doubtful if their campaigns, have any impact at all on the primary objective: that is, change in Burma.
- There have been irreconcilable splits and in-fighting has been rife. While the overall objective – to “get rid” of the SLORC and ensure a transfer of power to the victors of the 1990 election –

³³ UNICEF report “Country Programme of Cooperation, 1996-2000: Master Plan of Operation”.

³⁴ For example, in a press briefing on 27 June 1997, Lt. Gen. Khin Nyunt gave a detailed denunciation of the support given by the West to the opposition, reporting the uncovering of an alleged conspiracy to overthrow the government involving the All Burma Students' Democratic Front (ABSDF), Karen National Union (KNU), NLD and Western powers.

remained the same for all exile and foreign NGOs, arguments arose over campaign strategies, including the issue of whether sanctions should also cover humanitarian aid.

Among achievements have been:

- *Awareness-raising.* Initially, there was a dire shortage of information about the situation in Burma, thus Burma-focused NGOs, both Burmese and non-Burmese groups, filled a need with awareness raising and information dissemination. The Nobel Prize, the writings of Aung San Suu Kyi and the inspiring image this woman were a powerful boost to the awareness campaigns in the West. The internet has given access to and created a wealth of resources on Burma, although the reliability and credibility of some of the news stories presented on the various websites in question.
- *Capacity building.* Thanks to international support to the opposition there are now many Burmese with good English, able to operate in the complex world of international diplomacy. However, this has meant that the internal opposition has developed better links with Western than with Asian NGOs.
- *Advocacy and sanctions.* Once Aung San Suu Kyi was released the opposition suddenly had a forthright and clear spokesperson. In August 1996 she told a Thai newspaper, *The Nation*, that the NLD now endorsed the idea of international sanctions because investments in Burma had not helped the people or the course of democracy. Thus from 1996 onwards the focus of solidarity groups, exiles and Burma-specific NGOs shifted to advocating economic sanctions. The first selective purchasing law in the USA was passed by the state of Massachusetts in 1996.³⁵ Following the imposition of unilateral sanctions on all new investment in Burma in the USA in April 1997, the campaign for international sanctions gained new momentum.

The question of sanctions

- It has always been acknowledged that truly international, UN-sponsored sanctions would never be possible against Burma (without Western consensus on the effectiveness of sanctions in this case, and with the strong likelihood that China would use its veto). In addition, it was obvious that Asian businesses would be more than willing to take the place of Western companies in Burma's economy.
- A major omission of those groups calling for sanctions was the absence of any detailed analysis of what *kind* of sanctions would be required to have maximum impact while minimizing the impact on the poor. Sanctions, if they are to work at all, must have a clearly defined purpose and explicit criteria for determining when they should be lifted. In addition, support cannot be maintained if the purpose is seen to be punishment rather than trying to modify political behaviour.
- The economic sanctions imposed thus far, the withdrawal of Western companies and the denial of international financial assistance, have had some impact on the economy but not on the political situation.
- As its continued calls for sanctions began to cause dissent within NLD ranks, some Burmese exiles and foreign NGOs privately suggested that further isolation of the SPDC might not be the ultimate means of supporting a transition.

³⁵ By 1999, a further 22 local authorities in New York City and San Francisco had passed similar laws prohibiting the purchasing of goods from companies trading with Burma. In June 1999 a federal appeals court – upholding an earlier ruling – declared that the Massachusetts legislation interfered with the central government's right to decide foreign policy. The Massachusetts attorney general announced his intention to take the case to the US Supreme Court, and in June 2000 the court threw out the Massachusetts legislation.

The failure of 9.9.99

The events of 9 September 1999 reflect the current state of the Burmese opposition. For months beforehand, such external opposition groups as the National Council of the Union of Burma (NCUB) and ABSDF, let it be known that on 9.9.99 there would be demonstrations in Rangoon and elsewhere. The NLD and Suu Kyi distanced themselves from the so-called 9.9.99 movement.

In Burma, from July onwards, there were reports of the arrest of students and others promoting 9.9.99. On the day itself, there were small scale “hit and run” demonstrations in Rangoon, but otherwise the city remained quiet. The NCUB reported demonstrations by school children further afield. But the international media fixed attention on the arrest and imprisonment of two Britons, James Mawdsley and Rachel Goldwyn.

- This incident suggests that the exiled opposition has very little influence over events in Burma.
- Lack of unity among the external opposition and absence of charismatic leaders among them has meant that there is little public recognition of these Burmese groups.

International NGOs/development organizations

By 1999, only 17 international development organizations (IDOs)³⁶ were working in Burma among a population of 47 million. This compares to the 50-plus IDOs and NGOs working to assist 100,000 Burmese refugees in Thailand.

While aid to refugees went unmonitored and unquestioned, the question of whether or not IDOs should seek to work in Burma became deeply politicized. On the one hand, solidarity groups and exiled Burmese groups considered any development assistance work in Burma to be supporting the SLORC. On the other hand, IDOs who had visited Burma were alarmed by the humanitarian situation there and took the view that working to give assistance was a moral imperative.

In November 1991, a draft set of Guidelines for NGOs in Burma was produced, followed by guidelines of the Burma Peace Foundation and the Australian Council for Burma.

In 1994–1996 an unprecedented number of IDOs began to explore the possibility of working in Burma. From 1996, onwards however, IDOs were again under attack, this time both from the government and the opposition. Some IDOs who applied to work in Burma were refused MoUs. Even those IDOs who had worked there for some time reported a tightening of the net around their projects, and increased monitoring of their daily movements.

Another problem for IDOs in Burma is the lack of truly independent indigenous NGOs after decades of military-dominated government.

Civil society?

The SLORC/SPDC has sought to severely restrict the ability of civil society organizations to have any role beyond the strictly local level or for ephemeral events – such as temple festivals, or emergency relief work. All other organizations with a national remit are either founded by the state, or co-opted by the military. Thus, the Myanmar Maternal and Child Welfare Association (MMCWA) which is the largest indigenous NGO in Burma, has the wife of the SPDC Secretary-1 on its board, and at the local level the secretary of each village MMCWA must be the wife of the village Council leader (Village Peace and Development Council).³⁷ Every other “NGO” in Burma, from the Myanmar Red Cross to the Myanmar Medical Association are largely GONGOs, that is, government-organized non-

³⁶ Also called INGOs (international NGOs).

³⁷ For more on restrictions on NGOs and GONGOs in Burma see BCN and TNI *Strengthening Civil Society in Burma: Possibilities and Dilemmas for International NGOs*, Bangkok: Silkworm books, 1999.

governmental organizations. The SPDC's mass political organization, the Union Solidarity Development Association (USDA) would turn up in uniform and without invitation to local consultations between international and local NGOs.

Recommendations

1. Research and information

The following are among key areas which need more research in order to help create policies which stand a chance of having an impact in Burma:

- *The humanitarian situation in areas of the country where access on a regular basis is still denied.*
- *The historical and cultural factors which prevent the establishment of democracy.*
- *The background and present positions of the leadership in the SPDC.* If there really are divisions within the SPDC between hardliners and "reformers", the West has to try to build bridges to the reformers.
- *The reality of the "China card".* What is the impact of Chinese support for the SPDC on the overall political situation in Burma? What tensions have been created by Chinese takeover of business and property?

2. Neutral Discussion Groups

Thoroughly neutral discussion groups on Burma need to be established with a reputable institutional backing. Government representatives, business, NGO and UN representatives should be encouraged to attend.

3. Humanitarian aid

Efforts need to be extended beyond current efforts in the health sector to other fields, such as areas of forced displacement, even if the government continues to deny access to some areas of the country.

More focus needs to be given to education, a key problem in a country where universities have been closed for the best part of 11 years.

Conclusions

- *Desire for reform:* Human rights reform and political change in Burma are urgently needed. The Tatmadaw, the political opposition represented by the NLD, and the ethnic minorities have all publicly expressed their desire for such changes.
- *Signs of change:*
 - Since the start of the new millenium there have been positive signs that the international community is ready to work in a more cohesive way toward a common set of goals in Burma. The 1999 World Bank report, the moves by the ILO to engage the generals, and most particularly the efforts of Special Envoy Razali are indicative of this.
 - The Burmese government has recently shown a tentative willingness to cooperate with UN agencies and representatives and should be encouraged in a process of modernization and political liberalization, including negotiations with the NLD and the ethnic minorities. By November 2001 there was unfortunately some pessimism about the success of the government's informal meetings with Suu Kyi.

- *Sanctions:*
 - Sanctions have had some effect on the economy but up till now have failed to assist in a transition from military rule.
 - Sanctions threatened against the Tatmadaw must be well defined, both in kind and in intention. They should signal that human rights abuses, the failure to allow democratic processes, and the refusal to comply with UN resolutions, will have negative consequences. Once sanctions are imposed governments must take active measures to make the sanctions effective, at the same time avoiding ossification of positions.
- *The pro-democracy movement:* The political opposition and Burma-focused NGOs have achieved much in the fields of information and advocacy, bringing Burma to the international agenda, but they have been rendered less effective by splits and hardened positions.
- *Rethinking:* The hope that the military government can be removed quickly must be tempered with realism, and short-term aims need rethinking. Politicization of international contacts by all sides, in order to score points, has taken attention from the reality of daily human rights abuses in Burma.
- *Humanitarian assistance:*
 - The *people* of Burma should return to the centre of concern. Burma is dying on its feet. Greater inputs of humanitarian aid are essential.
 - It is possible for international NGOs/IDOs to maximize the positive impact of assistance, while minimizing the political and financial gains to the government.
 - A long-term approach would include a big increase in humanitarian assistance (carefully targeted and planned), not only to alleviate poverty and support the development of human resources, but also as a means of engaging the generals.
- *Civil society:* In the end it is the people of Burma who must bring about democratic change. Fear of the regime has suppressed the development of an independent civil society. One of the most important questions is how to realistically support the long-term development of civil society within these limitations.
- *Fostering pluralism and greater political understanding:*
 - Small-scale projects to support the education sector and slowly build civil society and pluralism would help to alleviate the historical obstacles to democracy and respect for human rights in Burma. Training and assistance programmes should be aimed at all sectors of society, including the NLD, ethnic minorities and the military and their families, in the hope that a new generation of trained technocrats would in the long term opt for a more liberal and diverse Burma, run by a democratic government.
 - More Asian NGOs should start to work in Burma. This would not only support the failing health and education sectors, but also kindle greater political understanding and mutual respect for diverse cultures.
- *ASEAN:* Initially Burma seemed to take its membership of ASEAN as a guarantee of non-interference or a “do as you please”. But the forces within ASEAN have been changing, due to events in Indonesia among other things. In addition, the public in ASEAN countries are becoming more conscious about human rights. While member states find it difficult to side-step ASEAN constraints on discussions of internal political matters during official meetings of the association, they are able to act more independently in the UN. Once Ismail Razali, a Malaysian government

adviser, became a special envoy of the UN Secretary-General, there was some easing up of relations between the SPDC and the UN as well as a few gestures towards the NLD and Suu Kyi.

- *Bangladesh:* Bangladesh relations with Burma have been dominated by a refugee crises provoked by the actions of the Burmese army. These crises generated unbearable economic, political and social pressures within Bangladesh thus limiting its room for creative initiatives. It is submitted that the key to any meaningful Bangladesh contribution to create political space in Burma would be unambiguous international support for early solution of the refugee problem.
- *China:* China's support for the junta has had negative consequences for both Burma and China. The relationship preserves an incompetent and repressive order in Burma, while China suffers in that Burma has become a block to regional development and an exporter of HIV/AIDS and drugs. China would benefit from the development of an economically stable and prosperous Burma by encouraging a political process in Burma that would lead to an opening up of the country to international assistance and a more competent and publicly acceptable administration.
- *India:* India's foreign policy has changed from strong support for the pro-democracy movement and isolation of the regime to active cooperation with the military government to counter border insurgency, improve road communications, woo Burma from China and foster economic links. However a recent petition shows strong support for the NLD and Suu Kyi, showing that the pro-democracy movement could, with more active lobbying, perhaps interest the Indian government in foreign policy more considerate to the people of Burma and their efforts towards democracy.
- *Thailand:* Thailand's foreign policy turned, soon after the Burmese military excesses of 1988, to active engagement with the generals as the Thai military received timber and gemstone concessions and trade thrived. As democracy found its feet in Thailand, and the kingdom was afflicted by drugs and other problems originating in Burma, the attitude became tougher and the interest in a more democratic and effective government in Burma increased. The new Sinawatra government in Thailand has in 2001 followed a policy of engagement to gain cooperation in narcotics suppression, which will, it is hoped, not exclude efforts to influence a more constructive and democratic development in Burma.

1. ASEAN-Burma relations

Aung Zaw

In July 1999, Burmese pro-democracy leader Aung San Suu Kyi wrote an open letter to the leaders of the Association of Southeast Asian Nations (ASEAN) calling on the regional grouping to “nudge Burma towards democracy”.³⁸ Aung San Suu Kyi wrote that the international community – ASEAN in particular – could “persuade or put pressure on the present regime to convene the Parliament that was elected by the people”. A few days later, Thailand’s Deputy Foreign Minister Sukhumbhand Paribatra wrote a reply in the English-language daily, *The Nation*,³⁹ explaining that since ASEAN had decided upon a policy of “constructive engagement” with the regime, it would do little good now to take a more confrontational approach. While conceding that ASEAN could adapt (but not abandon) its policy of non-interference in the internal affairs of member nations, Sukhumbhand insisted that pursuing a policy of exclusion, including economic sanctions, was not likely to achieve the desired end.

Since Burma’s admission into ASEAN in 1997, a number of contradictory views on ASEAN’s potential role in helping to resolve the country’s ongoing political standoff have emerged. The two mentioned above are just a sampling. This paper will attempt to assess ASEAN–Burmese relations and the prospects for ASEAN to take a more active critical role in Burma’s politics by asking the following questions: What is constructive engagement? What have been the driving objectives behind it? What are the prospects of ASEAN altering its modus operandi of non-interference? What indicators might signal a change in ASEAN’s approach to Burma? To begin to answer these questions, we must first have some understanding of ASEAN’s approach to Burma in the context of its evolution as an organization.

I. Historical context

ASEAN’s policy towards Burma has evolved from an initial short-lived interest at the time of the organization’s inception in 1967 to over two decades of disassociation and, since the beginning of the 1990s, constructive engagement. The shift to constructive engagement can be viewed in the larger context of a reaction to the changing regional security structure of the Pacific region and the complexities of ASEAN members’ quest to sustain economic growth in the face of investment flight and the threat of regional trade blocs.

In 1967, five Southeast Asian states – Indonesia, Malaysia, the Philippines, Singapore, and Thailand – signed the Bangkok Declaration to form a regional bloc to ensure security and stability within Southeast Asia. The basis of their union was concern over security threats from internal communist insurgencies, which plagued all of these countries, and regional threats such as the Indochinese conflict and the People’s Republic of China’s support for revolutionary communism in East Asia. The leaders hoped to form a bulwark to represent their presumed mutual interest and strengthen their role in the region to counter external interests.

³⁸ *The Nation*, 13 July 1999.

³⁹ *The Nation*, 16 July 1999.

Burma's geographic proximity, cultural similarities and comparable security situation prompted ASEAN's founding fathers to invite it to join their union. Burma also faced a communist insurgency and had been a theatre for superpower intervention. Since independence in 1948, Burma's communist insurgents had remained in control of parts of the country and received support from China. But as Kavi Chongkittavorn notes, "At that time, Rangoon said that it did not want to join ASEAN, which was seen as an imperialist organization given its policy of neutrality".⁴⁰

After ASEAN's initial interest in Burma, it disappeared from the ASEAN agenda for the next two decades. ASEAN and Burma had little interest in each other as ASEAN managed its own affairs and Burma retreated into isolation. Inaction and a focus on internal issues marked ASEAN's childhood, particularly its first decade. In its first 20 years, it held only three summits. Given the conflict between the Philippines and Malaysia over Sabah in its early years, ASEAN was busy keeping its own house in order, rather than contemplating expansion, while Burma's isolationist foreign policy insulated it from engagement. Burma's economic collapse under the weight of Ne Win's misguided Burmese Way to Socialism offered ASEAN little economic incentive for engagement. Marvin Ott notes, "ASEAN emerged in the 1970s and 1980s as a close knit club of like-minded states focused on high economic growth. Burma was outside the club, out of step and increasingly irrelevant. Only Thailand, which shared 2,100-mile border had any sustainable interest at stake".⁴¹

Beginning in the late 1980s, there was a reassessment of policy priorities by many leaders all over the globe, as a reaction to the demise of communism as an ideology, increased globalization of trade and the rise of regional economic institutions. In Southeast Asia, the realignment had its own local flavour; a combination of changes in the regional security order, threats to ASEAN's political and economic position, and the opening up of Burma marked the emergence of a new regional landscape and priorities along with the increasing significance of Burma. Many ASEAN member states re-evaluated their interests and adapted their policy tools to meet the new situation. One aspect of this was the rekindling of ASEAN's interest in Burma as a means to fortify its security, economic and political position. This took the form of the vaguely delineated policy of constructive engagement.

ASEAN members' assessment of the security situation was altered by two developments in the early 1990s – the resolution of the Cambodian situation and a shift in the regional balance of power. The perception among ASEAN members evolved that China posed more of a threat at a time when the US security presence in East Asia was diminishing. This spurred interest in a security arrangement that would come to include China and Burma.

Events in far away Moscow spurred change in Southeast Asia as the geopolitical situation prompted a series of events that led to a tenuous rapprochement in Cambodia. Driven by efforts to reform an ailing political economic system, Soviet Communist Party General Secretary Mikhail Gorbachev reprioritized the Soviet Union's interests and disentangled it from regional conflicts, cutting assistance to Viet Nam. This in turn compelled the Vietnamese to rethink their policies and budget. Their subsequent withdrawal from Cambodia in September 1989 removed a big impediment to a settlement, which the Paris Peace Agreement on Cambodia in 1991 resolved.

The resolution of the Cambodian conflict eliminated a unifying interest of ASEAN and China – mutual opposition to Vietnamese military intervention in Cambodia. With this common enemy removed, latent suspicions and fears of China resurfaced within ASEAN in part due to China's

⁴⁰ Chongkittavorn K, "The Evolution of Constructive Engagement", in *From Consensus to Controversy: ASEAN's relationship with Burma's Slorc*, Bangkok: Alternative ASEAN Network on Burma, 1997, p. 23.

⁴¹ Ott M, "From Isolation to Relevance: Policy Considerations" in *Burma: Prospects for Democratization*, Washington: Brookings Institute Press, 1998, p. 71.

proximity, power and territorial claims and to a lesser degree its previous support of communist insurgencies.

In February 1992, the Standing Committee of China's National People's Conference passed a law reaffirming its claims to the South China Sea. This reinforced ASEAN suspicions. The law stated that the entire area contiguous to its territorial claims was within its sovereignty. Several ASEAN members claim part of the Spratly Islands in the South China Sea and value them because of the large amount of oil and gas reserves believed to be beneath the islands. Chinese assertions caused insecurity at a time of flux in the larger security structure of the region.

The decline in the US security presence in the Pacific further concerned ASEAN members. After the American defeat in Viet Nam, the USA lacked a justifying focus for its security presence in Asia. Later budgetary restraints and the end of a US military presence in the Philippines forced a scaling back of troops in Asia. ASEAN members have mitigated this with bilateral security arrangements with the USA, but the decrease in the US military presence in East Asia is viewed as making it less of a deterrent to China's growing assertiveness.

With a shift in the security paradigm, new policy tools such as the ASEAN Regional Forum (ARF) and economic engagement became even more important tools in promoting stability in the region. In 1993, ASEAN created the ARF as a collective security arrangement which included many leading security forces in and beyond ASEAN, notably China, the EU, Japan, Russia and the USA. It sought to engage potential security rivals in one inclusive institution and to provide a forum for confidence building, dialogue, and transparency.

Alongside the changes in the security establishment in East Asia, variance and growth in the patterns of trade generated new political interests and policy priorities (see economic factors below).

Economic factors

Towards the end of the 1980s, Southeast Asia emerged as one of the most vibrant economic areas in the world. From 1981–90, the gross domestic product (GDP) of the region grew at a steady average of 6.1% per annum.⁴² And, at the beginning of the 1990s, the economies of Thailand, Malaysia and Indonesia took off. Their GDPs began growing at a rate of 7–10% per annum. Fueling this growth was trade and investment from East Asia, which has flowed into ASEAN since the beginning in the mid-1980s. Liberal investment laws and low-cost labour attracted capital from Japan and later South Korea, who increased production and investment in Southeast Asia. However, ASEAN began to take measures to deepen its integration and engage new markets as leaders became alarmed at growing economic competition and the threat of regional trade blocs.

Regional trade blocs

The impending formation of regional trade blocs in the Americas and Europe through the North American Free Trade Agreement (NAFTA) and the EU, respectively, brought the fear that ASEAN exports might be subjected to harmful trade restrictions in their biggest export markets. Aside from concern about decreased exports, a loss of investment also threatened ASEAN leaders.

Emerging markets

The other factor that pushed ASEAN into action was the prospects of competition from other emerging markets for foreign investment. According to Linda Y. C. Lim,

The 'end of communism' in the West following the democratic revolutions in Eastern Europe from 1989 and culminating in the demise of the Soviet Union in 1991, practically overnight created potential new economic

⁴² *Asian Development Bank Yearly Report*, 1999.

competitors, as these formerly socialist economies embraced market-oriented liberal economic reforms that both promised greater efficiency and wider participation in the world market, and increased their attractiveness to international direct investment also sought by the ASEAN countries. Low costs were no longer sufficient to compete as these were now similarly provided by many other countries around the world, especially Mexico and in Eastern Europe.⁴³

Economic policy reformers in developing countries looked to the Asian model of development to generate economic growth, raising fears amongst ASEAN leaders that their recipe for success – cheap labour and liberal investment laws – would face new challenges.

AFTA

To retain its competitiveness, ASEAN established guidelines to liberalize trade and investment regulations. The promulgation of the Singapore Declaration of 1992 set out the terms for tariff reduction that would lay the foundation for the establishment of the ASEAN Free Trade Area (AFTA) by 2007. Another response has been the formation of the ASEAN Investment Area, which plans to liberalize foreign investment laws in ASEAN countries. The intention is to increase ASEAN's attractiveness and leverage to counter the threat of closed regional trading blocs and other investment areas. ASEAN also sought new markets in its backyard to promote economic growth.

Expansion to increase investment incentive

One aspect of ASEAN's action to remain competitive has been its enlargement to include all of Southeast Asia. The expansion to include Laos, Cambodia, and Burma offered ASEAN the opportunity to enhance its attractiveness as an investment area.⁴⁴ The ASEAN-10 offered a population of about 500 million, an area of 4.5 million square kilometres, a combined gross national product of US\$ 685 billion, a total trade of US\$ 720 billion and an ample supply of cheap natural resources. In the long term, Burma held the potential of 45 million new consumers for Southeast Asian goods as well as natural resources.

Burma has an abundance of inexpensive natural resources coveted by ASEAN, including lumber, natural gas and minerals. Marvin Ott views the lumber sector as a key draw to Burma: "As the rest of the region's forests are systematically exploited and despoiled, Burma's still large (but rapidly diminishing) stands of tropical hardwoods have become a magnet."⁴⁵ Many of these investments in Burma are from companies in ASEAN with ties to the political leadership of the country.

Political developments in Burma

Aside from changes on the global and regional level, political developments in Burma prompted ASEAN's interest in constructive engagement. Since the popular uprising and challenge to the regime in 1988, Burma has implemented far-reaching reforms of its economic system and foreign relations. This began Burma's opening to the world and the establishment of its ties with China and ASEAN.

In 1988, the political tensions in Burma exploded as the largest mass uprising in modern Burmese history occurred in the month of August. Earlier dissent over a forced devaluation of large denominations of its currency, which negated the savings of millions of people overnight, snowballed into protests involving people all over the country. In September, the government's ruthless use of force quelled the pro-democracy movement and the promise of fair elections helped stabilize the

⁴³ Lim LYC, "ASEAN: New Modes of Economic Cooperation" in *Southeast Asia in the New World Order*, Washington: St. Martin's Press, 1996, p. 21.

⁴⁴ "What is on the surface an economic program is more fundamentally a political response to a still uncertain New World Order", according to Donald Crone: "New Political Roles for ASEAN", in *Southeast Asia in the New World Order*, Washington: St. Martin's Press, 1996, p. 41.

⁴⁵ Ott, op cit. p. 73.

government. But the military government realized that it would have to seek external assistance to maintain control. According to Donald Seekins, “The open economic policy in Burma after 1988 must be understood primarily in power political terms – a device for generating revenues for the military and building a stronger state.”⁴⁶

One consequence of the suppression of the uprising was that financial support from many Western countries was cut off in protest of the military’s use of force against civilians. Japan, the UK and the USA stopped assistance to Burma. The military sought help from other governments with less stringent human rights policies.

One important result was the warming of Burma’s relations with China. In the past, the Chinese government’s support for Burmese communists had concerned the leaders in Rangoon. This support had decreased since the 1980s, and, in 1989, the Burmese Communist Party broke up over conflict between its Burman leadership and ethnic cadre. This cleared the way for smooth relations between Rangoon and Beijing and the beginning of voluminous trade, especially in arms.

The flow of Chinese assistance in terms of military hardware, trade and investment blossomed overnight. In 10 years, trade between Burma and China grew from \$15 million to US\$ 800 million.⁴⁷ One influential aspect of the assistance was increased military training and hardware. From 1991 to 1995, about US\$ 740 million of approximately US\$ 1 billion in arms purchased by Burma came from China.⁴⁸ “Within four years Burma purchased US \$1.4 billion in Chinese arms including F-6 and F-7 fighter aircraft, tanks, armored personnel carriers, radar, 3 frigates with missile capability, patrol boats, rocket carriers and small arms.”⁴⁹ Along with the Chinese hardware came other types of assistance. Infrastructure development projects supported by the Chinese included the construction of a road and railways intended to link China’s landlocked hinterland – Yunnan province – with a deep water port on the Andaman. The infrastructure projects also provided easier access for China to the Indian Ocean.

Other policy reforms inspired by the political uprising in 1988 included the liberalizing of foreign investment regulations in Burma, so that the regime could earn hard currency to support the country’s ailing economy. Foreign investment flowed in from ASEAN, now that the terms were conducive to investment. One chief interest was the extraction of natural resources such as timber, gems, and offshore oil exploration. Key investors included Thailand, Singapore, and Indonesia.

Summary

Given the dramatic shifts in the security scenario and the economic situation, ASEAN sought to readjust to the new paradigm. One response to the emergence of China was the formation of ARF to engage China and Burma. The establishment of a more integrated Southeast Asia was also a reaction to increased competition for global capital, best exhibited by the framework for the AFTA. Finally, ASEAN’s interest in profits motivated the engagement of Burma.⁵⁰

II. Origins of constructive engagement

The coinage of the term, “constructive engagement”, can be traced back to 1991 and credited to Thai Foreign Minister Arsa Sarasin; however, antecedents date back three years earlier to Thai Prime Minister Chatichai Choonavan’s espousal of a shift in Thai policy priorities in Southeast Asia. His

⁴⁶ Seekins DM, “Burma-Chinese Relations – Playing with Fire”, *Asian Survey*, Vol. 37, No 6, June 1997.

⁴⁷ Ott, op cit., p. 72.

⁴⁸ Janis FS, “The New Burma Road”, in *Burma: Prospects for Democratization*, Washington: Brookings Institute Press, 1998, p. 202.

⁴⁹ Ott, op cit., p. 73.

⁵⁰ From Burma’s point of view the desire to enter ASEAN was (also) probably motivated by a drive for regime legitimacy directed at the domestic constituency.

announcement of “changing battlefields to market places” demonstrated the evolution of Thai regional concerns from that of security to economics. A year later General Chavalit Yongchalyut secured fruits from this initiative – lucrative natural resource concessions for timber fishing and mineral rights in Burma. This signaled the narrowing of the gap between Burma and ASEAN. This growing closeness caught the eye of Western diplomats. And their interest marked the entrance of Burma in ASEAN official dialogue, when in May of 1991, at a meeting in Luxembourg, the then EC asked for ASEAN’s assessment of the situation in Burma. This query of ASEAN’s position stemmed from interest in the events of the previous year when the Burmese junta repudiated the results of an election won by the National League for Democracy (NLD) and subsequently cracked down on its members. At the meeting, the Malay co-chairperson referred the issue to Thailand, who by virtue of their 2,100-km border had the most in common with Burma.

Two months later, the question of ASEAN’s position on Burma was raised again by Western diplomats in Malaysia at a meeting of ASEAN Foreign Ministers and their dialogue partners, where Thai foreign minister (FM) Arsa Sarasin first used the term “constructive engagement”.⁵¹ At the meeting there was a lack of consensus or interest in Burma. ASEAN did not take a stand on or mention Burma in its joint statements.

In July 1993, the ASEAN Regional Forum (ARF) was founded. And at the ASEAN meeting in Singapore in 1993, ASEAN and the West agreed to disagree over the Burma issue. In the view of Kavi Chongitavorn, “With the Western dialogue partners inside a new regional security framework the Burmese issue began to be pushed to a back seat as the suppression continued in Burma.”⁵²

This was short-lived. In 1994, Thai FM Prasong Soonsiri invited Burmese Foreign Minister U Ohn Gyaw to attend the ASEAN meeting in Bangkok as an observer, bringing the Burma issue back into the spotlight. At this meeting, the Australian Government presented a checklist for Burma to improve its diplomatic status. This list included the demand for the release of Aung San Suu Kyi.

In 1995, Burma made key gestures signaling its interest in joining ASEAN. These gestures included the voicing of its intentions to accede to ASEAN’s Treaty of Amity and Cooperation, as Viet Nam had done before it joined ASEAN. Shortly before the ASEAN meeting in Brunei, the junta released Aung San Suu Kyi from six years of house arrest.⁵³ This gesture relieved Western pressure on ASEAN over the Suu Kyi issue.

Later that year, at the Fifth ASEAN Summit in Bangkok, potential ASEAN members Burma, Cambodia and Laos came to meet their prospective ASEAN partners, and the possibility of the ASEAN-10 started taking shape. In July 1996, Burma became an official observer of ASEAN and a member of ARF. This set the stage for Burma and Laos to become members a year later, on the 30th anniversary of ASEAN’s creation. (Cambodia was excluded from admission until two years later because of political instability.) However, the final manoeuvring before its admission to ASEAN was quite complicated and several issues had to be resolved before Burma could attain ASEAN membership.

⁵¹ Kavi Chongitavorn, p. 18.

⁵² Kavi Chongitavorn, p. 20.

⁵³ There was also a Japanese factor in the release, and the Singapore leader’s reported remark to the General might also have some bearing on her release.

III. Burma and ASEAN: A troubled marriage

While some member countries continued to have doubts about the wisdom of admitting Burma into the ASEAN fold, the support of three of the association's most influential members – Malaysia, Indonesia and Singapore – helped Burma to win a place in ASEAN. Even for these three, however, certain issues had to be addressed. For Malaysia and Indonesia, the treatment of Muslims in predominantly Buddhist Burma was a major concern. To help ease the tension between the Burmese regime and Malaysian and Indonesian leaders, the Burmese regime allowed the repatriation of thousands of Muslim Rohingyas refugees from Bangladesh in 1992.⁵⁴ This move paved the way for full acceptance by Malaysia and Indonesia, but it did nothing to address the problem of the regime's mistreatment of Burma's many other ethnic and religious minorities.

As the region's largest investor in Burma, Singapore's support for the country's admission into ASEAN was based upon a different set of concerns. Singapore had little interest in human rights issues and no real objections to the Burmese regime's treatment of its political opponents, but was concerned about its handling of the country's economy and particularly its policies towards foreign investment. Through their support of the Burmese regime's interest in ASEAN, Singapore hoped to gain influence over the economic thinking of Burmese military leaders and gain greater access to the country's natural resources and huge market for weapons. Singapore has long been a major supplier of arms to Burma.

Indonesia's support had historical roots, given the active role in the 1955 Bandung Conference of Asia-African countries.

But ultimately, it may have been geopolitical considerations that tipped the balance of opinion in favour of granting membership to Burma. Besides the fear that excluding Burma from ASEAN could be viewed as an invitation to China to take a more prominent role in the country, Western condemnation of the regime, culminating in sanctions imposed by the United States, was perceived by some as an attempt to impose alien values on the region. At a time when the supposed superiority of "Asian values" was still a favourite theme of Asian leaders eager to argue that the region's increasing prosperity was deeply rooted in their countries' cultures, any attempt by the West to take the moral high ground was met with resentment and derision. For some Asian leaders, particularly Prime Minister Mahathir Mohamad of Malaysia, but to a lesser extent even others with more liberal views, admitting Burma was a way for ASEAN to indicate their rejection of Western condescension.⁵⁵

After all the controversy about Burma joining ASEAN, the final decision might have been anti-climactic, if not for the sudden collapse of the Thai baht just weeks after Burma's admission. The sudden fall of the baht triggered sell-offs of other currencies in the region. It soon became clear that the tiger economies of Southeast Asia were becoming an endangered species. The economic collapse heightened the cost of admitting Burma and exposed ASEAN's vulnerability in the international marketplace.

The coincidence of these two events – the admission of Burma into ASEAN and the Asian economic crisis – immediately ignited speculation about a possible Western conspiracy. In this scenario, ASEAN was punished for ignoring the West's disapproval of Burma. A major proponent of this view was Malaysian Prime Minister Mahathir Mohamad, who was especially vocal in his condemnation of George Soros, the billionaire financier and philanthropist who has actively supported Burmese

⁵⁴ The socialist/military government allowed a similar repatriation in 1978, which to some extent might weaken the link between repatriation and the desire to appease Malaysia.

⁵⁵ One contributing factor was Thailand's weak leadership: Thailand was unable to exert influence against admission of Burma owing to its almost perpetual state of domestic political crisis.

democracy groups for a number of years. Immediately before ASEAN's announcement of its acceptance of Burma, Soros, who made his fortune by speculating on the British pound, appealed to ASEAN not to give Burma the legitimacy of membership in the association. He denied, however, having any part in attacks on the baht.

While it remains unclear what relationship Burma's admission to ASEAN had to the Southeast Asian economic crisis, it soon became evident that the Burmese military regime was not about to mend its ways for the sake of its new regional partners. At a time when ASEAN economies could scarcely afford obstacles to new investment from the West, Rangoon's handling of its political opponents seemed almost calculated to offend the international community and tarnish ASEAN's image. This was especially apparent when ASEAN, eager to enhance its relationship with the European Union, found that the Burmese junta had its own set of political priorities, which made it virtually impossible to persuade the EU to soften its stand against official contact with Burma.

The junta's inflexibility and determination to crush the opposition made international headlines in July 1998. When pro-democracy leader Aung San Suu Kyi attempted to meet her supporters outside of Rangoon, the Nobel Peace Prize laureate was forced to return to her home after a series of protracted roadside standoffs. In March 1999, in a direct affront to the wishes of both ASEAN and the EU, Burma ignored appeals to make a good-will gesture towards Aung San Suu Kyi as her husband was dying of cancer. The generals in Rangoon effectively declared that their vendetta against Suu Kyi and the political opposition was more important to them than EU-ASEAN relations.

Contrary to ASEAN's expectation that membership in the association would lead the country's ruling generals to behave more responsibly, the regime has stepped up its campaign of repression against the democratic opposition and ethnic groups, evidently believing that admission into ASEAN was a sign of approval for its previous policies. This was, in fact, precisely the outcome Aung San Suu Kyi had anticipated prior to Burma's entry into ASEAN.

Burma's recalcitrance has been costly for ASEAN. After a delay of more than a year and a half, the two regional groupings finally worked out a formula to allow Burma to attend a meeting between ASEAN and EU representatives in Bangkok in May 1999. Meanwhile, ASEAN leaders, who insisted that all members of the organization must be permitted to attend such meetings, despite a European ban on visas for Burmese officials, subtly nudged the regime to change its ways. Mahathir, who told the generals in Rangoon that they could not expect any Foreign Direct Investment [FDI] from Malaysia as long as the region remained mired in the crisis, emphasized the importance of the EU to ASEAN, to no avail. Despite assurances that Burma would be willing to discuss any issue raised at a meeting with European leaders, the regime made no secret of its intention to pursue its own political agenda regardless of what the rest of the world might think.

As individual ASEAN members pursued different paths to economic recovery and attempted to resolve a host of domestic political problems, the issue of Burma's impact on ASEAN was been moved to the back burner. From the international perspective as well, other developments within ASEAN, most notably the sensational trial of Malaysia's former Deputy Prime Minister Anwar Ibrahim and more recently the outbreak of violence in East Timor over its bid for independence from Indonesia, have stolen the spotlight from Burma. Mahathir's perceived persecution of his former heir apparent has drawn criticism not only from the West, but also from ASEAN members Singapore, Indonesia and the Philippines, while calls for international intervention in East Timor have also gained support within ASEAN. Support for Burma remains significant as a litmus test of ASEAN solidarity, however, and as such may gain importance even as the organization itself comes under increasing fire for its apparent incapacity to tackle crises. Singaporean PM Goh Chok Tong acknowledged recently that "ASEAN as a group is being seen as helpless and worse, disunited," suggesting that however

poorly it performs as an organization, ASEAN must at least prove itself capable of presenting a united front.

Events in 2000

In the first half of 2000, Burma hosted several ASEAN meetings, including the first ministerial meeting involving economic ministers in early May and later a labour minister's meeting. The Burmese junta leaders used these meetings to improve their regional image and increase legitimacy. During the May meeting, Foreign Minister U Win Maung took the opportunity to criticize the EU, which has maintained limited sanctions against the Burmese regime. Since joining ASEAN in 1997, Burma has not been able to become a signatory to the ASEAN–EU economic cooperation framework, which all the other ASEAN members have done. The EU has been the largest aid donor to ASEAN, since it established ties with the group in 1977.

Under Portugal's presidency of the EU in the first half of 2000, the group adopted a softer approach towards Burma in the hope that some fresh overtures between the junta leaders and the opposition groups would emerge. Under the French leadership, during the second half of 2000, the EU was expected to push both sides to sit down and talk about beginning the reconciliation process. Within the EU, the United Kingdom, Sweden and Denmark have continued to maintain their hard-line position. They still want to see political openness and the release of political prisoners. After 12 years of so-called "Burma fatigue," some Western countries are ready to give in to the argument that sanctions against Burma have not worked; therefore it has become necessary to seek a compromise to end the current political deadlock. In fact, the EU agreed to include Burma in the ASEAN delegation during the scheduled ministerial talks in Vientiane in 2000.

IV. ASEAN and Aung San Suu Kyi

Beyond the official espousal of constructive engagement with the Burmese regime and the multitude of ASEAN meetings, other institutions and factors explain the dynamic of the relationship between Burma and ASEAN. One is the relationship between ASEAN and groups opposed to the current Burmese Government, including the National League for Democracy led by Aung San Suu Kyi and the Washington-based government-in-exile, the National Coalition for the Government of the Union of Burma [NCGUB].

Aung San Suu Kyi's contact with regional leaders since her emergence as the popular leader of Burma's pro-democracy movement has been limited, partly because she remained under house arrest for six years until her release in 1995. Since then, her relationship with regional governments has been strained by her critical comments on ASEAN's policy of "constructive engagement" with the Burmese regime. An attempt in 1977 to initiate contact, a letter to the heads of government, failed, as this was not considered to be the proper channel. While she has had more contact with ASEAN leaders in recent years, Suu Kyi remains essentially at odds with ASEAN over its willingness to give the regime much coveted legitimacy.

Suu Kyi's position on constructive engagement is essentially a reflection of the consensus amongst Burmese dissidents both within the country and abroad that ASEAN membership was not likely to lead to any improvement in the political climate in Burma. Like Suu Kyi, most members of the political opposition felt that admitting Burma might serve the interests of the regime and other regional governments, but would do nothing to advance the cause of democracy in the country. Nonetheless, in May 1997 – by which time Burma was virtually assured of acceptance into ASEAN – Suu Kyi appealed to ASEAN leaders to ensure that their professed goal of helping Burma to achieve much-

needed political reforms actually led to substantive results. She remained doubtful, however, that ASEAN possessed the political will to push Burma to meet even ASEAN's modest standards of government accountability, and so urged the association to reconsider its decision.

ASEAN leaders, for their part, seemed equally doubtful about Suu Kyi's capacity for effective action. Some regarded the Western-educated Suu Kyi as being out of touch with the realities of ruling in Asia. Singapore's senior minister, Lee Kwan Yew, remarked in 1996, a year after Suu Kyi's release from house arrest, that "If I were Aung San Suu Kyi, I think I'd rather be behind a fence and be a symbol than found impotent to lead the country." Even more controversially, Lee outraged Burmese dissidents by saying after a visit to Burma that the only instrument of government in the country was the army.

While most ASEAN leaders have adhered to the policy of non-interference, since 1997 some significant shifts have taken place within ASEAN. Two ASEAN members – Thailand and the Philippines – were seen initiating modifications to the unpopular and much-criticized constructive engagement policy with Burma.

In 1995, Manila and Bangkok gave the green light to their respective ambassadors in Rangoon to meet Aung San Suu Kyi immediately after she was released. In 1998, Philippine foreign minister Domingo Siazon, chairman of a two-day ASEAN foreign ministers conference in Manila, urged Burma's junta leaders and the NLD to resolve their differences at the negotiating table, adding that they should be prepared to enter a dialogue unconditionally. He also called on Burmese expatriates to participate in a "people power uprising".

At the same meeting, the Thai foreign minister, Dr Surin Pitsuwan, introduced the concept of "flexible engagement" as an alternative to constructive engagement. Rejecting the notion that ASEAN members had no right to criticize each other's domestic politics if they impacted upon other countries, Surin cited the flow of Burmese refugees onto Thai soil as an example of Burmese "interference". He told his fellow foreign ministers, "We do not seek to interfere in the internal affairs of any country but we will voice our opinion on any issues that impact our country's ability and our people's well-being." He also urged Burma to solve political conflict through dialogue. "We are convinced that only through dialogue will there be a national reconciliation that will bring about a stable and prosperous Myanmar."

Although the Thai and Philippine initiatives did not result in a dramatic break with established policy, they did mark a subtle shift in thinking about intra-ASEAN relations. One reason for this shift was the collapse of the Suharto regime in Indonesia, ASEAN's largest member and Burma's closest ideological ally. But support for the Burmese regime did not dry up completely. Abdullah Badawi, the foreign minister from Malaysia, said it would be difficult for ASEAN to back Aung San Suu Kyi's call for the ruling junta to recognize the results of the country's 1990 elections. "I think there has to be some other way," said Badawi, who has since become the successor of the ousted deputy prime minister, Anwar Ibrahim.

As all of this was going on in Manila, Aung San Suu Kyi's attempts to drive out of Rangoon to meet supporters were grabbing headlines in the international press. Dismissing this as an attempt to draw criticism from the West, the regime issued a statement from Bangkok reminding fellow ASEAN members of their commitment to the principle of non-interference. "These principles and traditions are time-tested, and the adherence to these principles saw ASEAN grow in solidarity," read the statement. Despite their eagerness to take credit for Suu Kyi's release from house arrest in 1995, ASEAN leaders remained silent as Burmese authorities forced her to return to her compound after a long roadside standoff.

Meetings between National League for Democracy leaders and ASEAN ministers have been described as “significant”, but most observers are hesitant to be optimistic. Following a meeting between the NLD and Philippine foreign minister Domingo Siazon during a state visit by then Philippine president Fidel Ramos in 1997, Debbie Stothard of Altsean, an NGO that focuses on Burmese issues, noted that “After (Ramos’) visit to Burma the situation worsened. There have been mass arrests and human rights violations.”⁵⁶ Meanwhile, the NLD’s efforts to explain its position to ASEAN leaders through such meetings have met with limited success. Prior to a state visit to Burma by Mahathir Mohamad in March 1998, Suu Kyi expressed her interest in meeting the Malaysian prime minister to explain “what we are doing and why we are doing what we are doing”. In the end, however, she was only able to meet foreign minister Abdullah Badawi, who, judging from his unwillingness to support the NLD’s calls for recognition of the 1990 election results, was not particularly receptive to Suu Kyi’s message.

V. ASEAN and the NCGUB

In the middle of 1999, Sein Win, prime minister of the National Coalition Government of the Union of Burma, Burma’s government-in-exile, visited Manila. Earlier plans for a trip to Bangkok had to be cancelled after Thai authorities denied him an entry visa, and Philippine officials only granted him permission to enter the country on condition that the NCGUB delegation keep a low profile. The Thais denied Sein Win entry because of his planned attendance at a conference on Burmese labour practices organized by the Singapore-based International Confederation of Free Trade Unions, Asia and the Pacific. This meeting was called off at the last minute because of fears that it would upset Thailand’s delicate bilateral relations with Rangoon, which had recently gone from bad to worse.

In the past, Burma’s dissidents in exile made little effort to lobby ASEAN nations. But the past four years have seen an increase in engagement between ASEAN officials and Burmese dissidents. The NCGUB’s UN representative Dr Thaung Htun believes that ASEAN is changing, noting that

Burma is a problem within ASEAN. At first, ASEAN expected that Burma was going to change their behavior and they would be able to tame the military regime. Later ASEAN started to realize that the regime was not talking any positive steps after it joined the organization. So ASEAN is more and more impatient and it is interested in finding a political settlement. I find that some ASEAN countries are actively cooperating to this end.⁵⁷

While member states find it difficult to side-step ASEAN constraints on discussions of internal political matters during official meetings of the association, they are able to act more independently in the UN, where they are under no obligation to shield the Burmese regime from criticism and are free to take their own positions on engagement policy. Burmese dissidents in exile have thus begun to realize that, despite the generally unfavourable conditions for dialogue with ASEAN as a whole, there is considerable potential for gaining support from individual ASEAN countries. As a result, the NCGUB and other dissident groups have stepped up their efforts to lobby policy-makers in more sympathetic ASEAN countries.

VI. Bilateral relations

Other important dynamics include Thai–Burmese bilateral relations and military relations between a number of ASEAN members and the Burmese regime. Relations with individual states influence

⁵⁶ *The Nation*, 1998.

⁵⁷ *Irrawaddy*, June 1999, Vol.7, No.5.

ASEAN's overall relations with Burma. Until recently Burma's relationship with ASEAN was greatly influenced by the ideological support lent to Burma by Indonesia.

Singapore

According to defence analysts, Singapore was the first country to supply adequate arms and ammunition to Burma's leaders when they came to power in 1988. Shortly after the coup in September 1988, workers at the port in Rangoon saw boxes marked "Allied Ordnance, Singapore" being unloaded from two vessels of Burma's Five Star Shipping Line and onto about 70 army trucks bound for the Mingaladon military area. A report, "Transforming the Tatmadaw: The Burmese Armed Forces since 1988," which was published by the Strategic and Defense Studies Center in Canberra, said these shipments reportedly included mortars, ammunition and raw materials for Burma's arms factories. The consignment also contained 84-mm rockets for the Tatmadaw's M2 Carl Gustav recoilless guns, which were supplied by Sweden-based Förenade Fabriksverken.

It was also reported that in August 1989, more ammunition arrived in Rangoon by ship from Israel and Belgium via Singapore. This was, according to Canberra-based defence analyst Andrew Selth, assisted by SKS Marketing, a newly formed Singapore-based joint venture with the Burmese military government. Singapore has also provided training for a Burmese army and parachute unit, and more recently, a Singapore-based company helped Burma's intelligence unit to upgrade its war office and build a cyber-war centre in Rangoon capable of telephone, fax and satellite communications. According to *Jane's Defense Weekly*, Burma has begun manufacturing small arms, and possibly ordinance, using a prefabricated factory designed and built by Chartered Industries of Singapore in conjunction with Israeli consultants. In February 1998, the small arms factory was shipped from Singapore to Rangoon aboard the *Sin Ho*, a vessel owned by the Singapore-registered Company Lian Huat Shipping Co Pte. Despite the economic crisis and simmering social unrest, military leaders continue to spend heavily on arms and ammunition, a trend that started a decade ago following the 1988 pro-democracy uprising.

In November 1997, Singapore refused to back a UN resolution criticizing widespread human rights abuses in Burma and calling on the country's regime to recognize the results of the 1990 elections. Bilahari Kausikan, the Singaporean representative, told the UN General Assembly that his government could not support the resolution because "Our position is different. We have concrete and immediate stakes." Not surprisingly, Burmese dissidents have been very critical of Singapore's support for the regime, but this has, in Singapore's view, been more than offset by the preferential treatment it has received from Burma's military rulers. Singapore's special status as a trade partner was clearly indicated when Lt-Gen Khin Nyunt, the powerful first secretary of the ruling junta, instructed a coordinating board for the Myanmar-Singapore Joint Ministerial Working Committee to "give priority to projects arranged by Singapore".

Indonesia

Until the economic crisis of 1997 and the subsequent downfall of the Suharto regime a year later, Indonesia played an important role in providing Burma's military rulers with an ideological basis for their seizure of state power in 1988. Unlike Burma, which was reduced to an economic basket case under former dictator Ne Win, Indonesia under Suharto enjoyed impressive economic growth until 1997, despite the fact that the country was essentially run by the military. Suharto's *dwifungsi*, or dual function, model of the role of the military, giving it control over the state as well as national defence, offered the Burmese regime a means of legitimizing their own rule. Burma's state-owned newspapers praised the *dwifungsi* model and declared that Burma and Indonesia were "two nations with common identity". This common identity was further reinforced by the close personal relationship between

Suharto and Ne Win, who is believed by many to wield considerable influence behind the scenes even now.

The fall of the Suharto regime following the complete collapse of the Indonesian economy raised hopes amongst Burmese dissidents of a similar outcome in their own country. But Indonesia remains at a political crossroads, and so it is too early to tell what impact developments in the vast archipelago nation will have upon Burma. It was hoped that the election of President Abdurrahman Wahid and Vice President Megawati Sukarnoputri in October 1999 would positively affect the role of the grouping's largest member. Indonesia wants to resume its leadership role in the region again.

Thailand

Thailand, Burma's immediate neighbour within ASEAN, was far more ambivalent about admitting Burma. As historical enemies, the two countries have always regarded each other with suspicion. In 1996, the Burmese pointedly skipped Bangkok during their tour of ASEAN capitals in search of support for their bid to join the association. But the Thais did not allow ancient enmity to stand in the way of political and economic pragmatism. Thai policy in general has remained flexible, and hence been dubbed a bamboo policy. In 1993, former chief of the Thai National Security Council Prasong Soonsiri criticized "constructive engagement". But once he became FM, he supported Burma's admission to ASEAN.

Another complicating factor in the Thai attitude towards Burma's admission into ASEAN was Thailand's own political identity. As a country with a history of military coups, the last one in 1992, Thailand has struggled to establish itself as a democratic country in the face of the military's role in politics. This role has been especially apparent in Thai-Burmese relations, which have been governed by close ties between generals on both sides of the border, often without regard for official foreign policy. Since the economic crisis of 1997, however, Thailand has moved to consolidate its democratic gains under the government of Chuan Leekpai. In addition to introducing a new constitution that enshrines democratic principles and guarantees respect for human rights, the Chuan administration appointed a moderate general, Surayudh Chulanot, to replace Chettha Thanajaro, the former commander of the armed forces, who was quite close to the Burmese regime. Surayudh vowed to respect the prerogatives of the government in setting policy towards Burma, and was outspoken in his criticism of the Burmese regime for its handling of the burgeoning drug trade that seriously threatens Thailand's national security. As the Thai army has returned to the barracks, the new army chief has instilled a sense of pride and professionalism in the Thai army.

The appointment of Surin Pitsuwan as foreign minister also sent a strong signal of the Chuan government's attitude towards the regime in Rangoon. A former journalist and academic who has long been a staunch critic of the Burmese regime, Surin has strongly advocated "constructive intervention," a term that was later watered down to "flexible engagement," as a means of resolving bilateral problems, including those which have arisen as a result of Burma's domestic political situation. As the country that must deal with more than 100,000 refugees from Burma and regular incursions into its territory by Burmese troops or Rangoon-backed renegades, Thailand increasingly believes that it is entitled to comment critically on the policies of the Burmese regime. But as Thailand's refusal to grant a visa to Burmese dissident leader Sein Win indicates, the Chuan government is not willing to risk a complete breakdown of relations with Rangoon, and continues to pursue cordial, if not friendly, relations with the Burmese generals, described by one senior Thai official as "arrogant and brittle".

See also the chapter on Thailand-Burma relations.

VII. Assessment of constructive engagement

The terms of the constructive engagement of Burma have never been clearly defined. The basic rationale supporting it has been to engage and create ties with Burma rather than to ignore and isolate it. However, the goals of the policy have never been as obvious as the rationale; the policy has been utilized as a vehicle through which varied economic, security and political interests of ASEAN members have been pursued. Politically, at the ASEAN level, its most salient feature has been non-interference in Burmese domestic political affairs, leaving the junta to take care of its own affairs. Expansion has not enhanced ASEAN bargaining power. Economically, the policy supports business interests investing in Burma. Engagement has also meant Burma's commitment to trade and investment liberalization, which may be slowed by Burma's unpreparedness. Finally, constructive engagement provides Burma with an alternative to forming a closer relationship with China.

ASEAN investment has helped the government contain political dissatisfaction over inflation and assist its ailing economy. In 1988, when the Burmese Government opened its economy to foreign investors, foreign direct investment came in. "ASEAN investors had accounted for almost 60% of the FDI (foreign direct investment) prior to the crisis", according to David Abel, the regime's economic czar.⁵⁸ This helped the government stave off bankruptcy and maintain its control of the political system. Without Chinese and ASEAN investment, Burma would have been forced to make cuts in spending that could have incited protests or face international donors and their demands for political reform.

Burma has proved a goldmine for ASEAN's extraction of natural resources. Singapore and Thailand are ranked as the second and fourth largest contributors of approved FDI in Burma with \$604 million and \$422 million respectively.⁵⁹ There are strong connections between ruling Southeast Asian governments and businesses engaged in natural resource industries. Thailand particularly has been involved in lumber and energy deals, such as the Yadana pipeline, which is one of the biggest foreign investment projects in Burma.

According to Marvin Ott, "much of the impetus for constructive engagement comes from the perception of burgeoning economic opportunities in Burma".⁶⁰ However, investment has not promoted sustainable economic growth. The initial mini-boom in the early 1990s fizzled as much of the money that came in was used to maintain foreign currency reserves, not for investment. The junta has also used much of its hard currency to pay for badly needed imports, rather than invest in any kind of production. A common view of investors was that the tourism and manufacturing sectors were poised for growth. But the hotel and tourism industries have not met their expected goals, as the projected number of tourist arrivals has fallen far short of anticipated figures. For the manufacturing sector, the abundance of cheap labour has not proven as advantageous because other labour markets – most notably China – are just as cheap. Furthermore, an underdeveloped infrastructure has driven up production and transportation costs. Frequent electricity shortages have plagued the manufacturing sector. Furthermore, the squeezing of investors for pay-offs and the large amount of bureaucratic paperwork to do business has deterred investors. Part of ASEAN's interest in Burma was that it would develop into a market able to absorb ASEAN exports, but persistent economic mismanagement and infrastructural inadequacies have hindered its development into such a market.

⁵⁸ "Myanmar says foreign investment plummets, Reuters, 26 May 1999.

⁵⁹ Mason M, "Foreign Direct Investment; Trend, Determinants, and Prospects" in *Burma: Prospects for Democratization*, Washington: Brookings Institute Press, 1998, pp. 211-213

⁶⁰ Ott MC, "From Isolation to Relevance" in *Burma: Prospects for Democratization*, Washington: Brookings Institute Press, 1998, p. 79.

The expansion of ASEAN to include Burma along with Laos and Cambodia has complicated prospects for increased integration and trade liberalization within ASEAN. For Burma and the two other new members of ASEAN, many of the prescribed tariff reduction goals set by AFTA may prove economically and politically difficult to implement. Any balking by the new members may prove an excuse for other ASEAN members to delay implementation. Cribb views that,

Unless ASEAN develops a kind of two-tier membership, the admission of Burma and the former Indochina states will almost certainly slow the broader process of ASEAN integration, regardless of the delaying effects of the economic crisis. None of the new members could responsibly open its economy to competition within the ASEAN market in the way that countries such as Thailand and Malaysia had begun to do . . . But even before the economic crisis the combined resources of the older ASEAN states would not have been enough to raise Burma to economic parity in ASEAN affairs in the foreseeable future.⁶¹

The primary security priority of constructive engagement was to offer Burma an alternative to China to stave off its growing influence in the region. In 1999, in a rare interview, the regime's powerful first secretary, Lt.-Gen. Khin Nyunt summed up his foreign policy with ASEAN and its close ally, China.

The essence of Myanmar's foreign policy is to develop friendly relations with all the countries of the world, particularly with its neighbors. Myanmar therefore joined ASEAN with a view to promote regional peace, stability and prosperity through cooperation and integration with the other nations of Southeast Asia. On the other hand, China is not only a neighboring country but also one of our most important trading and economic partners. We therefore look forward to working together with both ASEAN and China for mutual benefit in the interests peace and progress.⁶²

Thus, despite ASEAN's hopes of decreasing Burma's reliance on China through constructive engagement, the regime continues to look towards its largest neighbour as a major source of political and economic support.

ASEAN has succeeded in opening alternative channels for Burma to engage other countries besides China. However, in an article about the prospects of Burma weaning itself from China's influence, J. Mohan Malik is pessimistic. He states that:

Given Burma's dependence on China for military hardware, training, spare parts, financial assistance and industrial equipment, Beijing can apply considerable pressure on the regime, be it military or civilian, to prevent its defection from China's camp. ASEAN's constructive engagement policy notwithstanding, China still remains Burma's main trading partner, arms supplier and a steadfast supporter in international fora.

These goods are offered at affordable terms for the Burmese, fostering some dependency. Another aspect has been the private sector penetration of Chinese immigrants into northern Burma. Chinese migrants continue to flow over the Burmese border, especially into Mandalay, which has seen a sharp increase in the role of Chinese in commerce.

The Chinese have utilized their growing ties and Burmese dependency to extend their influence into the Andaman Sea. Of especial concern to ASEAN is the involvement of the Chinese navy in the development of naval port facilities there. Chinese technicians must maintain much of the high-tech equipment used at these facilities. Many ASEAN states are concerned about the increased Chinese security presence in the high seas around Southeast Asia.

While Southeast Asian leaders continue to hope that ASEAN's constructive engagement policy will serve to mitigate Chinese influence on Burma, some are not at all sanguine about the country's prospects. In an interview with the *Far Eastern Economic Review*, Singapore's senior minister Lee Kuan Yew expressed his view that "ASEAN cannot rescue Burma even if it wants to, and I have the

⁶¹ Cribb R, "Burma's entry into ASEAN", p. 57.

⁶² Evmoon D, *Faits and Protects Magazine*, Paris, April 1999.

awful feeling rescuing Burma is beyond the capability of even the USA.”⁶³ The Burmese regime may resent its growing dependency on China, but it is likely to remain necessary as long as it finds itself isolated from most of the rest of the international community.

In terms of promoting the national security interests of Thailand, engagement with the Burmese has not helped. The trafficking of amphetamines by the United Wa State Army (UWSA), a cease-fire group based in Burma’s Shan state in territory adjacent to Thailand, continues to threaten Thai national security as criminal activity related to the struggle for control of the drug trade and its profits spills across the border. The Burmese are unwilling to antagonize the Wa out of fear of initiating new hostilities, and far from cooperating with the Thais in their fight against the burgeoning drug trade, the regime has warned Thailand that any attack on the source of the drugs would violate Burmese sovereignty.

For Burma, constructive engagement has brought the benefit of recognition by ASEAN at little cost. J. Mohan Malik points out that

by raising regional concerns about Burma’s strategic alignment and offering some economic inducements, the [Burmese regime] has used ASEAN’s ‘constructive engagement’ policy to its own advantage. The military junta has extracted significant economic and political concessions from its erstwhile critics which, in turn, have helped fuel economic growth over the last few years, and helped it entrench itself in power.⁶⁴

Constructive engagement has also done little to improve the domestic political situation in Burma. The junta’s oppression of its opponents has, if anything, intensified. The regime’s current strategy is to pressure NLD MPs to resign by subjecting them to detention and harassment. While Aung San Suu Kyi’s release was touted by some as proof of the effectiveness of constructive engagement, subsequent restrictions on her freedom of movement clearly demonstrate the hollowness of this supposed victory.

In July 1999, just before ASEAN’s annual meeting was held in Singapore, London-based Amnesty International released a gruesome report on Burma’s widespread abuses against ethnic minorities – including extra-judicial killings, torture and rape. It said human rights abuses had worsened since Burma joined ASEAN in 1997. The report urged the grouping to pressure Rangoon on human rights, noting that “Myanmar’s membership in ASEAN has caused ongoing complications for other ASEAN members in their relations with foreign governments. It is in ASEAN’s interests to ensure that Myanmar improves its human rights record.”⁶⁵ The Burmese regime has thus far made few concessions in exchange for admission into ASEAN. In fact, since becoming a member, Burma has consistently demanded that ASEAN abide by its policy of non-interference, as if it had joined the association only on the condition that it not be subjected to criticism.

Despite expectations that the Burmese regime would converge towards ASEAN’s openness to the outside world as a result of its entry into ASEAN, it would appear that ASEAN has converged more towards Burma’s insularity. ASEAN’s resistance to international calls to put pressure on Burma has revealed the basically reactionary nature of the organization. In the view of journalist Michael Vatikiotis, ASEAN “has offered these [ASEAN] states the security to defend their political interests against external pressure. ASEAN has served the political interests of ruling elites in Southeast Asia well.”⁶⁶ While ASEAN has functioned well as a forum for the representation of state interests, it has consistently proven itself incapable of resolving international issues which fundamentally challenge the claims to power of any of its members.

⁶³ Tasker R, *FEER*, Feb, 1996.

⁶⁴ Mohan Malik J, “Burma’s Role in Regional Security,” in *Burma: Prospects for Democratization*, Washington: Brookings Institute Press, 1998, p. 123.

⁶⁵ Amnesty International, June 1999.

⁶⁶ Vatikiotis M, op. cit., p. 176.

VIII. Opportunities and challenges for opening political space in ASEAN and Burma

As ASEAN's economic crisis passes and the roots of political change take hold in ASEAN, prospects for the opening of civil society and a more discerning policy towards Burma could improve. The challenges and opportunities are best viewed at three levels: First, within Burma; second, within ASEAN states; and finally, within ASEAN. Following are indicators to determine the prospects of the development of civil space in Burma and ASEAN.

The cohesiveness of the Burmese military has been an important factor in its successful maintenance of control. The potential for a fracture in the junta's edifice exists and presents one possibility for the emergence of alternative political voices. During the uprising of 8 August 1988, many military leaders were reportedly waiting for the announcement of a popular interim government before defecting to join the uprising. But a military coup and crackdown beginning on 18 September cut short prospects for the establishment of an interim government. Eleven years later, similar sentiment remains. One Rangoon-based diplomat has commented that many middle-ranking officers in the army have children in their early twenties who should be attending university but can't because the government, fearing student-led protests, has kept universities closed for much of the past decade. This shortcoming of the junta hits home and is a source of dissatisfaction. Also, increased exposure to more professional militaries and the outside world via ASEAN may encourage the government to consider the opening of civil space. However, the military is very unforgiving of insubordination, and this prevents many from acting. But a possible fracture by reform-minded elements in the military is one of the long-standing hopes for the emergence of civil space in Burma, as they would conceivably permit the emergence of alternative sources of authority to garner support.

Another possibility is the evolution of autonomous networks and civil space outside the government through the support of international non-governmental organizations [INGOs]. However, the involvement of INGOs in Burma is a very contentious issue. Even Aung San Suu Kyi has expressed doubts about their effectiveness as often government interference limits their range of action. INGOs in Burma are constrained by the government and often pay a price for their involvement such as money or other assets. At a conference held on strengthening civil society in Burma, Burma watcher David Steinberg concluded his presentation with the observation that "the immediate future for civil society remains bleak".⁶⁷ Key to any successful development would be the growth in the government's confidence in permitting the expansion of these activities. Given that this seems unlikely in the short-term, however, political changes in the rest of ASEAN may portend greater possibilities.

In 1997, Lim Kit Siang, a leading opposition member in Malaysia, remarked that "the lesson from the failure to block (the Burmese regime's) admission into ASEAN is that ASEAN cannot be expected to be forced to promote democratization in Burma until democratization itself has taken deep and firm root in the majority of ASEAN nations".⁶⁸ One economic crisis and two years later, political change is stirring in ASEAN along with the growth of political space and civil society. This holds the potential for a reassessment of constructive engagement.

A few months after Lim Kit Siang made his observation about the need for a deepening of ASEAN's democratization, the emergence of popular movements in the wake of the regional economic crisis began to shake the foundations of some of the region's most intractable authoritarian regimes. The

⁶⁷ Steinberg D, "A Void in Myanmar: Civil Society in Burma", from *Strengthening Civil Society in Burma: Possibilities and Dilemmas for International NGOs*, Bangkok: Silkworm Books, 1999, pp. 1-14.

⁶⁸ Siang LK, "Drugs and the battle for democratization", in *From Consensus to Controversy: ASEAN's relationship with Burma's Slog*, Bangkok: Alternative ASEAN Network on Burma, 1997.

almost unthinkable has happened, as the more than 32-year rule of Indonesian strongman Suharto has ended. Less dramatically, given its steady evolution towards democracy, Thailand has also seen a change of government and growing support for increased transparency.

The growing contest for political space in these countries has important implications for ASEAN and Burma. The leaders of the countries undergoing change have been important to ASEAN's consensus-making process. Furthermore, Indonesia and Malaysia have been important patrons and defenders of Burma in ASEAN. Further democratization in ASEAN, particularly Indonesia, removes several of the justifying principles for ASEAN's support of Burma. Their removal provides more policy options for ASEAN beyond non-interference and support for the Burmese military government.

The outcome of political transition in Indonesia may serve as a revealing indicator for measuring the prospects of the emergence of political space in ASEAN. As the leviathan of ASEAN, Indonesia has exerted enormous influence on the consensus-making process, and under Suharto, Indonesia threw its weight behind the Burmese regime. This support was based largely on Suharto's affinity for Ne Win. The two leaders developed close relations over the past few two decades and shared a similar worldview. With Suharto gone, this link has been cut. It was hoped that President Megawati Sukarnoputri would tip the balance between the democratic and authoritarian wings in favour of the former in ASEAN.

As ASEAN's most authoritarian state prior to the admission of Burma, Indonesia may have sought to strengthen the association's bias towards authoritarianism by backing the Burmese regime. It also had a strong interest in helping the country resist external pressure, as Indonesia has often been similarly condemned by the international community for its heavy-handed tactics in suppressing dissent in East Timor, Aceh and/or Irian Jaya. Under Suharto, Indonesia's adherence to ASEAN's policy of non-interference was strictly upheld. Since his downfall, however, Indonesia has become more responsive to the possibility of foreign intervention to help it resolve its internal problems, particularly in East Timor. This shift could have important consequences for the future of Burma's relationship with the rest of the world.

The deployment of UN peacekeeping forces and Western powers' involvement in East Timor affairs has not gone unnoticed in Burma, but the regime has thus far taken no position on this development. It has, however, issued a statement making it clear that it considers this a non-ASEAN matter and therefore one that has no bearing upon its own circumstances. The statement read: "The decision of some ASEAN countries to be involved in peacekeeping operations in East Timor is not a coordinated ASEAN position and accordingly we would not like to comment on it."

This is not, however, the first time that ASEAN leaders strongly backed a UN peacekeeping presence in the region to help restore stability and the rule of law in their backyard. In the 1990s ASEAN leaders assisted the UN in helping Cambodia to prepare for elections by sending troops to Cambodian soil. As Singapore's ambassador-at-large, Tommy Koh, explained, however, it was not an easy decision for ASEAN to get involved:

"ASEAN is not comfortable with the use of force to change a legitimate political order within a state."

Once the decision had been made, however, Koh could not explain why the same approach was not taken towards Burma. "ASEAN worked relentlessly to give the Cambodian people a chance to lead a life free from . . . domestic oppression," said Koh. "Burmese people must be wondering why such generosity has not been extended to them."⁶⁹

⁶⁹ A full-scale participation in the UN-sponsored peacekeeping operation under the ASEAN banner would uplift the ASEAN spirit. However, ASEAN has been unable to reach a consensus.

Many of the major political, economic, environmental, social and public health problems faced by ASEAN's members are transnational. These ills, including smog, HIV/AIDS and drug trafficking to name a few, have gone largely unaddressed due to ASEAN's preoccupation with domestic concerns and because finding solutions to these problems involves criticism which may involve difficult political choices that could put ASEAN leaders at odds with each other. ASEAN has been reluctant to tackle issues with difficult answers.

The growing amphetamine trade is of particular concern to Thailand. So far, the Thai Government has been at an impasse over how to address the large quantity of amphetamines flowing into the country from Wa-controlled areas of Burma. Thailand's foreign policy options have been bound by ASEAN's creed of non-interference. In anticipation of the difficulties of ASEAN's engagement of Burma, Thai FM Sukhumband Parbitra wrote in a thoughtful article that there was "no precedent for ASEAN's acceptance of a new member whose internal affairs have such an impact on an existing ASEAN member."⁷⁰ Until ASEAN establishes guidelines for closer interaction amongst member nations, many complex problems will go unsolved.

The introduction of Thai Foreign Minister Surin Pitsuwan's proposal for flexible engagement cum enhanced interaction is intended to remedy this shortcoming. One justification for Surin's proposal is that ASEAN has been together for more than 30 years, and as Deputy Foreign Minister Sukhumband has elaborated, "We believe we have a right to apply flexible engagement with Burma because we are a true friend. True friends speak frankly to each other, we don't sweet talk."⁷¹ He has suggested that ASEAN members "cede some aspects of national sovereignty" so as to solve problems that affect all of ASEAN. But, as Surin admits, this will take time.

One course of action is to have ASEAN work to solve the most apolitical of these issues, such as smog. Caused by forest fires, the haze has spread to Indonesia, Singapore, Malaysia, and southern Thailand. This exercise in confidence building and success in solving this issue could embolden ASEAN to take on other more complex issues, assist the development of enhanced interaction, and create guidelines for more productive engagement of Burma.

Opposition to constructive engagement does exist among ASEAN members, although largely limited to academics, journalists, and NGO activists. But in July, the Thai House Committee on Parliamentarian Affairs recommended to the Foreign Ministry that evidence of Burma's involvement in amphetamine trafficking in Thailand be discussed at ASEAN forums. At the time of writing, nothing has come of this initiative, which reflects Thailand's interest in stopping the flow of drugs rather than support for political change in Burma.⁷²

A limitation of ASEAN is that it has lost its advantage in engaging Burma. Previously, the promise of Burma's admission was a useful tool to exact compromises from the Burmese junta. But since its admission, ASEAN no longer possesses such a policy tool. Now that Burma is a member, the regime has fewer incentives to work according to ASEAN's interests when they conflict with its own. ASEAN must work to offer other incentives and consequences.

ASEAN's policy of non-interference remains an obstacle to a tougher stance on Burma. While prospects for the emergence of political space within Burma are poor, the development of political space in ASEAN countries presents opportunities for ASEAN to alter its policy of engagement with

⁷⁰ *The Bangkok Post*, 22 May 1997, "ASEAN and the Slorc conundrum".

⁷¹ *The Bangkok Post*, 12 July 1998, "Sukhumband says comments justified".

⁷² An international conference in Bangkok October 2000 planned how to bring about a drug-free ASEAN by 2115. Delegates from 30 countries, including the 10 ASEAN states and China, endorsed a Plan of Action which includes education and a strengthening of co-operation between law enforcement agencies.

Burma. An important indicator would be the outcome of Indonesia's current political situation as well as ASEAN's progress in solving transnational problems, including drug trafficking in Thailand.

IX. Conclusions

To summarize:

1. The basis of ASEAN's decision to admit Burma was its past success and the varied interests of its members, as well as long-term concerns over China's increasing influence in Burma.
2. The surprise collapse of the Southeast Asian economies has weakened ASEAN and made it more vulnerable to Western pressure.
3. The level of oppression of the opposition and people in Burma has increased, rather than abated, since its admission to ASEAN, contrary to ASEAN's wishful thinking.
4. ASEAN initiatives to modify the regime's behaviour have gone unheeded, revealing a major flaw in the ASEAN approach – namely, its inability to deal with an obstinate member.
5. Thailand has been a leading advocate of a modification of constructive engagement policy to deal with Burma, but the domestic turmoil among ASEAN members has taken precedence over solving the Burmese problem.
6. The political changes, election and upheaval in Indonesia look to be a useful indicator of how ASEAN's relationship with Burma may evolve. In particular, ASEAN members' approval of UN peacekeeping forces in East Timor is significant.
7. There is a strong realization amongst the Burmese opposition in exile that critical actors and policy-makers within ASEAN should be approached.

Burma's admission into ASEAN seriously upset the delicate balance between authoritarianism and more liberal forms of government in the association, and sent a signal to the world that it was moving backwards, not forwards. This miscalculation had disastrous consequences for the "miracle economies" of Southeast Asia, as it may have undermined international investors' confidence in the judgment of the region's leaders at a time when criticism of corruption and cronyism was becoming widespread.

Perhaps it is too late for ASEAN to admit that it made a mistake in allowing Burma to join its fold. But this awkward marriage of self-interest has revealed that the solidarity of 10 ASEAN members standing hand in hand has become just a stage show. Just before Burma was admitted ASEAN leaders defended their decision saying that "In Asia when one marries one expects the bride to behave." But the bride still refuses to behave. This marriage has had the rockiest of honeymoons, but now that it is time to live together, ASEAN has a moral obligation to assist Burma in working out her problems.

2. Bangladesh–Burma relations

Kaiser Morshed

I. Bangladesh's policy towards Burma/Myanmar in historical context

Present-day Bangladesh and Burma have interacted over the centuries and there were well-established trade routes and free movement of peoples before the British era. The current phase of relations began when, as a result of the first Anglo-Burmese War (1824–1826), Arakan became the first territory of the old Burmese Kingdom to come under British rule.⁷³ This laid the foundation for the close economic and social interaction between the old Chittagong Division of Bengal in British India (now in Bangladesh) and the Arakan region of Burma, which strongly conditions the dynamics of Bangladesh-Burma relations to this very day.

The relations between the old British India and Burma after the British conquest were dominated by the Burmese perception that the influx of Indians that followed the conquest was that of a predatory alien population that supported British rule and profited hugely from it. It has been rightly said that Burmese nationalism was as much against British imperialism as against the Indian traders, labour and clerical staff that came with the British.⁷⁴

Arakan was called “Dhenabarti” meaning Paddy Producer. Akyab, now Sittwe the capital of Arakan, was the centre of the rice trade. As rice emerged as the major export crop of Burma under the British, the traditional preference of the Bangali people for Burmese par-boiled rice became a major feature of their social and economic life. People from Chittagong Division would cross over to Burma to labour in the sowing and harvesting seasons and were compensated with a share of the crop. These patterns persisted well after 1937 when Burma was sliced off from British India. In sum, the British created conditions for close almost symbiotic economic links between these two territories and, indeed, between British Bengal and Burma.⁷⁵

In addition to economic links there were geographical, religious and cultural affinities between the Muslim population of Arakan (Rohingyas) and the majority Muslim population of Chittagong Division. The coastal plain of Arakan is marked off from the rest of Burma by the mountain range of the Arakan Yoma. The aristocratic Muslim families of Akyab (now Sittwe) became markedly anglicized and had a pronounced Western orientation. It is known that a delegation of Arakan Muslims traveled to Karachi on the eve of Partition (1947) to wait on Mohammed Ali Jinnah, the founder of Pakistan, to indicate their preference to join the new State. According to a noted Pakistan scholar, Syed Rizvi, Jinnah advised the Arakan Delegation that their people's destiny lay with Burma. Burma

⁷³ According to Rakhine Solidarity Organization (RSO), Arakan was an independent Muslim Kingdom for 300 years up to about 1785, when it was conquered by the Burmese King.

⁷⁴ The most prominent and visible of the trading and merchant class from India were from Western India (Gujarat, Maharashtra and even UP and Bihar) and not from what is today Bangladesh. The to-and-fro movement of peasants from Bangladesh to Arakan was not seen as exploitative but part of normal seasonal migration.

⁷⁵ Some scholars believe that the disruption of the sea-borne rice trade from Rangoon to Calcutta by Japanese submarines was a major contributing factor of the Great Bengal Famine of 1943, which resulted in perhaps two million deaths. The Famine remains a defining moment in the History of Modern Bangladesh.

was to become independent less than a year later in 1948. Some groups in Arakan are reported to have discussed the establishment of an independent Muslim frontier State in the Arakan.

In the first days of independence, the relations between the newly independent Republic of Burma and the new Dominion of Pakistan were friendly and marked by mutual respect. Jinnah appointed a prominent Bengali politician Mohamed Ali Bogra (to become Prime Minister of Pakistan – twice) as Pakistan's first ambassador to Burma. Pakistan, like India, complied with Burma's request to postpone recognition of the People's Republic of China so that Burma could be the first Asian country to recognize the PRC. This was in January 1950. However, the leaders of the Pakistan Movement did not share the leftist ideological leanings of the Indian National Congress and the founders of Burma. Indeed the Pakistan Movement was practically without any socialist idealism and considered the Labour Government of Clement Attlee overly favourable to the Indian National Congress. This was seen in the field of foreign policy as well. Although Pakistan was very active in the Bandung Conference (1955) and succeeded in establishing a good relationship with Chou en lai at Bandung, its support for military alliance with the USA cut it off from the Non-Aligned Movement.⁷⁶

But developments in Burma immediately before and after Burmese independence carried the seeds of the future discord. Towards the end of the World War II and the withdrawal of the Japanese from Burma, Arakanese sources claim that a massacre of unprecedented scale occurred in which thousands of Arakanese Muslims were killed and many thousands were uprooted and made homeless. In the Panglong Conference of 1947, convened by U Aung San the undisputed leader of the Independence movement to discuss the constitutional future, only the representatives of the Buddhist community of Arakan were invited. The Arakanese Muslims were sensitive to what they saw as their exclusion from the Panglong Agreement of 1947 where the role of frontier minorities in Burma was recognized. This Agreement set the stage for the Burmese Constitution of 1947; it continues to be an important reference point in Burmese constitutional history and continues to inspire the search for new constitutional arrangement. The legal status of many Arakanese was suspect in the eyes of the emerging Burmese leadership and from early on there were census activities designed, it is claimed, to exclude the Rohingyas from Burmese nationality.

In the late 1950s, a disturbing development occurred that was to haunt relations between Bangladesh and Pakistan and may have some lingering effect on Bangladesh–Burma relations. This was the so-called Mujahid Movement. The movement was associated with the name of Kassem Raja, a Chittagong notable who had played an active role in the British military campaign against Japan in Burma. As British forces withdrew on the eve of Partition, they left surplus arms, ammunition and military stores with Kassem Raja. Kassem Raja tried to foment separatist tendencies among the Arakan Muslims. This led to minor skirmishes and frequent movements across the border between East Pakistan (now Bangladesh) and Burma. At one point Burmese naval ships bombarded Maungdaw. It is widely believed, and especially by the Burmese leadership of that time, that the Pakistan Government had secretly supported the movement through the district authorities in Chittagong and the Pakistan Consulate in Akyab (Sittwe). The incident was to cast a shadow on bilateral relations for many years to come although the Pakistan Government took concrete steps to disown the Movement and eventually jailed Kassem Raja. The incident fed the innate xenophobia and

⁷⁶ Thakin Nu and Nehru, on the other hand are acknowledged as the founders of Non-Alignment. Thakin Nu together with Nehru and Chou en lai was one of the original proponents of the famous Panchashila or the five principles of peaceful co-existence which profoundly influenced the Non-Aligned Movement.

isolationist tendencies of the Burmese side and served to deepen suspicion between the Burmese and the Arakan Muslims.⁷⁷

After General (later Field Marshal) Ayub Khan came to power as Chief Martial Law Administrator of Pakistan (1958) and General Ne Win came to power in Burma (1962) relations between the two countries gradually improved. Ayub Khan paid a notably successful State Visit to Burma (1965) and initiated a process that culminated in the Agreements on the Border in the Naaf River (1966). This represented a major and enduring breakthrough in settling a section of the boundary notoriously hard to police. There appeared to be a natural chemistry between the two leaders.⁷⁸

When Bangladesh gained independence in December 1971, the Burmese attitude to the new State was formal and correct. Burma accorded recognition of Bangladesh on 13 January 1972 ahead of the West European Powers. In the weeks preceding the independence Burma had allowed Pakistan military and civilian personnel to fly to Kunming (China) via Rangoon. It also allowed Pakistan to fly out civil and military aircraft to Rangoon to avoid their falling into the hands of Indian and Bangladesh forces. In Bangladesh, Burmese permission to Pakistan to take out these aircraft etc was seen as depriving the fledgling State of its rightful share of the national assets of the former Federation of Pakistan. Remnants of the Pakistan Army continued to fight against the newly installed Government of Bangladesh along side tribals in the Chittagong Hill Tracts using the densely jungled Burma–Bangladesh border as cover and sanctuary. This low intensity fighting continued for well over two years. It appears improbable in hindsight that the Pakistan and tribal forces could have continued to fight for so long without Burma’s tacit tolerance of their use of its territory.

Nevertheless state-to-state relations between Bangladesh and Burma improved significantly in the years 1973 and 1974. Bangladesh had made a significant gesture by naming its most senior diplomat K.M. Kaiser as its first Ambassador to Burma. K.M. Kaiser was widely known as having close links with the leadership of China (including Mao and Chou en Lai) where he had served as Pakistan’s Ambassador till he joined the infant Bangladesh Foreign Service. By the end of 1973, K.M. Kaiser was able to make a breakthrough in negotiating the maritime boundary between the two countries. That preliminary agreement relating to the sector Territorial Sea has not been ratified, however.

By mid-1974, relations had improved vastly and Ne Win paid his first state visit to Bangladesh. He showed keen interest in developing an equation with the Father of Bangla Nation Bangabandhu Sheikh Mujibur Rahman. This visit was a success and relations with Burma turned promising. The visit of Ne Win in 1974 was thus important as he, for the first time, established rapport with the civilian political leadership of Bangladesh.

However, relations with Burma appeared to become somewhat complex and disturbed when President Ziaur Rahman came to power in 1976. An extraordinary “incident” occurred which was in some sense symptomatic. In October of 1977, General Ne Win informed General Ziaur Rahman, then on a visit to Burma, that a plot had been uncovered to assassinate the two leaders during a scheduled performance in Akyab. The Burmese Intelligence openly implicated the Military Attache in the Bangladesh Embassy in Rangoon in the plot together with Muslim malcontents in the Arakan. The “incident” coincided with a period of great unrest and uncertainty in Bangladesh, with attempted coups and

⁷⁷ It is significant that Abdus Samad Azad an MP of the Awami league of Bangladesh, and now Foreign Minister of Bangladesh, claimed in a parliamentary debate that Pakistan’s policy aimed at the creation of an independent Muslim State Arakan (Parliamentary Debates, July 1992).

⁷⁸ Ne Win chose to visit Pakistan in January 1969 when fierce agitation and movement against Ayub Khan had already started in both East and West Pakistan. Ne Win gave the embattled Pakistan President, who was to be ousted some weeks later, advice on how to deal with the agitation especially by students. He said that when students of Rangoon University were agitating, he had ordered tanks to surround the University Hall and shell the Hall killing more than 400 students. Ne Win told Ayub Khan that he had no further trouble with the students.

mutinies in the Bangladesh Armed Forces. It is widely believed at the time the Military Attache was associated with a group of Army officers opposed to President Ziaur Rahman.

By 1978, the first trickle of Muslim refugees from Arakan entered Bangladesh and very soon the trickle became a flood of 300,000 displaced persons. This exodus was triggered by a census organized by the Burmese Army code named Operation NAGAMIN (Dragon). There were many reliable reports of murder, rape, harassment and desecration of their places of worship, by Burmese Army personnel against the Muslim population of Arakan. The Burmese authorities laid the blame for these unfortunate events on Bangali mobs etc.

Bangladesh was faced with its most serious refugee crisis since the cataclysmic refugee movements associated with its emergence into independence. President Zia launched a campaign to mobilize support for Bangladesh efforts to repatriate these persons, both in the UN and among the Muslim Countries through the Organization of the Islamic Conference. Although the Office of the United Nations High Commissioner for Refugees (UNHCR) played an important role in the successful repatriation of the Arakanese it was the moral and material support from the Islamic countries, notably Libya and Saudi Arabia, that proved decisive. These countries had only recently recognized Bangladesh, but their involvement had two effects. First the refugees themselves, not to speak of the local people of Chittagong, with their well-known Islamic fervour, were encouraged to return to their homes in Arakan. Secondly, the Burmese leadership probably saw the potential folly of inviting a second Mujahid Movement, backed this time by the likes of Libya. At that time Libya was actively supporting the Moro National Movement in the Philippines and looking around for other Islamic causes. However that may be, the crisis was successfully resolved. The agreement for the complete repatriation of the refugees of 6 June 1978 now counts – and justly – as one of Bangladesh's few outright and unalloyed diplomatic successes. As a kind of sequel to that success, the Arab countries focused some of their development efforts in the area of the Bangladesh/Burma border.

President Zia Ur Rahman was assassinated in May 1981. After a relatively short civilian interregnum General Ershad came to power in Bangladesh in March 1982. He set about to bring a semblance of order and discipline in the Bangladesh Army. Bangladesh/Burma relations gradually assumed a more even tenor and the alarms that marked the relations in the Zia period became a thing of the past. By November 1985, the foreign minister was able to pay an official Visit to Burma with the principal aim of resuming the negotiations on the delimitation of the maritime boundary which had last been held in 1979.

The talks on the delimitations of the sea boundary were initiated by a written proposal presented by the Burmese Foreign Minister to his Bangladesh counterpart. However, there was no substantive progress. The two sides agreed to two further rounds of talks at the technical level of Dhaka and Rangoon in the new year. These two rounds of talks produced no agreement. About that time, Burma successfully concluded difficult negotiations with India on the maritime boundary in the vicinity of the Andaman Island and the Coco Islands.

Ershad's contributions to the normalization of Bangladesh–Burma relations culminated in the Presidential Visit to Burma in 1988. This visit did not produce any breakthrough on the stalemated sea boundary talks or any commercial breakthroughs. But Ershad was successful in stimulating interest among Bangladesh businessmen to explore opportunities in Burma.

II. The present phase of Bangladesh–Burma relations

The widespread repression and the killing of civilian protesters that marked the coup d'état of 18 September 1988 evoked a sympathetic response for the protesters among the democratic forces in Bangladesh. But the focus of the major political parties was on the general elections stage-managed by Ershad in November of that year. When the Elections of May 1990 organized by SLORC were cancelled and the leader of the NLD Aung San Suu Kyi was arrested and widespread repression followed, there was a keen sympathetic reaction for the democratic struggle in Burma especially in the Awami League. There are many similarities between the lives and struggles of Aung San Suu Kyi and Sheikh Hasina the leader of the Awami League.

Two factors, however, muted the response in the broader political scene in Bangladesh. The first was that the major political formations did not enjoy historic associations with the leaders of the independence of Burma U Aung San and Thakin Nu (such as enjoyed by the Indian National Congress in India). Secondly, the major political parties were then engaged in the gathering civil movement to overthrow Ershad. The circumstances of Bangladesh precluded the kind of sharp and bitter reaction that came from India both before and after the crackdown of 18 September 1988. Democracy is still a sensitive plant of recent growth in Bangladesh. And it is only slowly that the legacy of prolonged military and authoritarian rule is being sloughed off.

Refugee problem

By March–April 1991, the second major influx of Rohingya refugees started in a trickle. The timing is of some interest. The Bangladesh Nationalist Party (BNP) headed by Khaleda Zia, widow of General Zia, had been elected with a reasonable majority in the first free and fair election in Bangladesh history held under a neutral non-partisan caretaker government headed by the Chief Justice. The refugees kept coming in. In late November 1991, the Foreign Minister of Bangladesh, Mustarizur Rahman, visited Burma and secured assurances from his Burmese counterpart that Burma would take back these Muslim refugees. Bangladesh undertook to provide a list of the refugees as asked by the Burmese side. Burma also expressed keen interest in developing economic and trade links with Bangladesh. In late December of 1991 an incident occurred on the Bangladesh Burma border in which Burmese troops overran a Border outpost on the Bangladesh side and at least one Bangladesh serviceman was killed. This incident became significant in the light of what followed. Bangladesh protested strongly. The Burmese side stated at first that no such incident had taken place. What had happened had been on the Burmese side well inside Burmese territory where Burmese troops had moved against CP13 rebels and the ARIF (Arakan Rohingya Independence Front). Later they said that the incident occurred without the knowledge of the Burmese Government. They assured that Burma had no designs on Bangladesh territory and reaffirmed their commitment to the five principles of peaceful coexistence. The Burmese Charge d'Affaires in Dhaka acknowledged that Burma had strengthened its security forces on four frontiers including the Bangladesh–Burma border. On Bangladesh insistence, the two sides held a number of flag meetings of local commanders designed to avoid future incidents and to preserve the peace.

The flow of Rohingyas continued into Bangladesh. There were reports of military activity reminiscent of 1978. By July 1992, their numbers had swelled to 250,877. The exact circumstances of the crackdown are not clear, at least, on the Bangladesh side. But some reports suggest that the Arakanese were suspected to be favourable to the cause of Aung San Suu Kyi. Indeed, the SLORC's cruel and inhuman treatment of the Muslims generally aroused concern in Indonesia, Malaysia and Brunei.

In contrast to the events in 1978, the process of repatriation was slow and intermittent this time round. It took over three years to repatriate 215,000. There were frequent breaks in the official process of

bilateral talks to deal with the situation. In one instance agreed talks were delayed for over eight months. By 1999 over 20,000 refugees remained to be repatriated. The slow tempo of the return of the Rohingyas created severe economic and social problems for Bangladesh. The makeshift camps assembled to house and shelter the refugees became centres of drug-smuggling and violent anti-social activities. The attitude of the LTNECR, which played and continues to play a key role in the whole process of repatriation was on the whole unhelpful. It seemed, at times, that the LTNHCR was less than committed to the principle of repatriation. LTNHCR's presence in Sittwe and Rangoon became significant. It often seemed that Bangladesh was held to higher human rights standards than was the Myanmar Army.

In contrast to 1978, the Arab and Islamic countries were much more reticent in regard to the influx of Rohingyas in the 1990s. The absence of Libya and Iraq in the picture, both effectively neutralized by sanctions, may explain the apparent lack of more positive response from countries such as Saudi Arabia.

The attitude of the local Bangladesh population of the areas in which the camps are situated was less welcoming than in 1978. The pressure on land and resources created by a burgeoning population cast the Rohingyas in an unfavourable light – as competing for scarce employment opportunities, housing and even food resources.

Two other factors that differentiated the exodus of 1992 from that of 1978 deserve mention. First the size of the Burmese Armed Forces was growing rapidly under SLORC and this was reflected in heightened military presence on the Bangladesh–Burma border. Second the international community's interest in and concern with human rights had greatly increased since 1978. Thus Bangladesh had to sign an elaborate Memorandum of Understanding with the UN High Commissioner for Refugees Sadako Ogata in May 1992 on the modalities of voluntary repatriation.

The debate in the Bangladesh Parliament on the Agreement brokered by the Representative of the UN Secretary General Eliasson (around May 1992) indicated the situation was causing tension between the parties. The Parliamentary debate showed up some of the underlying features of the refugee crisis and Burma–Bangladesh relations. In the first place there was a general recognition that Bangladesh, an over-populated country with densities among the highest in the world, could not continue to receive refugees from Burma. Secondly, there was a common perception across the political spectrum, that the refugees themselves were right-leaning with pronounced Islamic inclinations. Thirdly, there was a disinclination to “take on” the military regime in Burma, given the obsessive concerns of all political parties with Bangladesh's larger neighbour, India. In the case of the BNP Government of Khaleda Zia, widow of President Zia, Burma's close links with China may also have influenced their attitude to Burma and their silence on the fate of Suu Kyi. It is noticeable however that the Awami League although clearly sympathetic to Suu Kyi has been silent on this matter after coming into power in 1996.

It will be readily appreciated that Bangladesh's policies continue to be influenced by the policies towards Burma, of the donor community, in particular, the United States, the EU and Japan, and secondarily those of India and China.

Bangladesh is largely dependent on the donor community to alleviate the economic burden of the continuing refugee problem. The donor countries also enjoy a preponderant influence in the United Nations, in general, and the UNHCR in particular. Thus Bangladesh is acutely sensitive to the evolving policies of these countries towards Burma. From the outset, it would appear that the policies of the major players in the donor community were ambivalent. While they condemned the SLORC and applied tremendous pressures on Burma at the political level including economic sanctions, foreign direct investment in that country went up significantly. The UK and the USA head the investment

table with major investments in the oil and gas fields and in the tourism sector. Myanmar is now a tourist destination for the citizens of the donor countries and ASEAN. As the Burmese economy picked up and the markets were opened to consumer goods, they seemed to become more self-confident in their dealing with their neighbours including Bangladesh. In the matter of the Rohingya refugees, the ambivalence of the donor countries seemed to take on a direction that has serious implications for Bangladesh. From early this year the donor community led by Japan have been lobbying the Bangladesh Government to accept the visit of the Chairman of the SPDC. In the meanwhile the UNHCR is recommending measures to Bangladesh, which point to the permanent absorption of the 20,000 Rohingyas. Bangladesh fears that any such absorption and the sacrifice of the principle of repatriation would invite future influxes from Arakan. The absorbed refugees would become a permanent focus of anti-social activities and irredentism claims. Inviting the Chairman of SPDC would be interpreted as tacit acceptance of the remaining refugees.

Implications for Bangladesh of Burma–China relations

The relatively rapid development of relations between China and Burma has been an important achievement of the Burmese junta in the years following the events of 1988. The most important aspect of these relations is the development of military relations between the two countries. It is known that an agreement worth 1.4 billion US dollars was signed in mid-1990 for delivery of fighter aircraft and patrol boats, armoured patrol cars, field and anti-air craft artillery, small arms and ammunition. A second deal was signed in November 1994 worth US\$ 400 million and covered supply of helicopters, armoured vehicles, naval gunboats, military parachutes and small arms. These deals coincided with the rapid increase in sheer numbers of the Burmese Army and the quality of its training and weaponry.

The rapidly growing strength of the Burmese Army has important implications for Bangladesh. In the days of Mao Tse Tung, the White Flag Communists of Burma supported by China openly operated in Burma against the military-dominated government of General Ne Win. The White Flag Communists were very prominent in the region of Arakan close to the Bangladesh/Burma border. Their activities continued even in the period when Burma and China enjoyed relatively good relations. This followed from the distinction made by the Chinese Communist Party between state-to-state relations and party-to-party relations.

The growth of military relations was matched by the growth of trade with China. The main significance of these developments for Bangladesh is that they serve to deepen the anxiety of Western powers and Japan to draw Burma out of the orbit of Chinese influence. To Bangladesh observers it seems that the donor countries may bring to bear increasing pressures on Bangladesh to absorb the remaining Rohingyas as part of a general plan to win over the Burmese leadership.

Indian Ocean Rim association

As noted earlier, Indian reaction to the coup of September 1998 was overtly critical. Diplomatic relations cooled and became distant. Prime Minister Rajiv Gandhi was openly critical of SLORC. But by 1991, India became alarmed by the growing military ties between Burma and China. At about that time, India dropped its hostile Burmese language radio programmes and made attempts to establish a functional relationship with the Burmese leadership. The India Chief of General Staff paid a goodwill visit to Myanmar in May 1994. The Indian Army Chief of Staff paid a visit to Myanmar in May 1997. India also made attempts to rebuild trade and economic relations with Burma.

When the Bharatiya Janata Party (BJP) came to power in India, Indian leaders openly expressed their reservations about Burma's seemingly close relations with China. George Fernandes who was to become India's Defence Minister in the BJP-led Government in 1998 openly vented India's fears that

China had secured a Naval base in the Bay of Bengal on the Burmese island of Hainggyi, which threatened India's security. The timing of these statements was significant. They closely preceded the test explosion of the nuclear bombs by India in May 1998. George Fernandes repeatedly justified India's new nuclear weapons policy as a response to the nuclear threat from China.

Together with Australia and South Africa, India launched a new grouping of the Indian Ocean Rim Countries, which Bangladesh later joined. It is surely not fanciful to see this as another way of drawing Burma into closer association with its Indian Ocean neighbours and away from China. In short we may be seeing a convergence of Indian and donor countries' policies towards Burma.

III. Trade and economic relations

It has been noted that economic and trade relations between what is today Bangladesh and the old Burma were largely based on the rice trade. This trade began to decline when Burma was separated from British India following the Government of India Act of 1935. The sea routes for the rice shipments between Rangoon and Calcutta were disrupted during World War II. The people of Bangladesh also became accustomed to eating other types of grain as a result of the famine of 1943.

After Ne Win took over power in 1962 and introduced the "Burmese Way of Socialism" Burma lost its commanding position as the world's largest rice exporter. As late as the mid-1960s, Burma was exporting 4 million tons of rice a year. By the 1970s and 1980s rice exports had dwindled to maybe 200,000 tons, for two reasons. Agricultural production fell sharply when "socialist" practices were introduced in the countryside, and the rice trade was nationalized.

General Ne Win nationalized trade and virtually threw out the powerful business houses and traders of Indian or Pakistani origin, which had flourished under the British.⁷⁹ But what finally finished off the merchants and traders of South Asian origin was the demonetization of Burmese currency in 1967. At the time Ne Win accused the Government of India of smuggling out the jewellery and gold belonging to the Indian traders through the diplomatic channel of the Indian Embassy in Rangoon.

Among the traders and business houses of South Asian origin in Rangoon there were only one or two from Bangladesh. The most prominent was A.K. Khan of Chittagong, the pioneering industrialist. Bangladesh was spared, in large measure, the bitterness created in India by the drastic measures of Ne Win.

In the meantime Bangladesh looked to other countries such as Japan, Thailand and Indonesia for rice imports. The rice import trade was mainly in private hands in Bangladesh. This was true even under the leadership of Bangabandhu Sheikh Mujibur Rahman, who had nationalized banks and industrial units. This was a major reason that Bangladesh turned down Burmese offers to sell rice because sales from Burma would be on state-to-state basis.

Through the 1970s and 1980s the bulk of the trade between Burma and Bangladesh was the traditional informal trade through the porous borders. Bangladesh imported agricultural products including spices, pulses, rice and fish. Bangladesh exported pharmaceutical products, life-saving drugs and Bangladesh-produced cosmetics, which were popular in Burma, and small amounts of ready-made garments. For obvious reasons the volume/value of this trade cannot even be estimated.

Trade and economic relations began to pick up after the resignation of Ne Win and the abandonment of the policy of the Burmese Way to Socialism. As Burma began to open up the country to foreign

⁷⁹ The great houses of Adamjee, Ispahani, and Dawood which were prominent in tea matches and jute in Burma had already begun to migrate to Calcutta from the 1940s, then Dhaka, and eventually Karachi and points west.

investment, Bangladesh business concerns and banks began to show interest in Burma. Arab–Bangladesh Bank set up a representative office in Rangoon. Square and a leading Bangladesh pharmaceutical company set up an office in Rangoon. After the coming into power of Sheikh Hasina and the Awami League, the exchange of official visits multiplied. The present Commerce Minister of Bangladesh has twice visited Burma and the Trade Minister of Burma has visited Bangladesh at least twice. It appears that Burma is anxious to invite Bangladesh investment and cooperation in setting up a cement plant in Sittwe as well as pulp and paper mill and shrimp farms.

Bangladesh on its side has been asking Burma to improve road and water links from Maungdaw to Sittwe and from Sittwe to Rangoon. Bangladesh is also asking Burma to allow commercial air traffic to Sittwe and the use of coastal shipping. Myanmar is asking Bangladesh to use a deep-sea port which is under construction by the Chinese at Kyaukpuy, 50 miles south of Sittwe, for transshipment of containers to Chittagong.

At present there are three types of trade between Bangladesh and Burma (a) official trade, (b) border trade, and (c) informal trade. The figures for official trade and border trade are given below but no figures are available for informal trade, which probably accounts for the most substantial commercial exchanges between the two countries. In 1996, a border trade agreement was signed between the two governments. This allows businessmen to open letters of credit up to US\$ 5000 dollars per day. This modality probably encourages widespread under-invoicing and the real value of this trade therefore is probably not reflected in the available figures.

The main obstacles to the development of trade are (a) the total absence of a working banking system in Burma (b) Burmese restrictions on visas for Bangladeshi businessmen and (c) the wholly artificial exchange rate of the Kyat against the dollar, which remains unchanged at 6 Kyat while the unofficial rate is 400 Kyat to the dollar. In addition trade and business are subject to the stop–go policies of the Burmese authorities. Trade depends on access to key military personnel in Rangoon and Sittwe but policies can change overnight and there is no recourse to legal remedies or commercial arbitration.

In the mid-1980s, Burma attained the status of Least Developed Country (LDC) in the UN. Burma's entry into the ranks of Least Developed Countries brought it closer to Bangladesh in the UN and other multilateral forums. Bangladesh is the largest LDC in terms of population, and as such it has played a leadership role in various multilateral trade and economic negotiations.

In December 1997, BIMSTEC (Bangladesh India Myanmar Sri Lanka Thailand Economic Cooperation), a new regional cooperation arrangement, was established at a meeting in Bangkok. The formation of BIMSTEC followed closely on Burmese entry into ASEAN in July 1997. While the new grouping is still in its infancy it has attracted a lot of interest. Burmese diplomats and businessmen appear to have quickly adopted the language and *savoir faire* of regional cooperation. Slowly but surely Burma appears to be shedding the old cramped style, the isolationist, inward-looking socialist ways of the days of Ne Win. From the Bangladesh viewpoint the formation of this new grouping offers a valuable new platform of relations with Burma outside the cloistered framework of bilateral relations.

Closely related to the formation of BIMSTEC is the much talked about idea of a “growth triangle” involving India, Burma and Bangladesh. This idea has been supported by the Asian Development Bank and the United Nations Development Programme (UNDP). The extension of the Asian highway all the way from Pakistan through India, Bangladesh and into Burma is being canvassed. India is anxious to secure gas from Burma to supply the northeastern States of Mizoram, Tripura, Arunachal, Manipur and Assam. During his recent visit to Bangladesh the foreign minister of Burma, U Win Aung, emphasized to Bangladesh journalists that Burma was ready to supply gas to India.

It has to be noted that gas has been found at Sanghu off-shore the port of Chittagong in Bangladesh waters. Offshore exploration is going on reportedly off-shore off the Rakhine Coast on the Burmese side. However, since the maritime boundary between Burma and Bangladesh has not yet been delimited, this inhibits offshore exploration.

A unique case of Bangladesh–Myanmar cooperation at practical grass-roots level is the microcredit project replicated by the Grameen Trust in the Delta Zone of Burma. The Grameen Trust is an affiliate of the world famous Grameen Bank headed by Dr Mohammed Yunus, who pioneered a banking system of collateral-free loans to poor families. The Grameen replication project in Burma has been an outstanding success, bringing together 13,000 families within its loan network with an excellent record of recovery. It is estimated that the success of the project owes much to the matriarchal pattern of Burmese society, since Grameen Bank itself is heavily oriented to women. The next phase of the project may run into problems because of the Burmese legal system which apparently does not favour ownership by NGOs and private firms. The project which is sponsored by UNDP is run by six Bangladesh staff members of Grameen.

IV. Conclusions

For Bangladesh, its relations with Burma have been dominated by a refugee crises provoked by the actions of the Burmese Army under the military governments of Ne Win and SLORC/SPDC. These crises generated unbearable economic, political and social pressures within Bangladesh thus limiting its room for creative initiatives. These crises also significantly increased Bangladesh dependence on foreign assistance to relieve the burden of the continued presence of the refugees. In the latest crisis, this dependence has led leading donor countries to openly seek to influence Bangladesh bilateral policies towards Burma.

On the other hand, it is submitted, that Burma's general standing in Southeast Asia and in South Asia has greatly improved since 1997, increasing its bargaining power vis-à-vis Bangladesh. Burma's improved economic position, its greatly expanded armed forces, its relative success in neutralizing the major insurgencies within the country, its close links with China, its admission into ASEAN, have all contributed to Myanmar's new strength and greater negotiating power. The ruling SPDC is in a position to dangle the promise of trade access to the rich resources of their country before the eager Bangladesh business community. Moreover, the occupation of the Burmese Embassy in Bangkok and the holding of hostages was expected to harden public opinion against the so-called "terrorist" activities of the student supporters of Aung San Suu Kyi. Against this background, a potential liberal coalition in Bangladesh will find it hard to mobilize opinion in support of Aung San Suu Kyi. It is true that the restoration of democracy in Burma would greatly improve the lot of the Rohingyas in Arakan and eventually contribute to a durable settlement of the refugee crisis. It is also true that the present Awami League Government in Bangladesh is, at least in ideological terms, favourable to the cause of Aung San Suu Kyi. But the greatly strengthened Burmese military presence on the border and the traditional reluctance of Dhaka to be seen to interfere in the internal affairs of a neighbouring country will act as formidable barriers to any liberal initiative. It is submitted that the key to any meaningful Bangladesh contribution to create political space in Burma would be unambiguous international support for the early solution of the refugee problem and the early return of the Rohingyas to Burma.

The remaining 20,000 persons acknowledged as seeking repatriation to Burma still remain on Bangladesh soil. The Bangladesh press continues to carry reports that despite the repatriation operations more Rohingyas have arrived in Bangladesh and a figure of 125,000 has been mentioned. On the other hand, unofficial trade seems to have picked up. Farm and garden produce, as well as fish

including the prized hilsa are reported to be coming in increasing quantities from Burma. As pressure from the US Government mounts on Bangladesh to allow US oil majors to export natural gas from fields in Bangladesh to India, export of gas from Burma *through* Bangladesh to India is being speculated upon. While the US Government has been urging Bangladesh to establish a new container port off Chittagong, reports are emerging that Myanmar too is investing in creating such facilities on the Rakhine coast. The indications point to a growing international interest in Bangladesh–Burma economic relations chiefly in the area of energy and infrastructure. In sum, Bangladesh–Burma economic relations are emerging slowly but surely from the quiescence that characterized the last several decades.

3. China–Burma relations

David Arnott

I. Historical preface

From 1949, Chinese Communist Party (CCP) support for the Communist Party of Burma (CPB) prompted Burma to be the first non-Communist country to recognise the People's Republic of China (PRC) – on 17 December 1949.⁸⁰ Until the Cultural Revolution, the relationship remained nervously friendly, with Burma attempting to maintain a neutralist foreign policy, and overtly hostile from 1967 when anti-Chinese riots occurred in Burma, a hostility which continued throughout the peak period of the Cultural Revolution. During this time China, pursuing a foreign policy inspired by Maoist ideology rather than national interest, upgraded its military and logistical support for the CPB which had been one of the major irritants between China and Burma. Relations eased in the 1970s, particularly after the reduction in support for the CPB that followed the accession to power of Deng Xiaoping. Relations between Burma and China warmed considerably from 1988, with an agreement to legalize (already substantial) border trade signed by the Vice-Governor of Yunnan on 5 August, subsequent arms deals and the collapse of the CPB in 1989.

The massacres conducted by the Burmese Armed Forces (the *Tatmadaw*) in 1988 led to the suspension of international aid and development assistance to Burma, with the result that in early 1989, foreign currency reserves were reported to be down to US\$ 9 million. At this point the new incarnation of military rule, the State Law and Order Restoration Council (SLORC) decided to modify the previous policies of isolation and oblique neutrality⁸¹ and "turn to foreign sources to obtain the means of enforcing law and order and to compensate its major constituency, the *Tatmadaw*"⁸² The decisions in question were:

1. *To seek substantial arms imports from China in order to secure military rule by strengthening the Tatmadaw and further militarising the state.* This also involved a large-scale recruitment drive, significant adjustment of the command structure of the armed forces and the reorganization and extension of military control in districts, townships and villages. The target was a force of 500,000 to allow a permanent military presence in most parts of the country.
2. *To pay for this undertaking by opening the country to international investment.* The neighbours came for fish and teak; oil companies paid for exploration rights and SLORC sold off part of Burma's Tokyo embassy. The quick money from these sales saved the virtually bankrupt regime from its immediate financial problems, but there was no major investment except, a few years

⁸⁰ Liang, Chi-shad, "Burma's relations with the People's Republic of China: from Delicate Friendship to Genuine Cooperation", included in Peter Carey (ed.) *Burma: The Challenge of Change in a Divided Society*, Macmillan Press, London, St Martin's Press Inc., NY, 1997. I would go somewhat further than Liang in identifying fear of the northern neighbour as an important factor in the relationship.

⁸¹ See the discussion of neutrality in the section on strategic relations.

⁸² Seekins D, "Playing With Fire: Regime Survival and Burma-China Relations", *Asian Survey*, June 1997.

later, in hotel building and the offshore oil and gas sector. Here, discoveries by European and US companies of large offshore deposits of gas, which Thailand contracted to buy, promise substantial long-term revenues. However, the proposed pipeline to bring the gas to Thailand crossed Karen and Mon territory, where insurgencies still continued, thus increasing the pressure on SLORC to end the civil war by one means or another. The lack of enthusiasm on the part of investors was due in part to (1) the low level of physical infrastructure (transport was slow and hazardous, there were, and still are, frequent “brown-outs” and power cuts even in the main cities); (2) the continuation of the civil war; and (3) , most important, SLORC's refusal or inability to liberalize more than the fringes of the economy, which remained *dirigiste*, with the principal sectors remaining firmly in military hands.⁸³

These linked projects to strengthen military rule and attract investment proved incompatible. Not surprisingly, it was the former which prevailed. The fish and teak were on the way to exhaustion: “Visit Myanmar 96 Year”⁸⁴ fell flat: no substantial investment was in sight and the gas revenues were not due to come on stream until 2001. The economy was once more in crisis.⁸⁵ The bulk of the army was hardly paid, and to a large extent, lived off the land, further alienating the civilian population.

II. Strategic relations

Introduction

Many if not most contemporary analysts of the military relations between China and Burma have tended to focus on the strategic implications for the Indian Ocean and the region as a whole,⁸⁶ discussing whether or not China has built military facilities in Burma and if so, whether the People's Liberation Army (PLA) and/or the Chinese Navy (PLAN) have the use of them. They also ask to what degree Burma is a *de facto* ally, client state or satellite of China. These are important questions, and they are touched on briefly below. This paper, however, concentrates on the *domestic* strategic impact of the arms deals, namely the ways in which they helped the SLORC expand the military and consolidate and extend its power within the country, and the consequences of this expansion. Another important question which is not pursued here is China's own intentions. Is China a threat to the region, a potential hegemon busy establishing an economic power base on which to build an invincible military force?⁸⁷ Or is she a large yet insecure country with painful memories of various colonial predators, fearfully aware of the immense technological superiority of the United States military, but

⁸³ Arnott D, *Once the Ricebowl of Asia: the military destruction of Burma's economy*, <http://www.ibiblio.org/obl/docs/ricebowl98.htm> first published in French as “La destruction de l'économie par les militaires” in *Relations Internationales & Stratégiques*, Automne 1997 (Arnott, *Ricebowl*).

⁸⁴ An attempt to attract 500,000 tourists in the 1996/97 tourist season.

⁸⁵ See the World Bank report, *Myanmar: An Economic and Social Assessment*, August 1999, and Thomas Crampton's article on the (leaked) report in *International Herald Tribune (IHT)*, 15 November 1999.

⁸⁶ Seekins *op.cit.*; Ashton A, “Burma receives advances from its silent suitors in Singapore”, *Jane's Intelligence Review (JIR)*, 1 March 1998; Ashton W, “Burma's Armed Forces – preparing for the 21st century”, *JIR* 1 November 1998; Lintner B, *Burma in Revolt: Opium and Insurgency Since 1948*, Westview Press, Boulder, San Francisco, Oxford; White Lotus, Bangkok, 1994; Selth A, *Transforming the Tatmadaw*, Australian National University, 1996; Malik Mohan, “Burma's Role in Regional Security” in Robert I Rotberg (ed.), *Burma: Prospects for a Democratic Future*, Washington DC, World Peace Foundation and Harvard Institute for International Development, Cambridge MA, 1998; Trager, *op.cit.*; Pettman R, *China in Burma's Foreign Policy*, Contemporary China Papers No. 7, Australian National University, Canberra 1973; Liang, 1990, *op.cit.*

⁸⁷ Munro RH and Bernstein R, *The coming conflict with China*, Alfred A. Knopf, New York, 1997.

intent on international and regional cooperation?⁸⁸ Then there is the question of China's economy, and whether the Middle Kingdom will ever be anything more than a middle power.⁸⁹

External strategic factors

From independence until 1989, Burma attempted to maintain a public stance of neutrality (while in fact drifting into an "oblique neutrality" – leaning towards China) in order to avoid being drawn into the cold war or the tensions between China and India.⁹⁰ The regime's need for external support for its survival⁹¹ led the State Law and Order Restoration Council or SLORC into an arms deal with China in November 1989⁹² which over the next five years delivered up to US\$ 2 billion worth of arms and ammunition, and the services of Chinese trainers.⁹³ There were also persistent reports of Chinese-built military (including Signals Intelligence) installations in strategic locations on the Indian Ocean, at the entry to the Malacca Straits and just north of the Andaman Islands (where the Indian Navy exercises).⁹⁴ Both China and Burma have denied these reports.

Within Burma, the closer association with China implied by SLORC's massive arms acquisitions and the increased Chinese presence and investment in Northern Burma was and still is opposed by many Burmese civilians, as well as groups within the armed forces who have spent much of their career fighting Chinese-backed troops.

These arms deals and reports – added to increased Burma-China trade and Chinese road and bridge-building in Burma – have led a number of analysts (particularly those who see China as an expansionist threat to the region and, ultimately, the world) to describe Burma's relationship with China as that of a de-facto ally, a satellite or a client state, and therefore a threat to the regional strategic balance.⁹⁵

Be that as it may, the *fears* of such a threat have led to ASEAN and India seeking to counter China's influence by engaging Burma and drawing her into regional organizations and trade groupings. Burma's 1997 accession to ASEAN⁹⁶ was one such consequence, as was the high level of investment and military assistance from Singapore. After the United States, India is now Burma's largest export market; the invitation to Burma to join BIMSTEC (Bangladesh–India–Myanmar–Sri Lanka–Thailand Economic Cooperation) is in part intended to prevent Burma falling further into the Chinese sphere of influence and thus threatening Burma's (geographical) bridge function between ASEAN and India.⁹⁷

⁸⁸ Both sides of military aspects of the China debate are well presented in Roy, D, "The People's Republic of China", in *Asia-Pacific in the New World Order*. Apparent Chinese endorsement of multilateralism is dealt with in Johnston AI, "International structures and foreign policy", in *China and the World*, op. cit., p. 164.

⁸⁹ Segal G, "China changes shape: regionalism and foreign policy", *Adelphi Paper*, No.298, London: International Institute for Strategic Studies.

⁹⁰ See Liang, in Carey *op.cit.*

⁹¹ Seekins, *op.cit.*

⁹² Selth, *op. cit.*; Lintner *op.cit.*; Smith, Martin, *Burma: Insurgency and the Politics of Ethnicity*, Zed Books, London and NY, White Lotus, Bangkok, The University Press, Dhaka 1999 (1st published 1991).

⁹³ "Slorc troops taught to fly Chinese fighter planes", Shan Human Rights Foundation, Supplement, March 1997; Lintner *op.cit.*; Selth, *op.cit.*

⁹⁴ Lintner *op. cit.*; Malik *op. cit.*. For a more sceptical examination of the allegations, see Ashton W, "Chinese Bases in Burma – Fact or Fiction?" *JIR*, 1 February 1995.

⁹⁵ See Lintner and Malik *op. cit.*

⁹⁶ It is interesting to note that China supported Burma's accession to ASEAN. One interpretation is that China wants friends in ASEAN, and along with Laos and Cambodia, Burma is a friend. Another view is that China, disturbed and damaged by Burma's economic instability, hoped that membership of ASEAN would help Burma's economy and thus help China's. These views are by no means in contradiction.

⁹⁷ Though it is also interesting to note China's desire to have Burma as a bridge to South Asia. This will presumably benefit the trade and development prospects of Yunnan and neighbouring provinces, but could also have strategic implications. The various meetings, such as the one which launched the Kunming Initiative intended to open transport corridors between China and South Asia, and which have been attended by India and

Set against these fears, the abrupt decline of China–Burma trade between 1988/89 and 1997/98⁹⁸ and the diversification of Burma's arms supplies⁹⁹ and development of a domestic arms industry¹⁰⁰ may be seen as a reduction of Burma's dependence on her northern neighbour.

Domestic strategic impact of the Chinese arms deals

For Burma, the most significant results of the arms deals with China were the reorganization and expansion of the Burmese armed forces (the *Tatmadaw*) enabled by the Chinese arms and training, and the increased military control the SLORC was able to extend into the country.

Following the popular uprisings of 1988, the military high command judged that it did not have the capacity to guarantee control of the cities and at the same time continue its containment of the ethnic insurgencies. *Tatmadaw* modernization and expansion preserved the regime by enhancing the army's capacity to control the cities and, in the civil war, to move from a strategy of seasonal combat to one of year-round occupation.¹⁰¹

In 1988 the *Tatmadaw* numbered 186,000. In early October of that year, arms supplies began to arrive from Singapore, and subsequently from Pakistan.¹⁰² Following a visit to China by Burmese defence officials in 1989, an arms deal of \$1.4 billion was signed in mid-1990, and one for \$400 million in 1994. The arms thus purchased allowed a major expansion of the armed forces, whose strength is currently estimated to be 400,000, with the stated goal of being a well-equipped force of 500,000.

SLORC's intention to establish military control throughout the country, and thus be able to dispense with the need to rule by consent, is indicated in these extracts from Andrew Selth's 1996 book, "Transforming the *Tatmadaw*":

[T]he rapid expansion and modernisation of the armed forces after 1988 seems to have been based primarily on the fear that it might lose its monopoly of political power. The *Tatmadaw*'s recruitment campaign and arms procurement programme seem aimed above all else at preventing, or if necessary, quelling, renewed civil unrest in the population centres. Efforts to defeat ethnic insurgent groups in the countryside have also been part of the regime's continuing determination to impose its own peculiar vision of the modern Burmese state upon the entire country. Yet, by relying on armed force to guarantee the country's unity and stability, the regime has mortgaged Burma's vast and diverse political economic and social resources to continued dependence on military strength.¹⁰³

Under the rubric of "non-disintegration of the Union", the SLORC has made renewed efforts to exert military control over the country, and turn it into a highly centralised, ethnically Burman-dominated¹⁰⁴ state, commanded by the armed forces or its servants. On this basis, any future distribution of power or allocation

Bangladesh as well as China and Burma may suggest that India's economic interests will prevail over her military reservations.

⁹⁸ See Table 3.1, below.

⁹⁹ See following note and Ashton W, "Burma receives advances from its silent suitors in Singapore", *JIR*, 1 March 1998.

¹⁰⁰ See preceding note and Ashton W, "Burma's Armed Forces – preparing for the 21st century", *JIR* 1 November 1998.

¹⁰¹ See Arnott D, *The Hunting of the SLORC, 1993*: http://www.ibiblio.org/obl/docs/hunting_of_the_slorc.htm. The occupation of territory in the border regions by the *Tatmadaw* is also the cause and context of most of the human rights violations in Burma. See the reports of the Karen Human Rights Group, www.khrg.org and the reports of the UN Special Rapporteur on Myanmar, <http://www.unhchr.ch/html/menu2/7/a/mmmya.htm>. Other relevant documents can be found on the Online Burma Library, www.burmalibrary.org.

¹⁰² But these early arms shipments were, as military specialist and Burma expert Andrew Selth says, "only stop-gap measures. The military regime in Rangoon was already thinking well beyond short-term infusions of small arms and ammunition." Selth, *op.cit.*

¹⁰³ Selth *op.cit.*, p. 154.

¹⁰⁴ "Burman" refers to the Burman ethnic group, which makes up half to two thirds of the population, while "Burmese" indicates citizens of the country.

of civic responsibilities to minority ethnic groups seems bound to be an essentially token gesture. Real power will continue to reside in Rangoon and be exercised through regional military commanders and pliant civilian administrators. To ensure that this system works effectively, and to guard against any upsurge of irredentism, the SLORC envisages a permanent military presence in almost every part of the country. ... the implementation of such a policy, however, demands much greater manpower and resources.¹⁰⁵

Until 1991 the *Tatmadaw*'s main military strategy against the ethnic insurgents was to conduct seasonal campaigns against their various armies, then return to barracks during the rainy season. The Chinese-supplied materiel and training have allowed the enlarged and re-organized Tatmadaw, using all-weather roads (built by Thai loggers and forced labour) to stay in the field throughout the year and hold onto captured territory. This has favoured a strategy of occupation in which the main victims have been the non-Burman civilian populations. The social and economic life of millions of people was radically dislocated by this strategy, resulting in a rate of suffering and death far greater than during the earlier period of combat. In its major offensives of 1994/95 and early 1997, the *Tatmadaw* succeeded in capturing most of the fixed bases of the Karen National Liberation Army (KNLA), which retreated from a strategy of holding territory to one of guerrilla warfare, which could continue for generations.¹⁰⁶ In the main cities, the greater number of troops available permits large forces to be deployed rapidly, and since 1988 Rangoon, at least, has been adjusted architecturally to favour the army, with footbridges over roads to accommodate snipers, and allow easy partition and containment of crowds. A more recent test of the army's capacity to control the cities was the "9/9/99" non-events, in which a major uprising was expected, with no significant action on the day except empty streets.

The cost of supplying the inflated military enabled by the Chinese arms deals was too great for the stagnant or shrinking Burmese economy. In the past the army had lived off the land to a greater or lesser degree, but this substantial sector of the illegal economy was formalized in July 1998 with the announcement that Rangoon welcomed the initiatives of the army to be self-supporting and that the supply of rations from the centre would no longer be necessary. "Living off the land" – the "self-reliance policy of the army" as the International Labour Organisation (ILO) rather coyly phrased it¹⁰⁷ – means, in practical terms, living off the backs of the village people, who are recruited as forced labourers, often on their own, confiscated land, to grow rice for the soldiers, cash crops for the officers, to build and maintain the army camps and provide money and building materials, often to two or more battalions at any one time.¹⁰⁸ Among many kinds of human rights violations, forced labour exacted by the military has been especially well-documented by human rights organizations and the International Labour Organisation (ILO), and led in June 2000 to the ILO measures which can authorize sanctions, further weakening the economy. Another result of the inability of Rangoon to supply such a large army is that the regional commands have become more and more autonomous. The formation of the State Peace and Development Council (SPDC) in 1997, incorporating the serving regional commanders as SPDC members, was an attempt by the high command to maintain authority over the regions. A second attempt was made in November 2001 with the insertion of a new level of command between the top three generals and the regional commanders.

¹⁰⁵ Selth, *op. cit.* pp132-133

¹⁰⁶ See Arnott, 1993, *The Hunting of the SLORC*. http://www.ibiblio.org/obl/docs/hunting_of_the_slorc.htm

¹⁰⁷ Report of the ILO High-Level Team, ILO Governing Body, November 2001: <http://www.ilo.org/public/english/standards/relm/gb/docs/gb282/pdf/gb-4.pdf> pg 14.

¹⁰⁸ See the reports of the Karen Human Rights Group at www.khrg.org.

III. Drugs in the China–Burma relationship ¹⁰⁹

The development of a drug economy in Shan State is one dimension of the dysfunctional relationship between Burma and China. The principal features of this interaction are the Kuomintang (KMT)/CIA role in building up opiates as a large-scale cash crop to fund the “Secret War” against the PRC in the early 1950s; the Chinese support of the CPB from which emerged the drug lords of the 1990s and beyond; the prominent role of Chinese and Burmo-Chinese such as Khun Sa in the drug business; trafficking routes through China and Chinese (largely Hong Kong and Taiwanese) investment and trafficking infrastructure. In addition, Chinese-grown ephedra is the major precursor for Burmese methamphetamine. Another Chinese contribution to the maintenance of Burma’s drug economy has been the arms supplies which, as argued above, enabled the economically incompetent Burmese military to stay in power without any substantial social or economic development or political settlement in the non-Burman areas, thus completing the conditions for the growth of the drug economy in Shan State. The Burmese military, for its part, has direct alliances with the main heroin- and methamphetamine-producing groups in Shan State, who were originally trained and armed by the Chinese. The drug economy is the most successful enterprise in Burma, and its laundered profits keep the system afloat.

Historically, large-scale production of opium and heroin in Burma is related to Chinese interventions: (1) From January 1950 KMT forces established bases inside Burma following their defeat by the Chinese communists. Subsequently the CIA attempted to use these forces to resist the advance of Chinese communism. The KMT and CIA developed opium and heroin production as a means of funding the military operations.¹¹⁰ (2) The military and other support given by China to the Communist Party of Burma, especially during and immediately after the Cultural Revolution, allowed the CPB to build up large forces and control large territories. With the reduction of Chinese assistance which followed the accession of Deng Xiaoping in 1978, the opiate business was one of the few ways the CPB could acquire the funds to continue to hold onto substantial territory and maintain the armed struggle against Rangoon.¹¹¹ In 1989 a mutiny took place within the CPB. The Burman leaders were sent packing into China, and the army broke up into its ethnic components which, through the mediation of Lo Hsing Han, a Kokang Chinese warlord (now probably the richest man in Burma), agreed cease-fire terms with Gen. Khin Nyunt, Secretary-1 of the SLORC. The terms amounted to freedom for the groups to produce and traffic opiates in exchange for a cease-fire with Rangoon and an agreement not to form alliances with the other insurgencies opposed to Rangoon. The groups which carry out the bulk of the present-day opiate business are led by former CPB cadres who acquired their original arms and training from China.

Most of the opium and heroin production is located in the Kokang region in the northeast of Burma, which has sometimes maintained a tributary relationship with a Chinese ruler, sometimes with a Burmese one. Most people living in Kokang are ethnic Chinese and speak Chinese. The Shan, Kachin, Wa, Lahu, Lisu and other groups live on both sides of the border, and cross it freely.

Most of the drug warlords in Burma were either born in China, are ethnic Chinese, or of Chinese/Burmese parentage.

¹⁰⁹ A number of books inform this section. In order of publication, these are: McCoy Alfred, *The Politics of Heroin: CIA Complicity in the Global Drug Trade*, NY, 1991; Martin Smith, *Burma: Insurgency and the Politics of Ethnicity*, op. cit.; Lintner B, *Burma in Revolt*, op.cit; Renard R, *The Burmese Connection: Illegal Drugs and the Making of the Golden Triangle*, UNRISD and UNU, London 1996; Beyrer C, *War in the Blood: Sex, Politics and AIDS in Southeast Asia*, Bangkok and NY, 1998; Fabre G, *Les Prospérités du Crime* UNESCO, Paris, 1999.

¹¹⁰ See McCoy, op. cit. and Lintner, op cit.

¹¹¹ See Lintner B, *The Rise and Fall of the Communist Party of Burma (CPB)*, NY 1990, p40; *Burma in Revolt* op.cit.; Smith, op.cit pp. 314-315.

The principal drug traders are Yunnanese, and financing is largely from Hong Kong or Taiwanese Chinese.

Most of the precursor substances for producing heroin (acetic anhydride) and methamphetamines or “ice” (ephedrine) are imported from China.¹¹²

China is currently the major transit country for Burmese heroin, which is exported into Yunnan Province, from where it is trucked to Kunming, and onwards deeper into China and via Hong Kong and ports on the South China coast, to Taiwan, the United States and other overseas markets. An increasing amount is consumed in China, although there are no official figures. Fabre points out that China, as was the case for Thailand, is an example of how a transit country can also become a large-scale consumer.¹¹³ He also points out that though most of the heroin profits are made in the markets of Europe and, particularly, the United States, most Asian opiates are actually consumed in Asia.¹¹⁴

China and opiates

From the 1840s, French and British traders employed gunboat sailmanship to force China to allow their opium into the country. By 1880,

China imported 6,500 tons of opium, but from this point on, local production began to be substituted for imports, which spread addiction to the farmers, who might consume a quarter of their crop. In 1908 in Sichuan, one of the main growing areas, 60% of fields were devoted to poppy cultivation. A third of townspeople and a quarter of the farming population were addicted. At the beginning of the 20th Century, China produced 22,000 tons of opium, and until 1949, poppy cultivation employed 10 million farmers.¹¹⁵

From its proclamation in 1949 into the 1950s, the People’s Republic of China carried out a drastic, lethal and largely successful eradication of use and cultivation of opium. This achievement is now threatened by the explosive increase of heroin trafficked from the Golden Triangle, principally from Burma. The spread of addiction from the late 1980s has been extremely rapid, and though the official figure is 600,000 registered addicts, there could be several million users in the PRC. The figures are not all available, but in 1995, Chinese Public Health officials estimated 2.5 million heroin addicts¹¹⁶ From January to June 2001, Chinese police handled nearly 160,000 drug-related cases, 33 per cent more than in the same period [of the previous year]¹¹⁷

In 1990 the Chinese authorities began to introduce stronger legislation and penalties, including frequently executed death sentences, substantially beefed up their narcotics police, collaborated with the (United States) Drug Enforcement Administration (DEA) and the UN Office for Drug Control and Crime Prevention (ODCCP), and carried out wide-scale drug education projects. Several regional drug conferences were held, most recently in Beijing in August 2001, at which commitment to coordinate efforts against drug trafficking was expressed by all¹¹⁸. However, in spite of ritual opium-burnings and occasional well-publicized strikes by Burmese soldiers on laboratories, Chinese officials express frustration at the lack of concrete efforts by Rangoon. In the words of Lei Jianbo, deputy head of the

¹¹² China, one of the biggest ephedrine producers in the world, with an annual production of 400 tons, has recently moved to limit and control production on account of its illegal use in manufacturing ice. *China Daily*, 29 July 1999.

¹¹³ Fabre, *op. cit.* p. 39.

¹¹⁴ Fabre, *op. cit.* p. 39; *Wall Street Journal*, “Asia’s Drug Wars”, 11 Jan 1995.

¹¹⁵ Most of the data for the following paragraphs come from Fabre, *op. cit.*

¹¹⁶ Fabre, *op. cit.* p. 38; *Wall Street Journal*, “Asia’s Drug Wars”, 11 Jan 1995.

¹¹⁷ “In China, ‘Golden Triangle’ nations unite against drug trafficking” Deutsche Presse-Agentur, 28 August 2001

¹¹⁸ “China leads Asian front against drugs from ‘Golden Triangle’”, *Blumberg News*, 28 August, 2001

Yunnan branch of China's Narcotics Control Committee, "Though the central Burmese government has prohibited the narcotics trade publicly, some local governments still connive with drug traffickers. This is a fact as everyone knows"¹¹⁹

Heroin addiction is only part of the problem introduced into China by drugs from Burma. Needles shared by intravenous drug users (IDUs) are a major vector for the spread of the HIV virus, (see section on HIV/AIDS below) and drug trafficking inevitably brings other crimes in its wake.

Drug-linked crime in China

China is currently experiencing a crime wave that is closely linked to drug trafficking. Fabre states that:

From the outset, the explosion in heroin trafficking and consumption in Yunnan was accompanied by crime. In the Province as a whole, it is estimated that 40% of crimes are drug-related, but in Kunming this rises to 70%, with a growing number of disputes between groups of consumer-traffickers.¹²⁰

A well-researched *Asiaweek* article describes some of the problems:

From across the country's southwestern and southern borders a flood of narcotics and weapons is fueling an unprecedented crime wave. Riding on the back of get-rich-quick economic reform, crime is not just back: it's armed, organized and already disturbingly well-entrenched at virtually all levels of society. Chinese mobsters have never had it so good since the Roaring Twenties when godfather Du Yuesheng and his Green Gang ruled the Shanghai waterfront and parlayed as equals with Nationalist generals and colonial police.¹²¹

Since the mid-1990s Yunnan has become more organized in its crime prevention activities, with much high-tech assistance from the United States, but the crime wave, led, it would seem, by drug trafficking, has spread throughout the whole of China. It was reported on 10 February 1999 that police in China investigated 1.35 million crime cases in the first nine months of 1998, up 22% over the previous year.¹²² In a very high proportion of cases, drug offences constitute a leading element, particularly in the coastal Province of Guangdong, which with Hong Kong, is a major channel of trafficking routes for drug exports.¹²³

The drug economy and the SPDC

Several analysts have observed that in Southeast Asia, the sector that has proven most resilient to the Asian Financial Crisis has been the drug economy. This is certainly the case in Burma where, according to the International Monetary Fund (IMF), World Bank, UNCTAD (UN Conference on Trade and Development) and Government of Burma (GOB) figures, Burma's imports are more than twice its exports. The balance is made up, according to the Foreign Economic Trends Report: Burma (FET) 1997,¹²⁴ and other analysts, mainly by drug money laundered in Rangoon, Singapore and China.¹²⁵ This report gave the value of the opiate exports as US\$ 1243 million.

¹¹⁹ "China slams Burma over drug trade", *Bangkok Post*, 28 August 2001.

¹²⁰ Fabre, *op.cit.* p. 60.

¹²¹ Law and Disorder; A Growing Torrent of Guns and Narcotics Overwhelms China", *Asiaweek*, 25 August 1995.

¹²² *Deseret News*, Salt Lake City.

¹²³ "Dozens executed in China's latest crime crackdown", AFO, 25 June 1999.

¹²⁴ FET 97, published by the US State Dept. The 1997 FET one of the best economic analyses done on Burma. One of its strengths is that it goes thoroughly into, and compensates for, the various exchange rates that are used for various reporting purposes by the GOB.

¹²⁵ According to this source, allegedly by drug warlords like Lo Hsing-Han (now CEO of *Asia World*, one of the richest men in Burma).

Specific responsibility of the regime for the drug economy is widely reported. The Chinese official quoted above (footnote 47) blames complicity between local Burmese officers and the producers for the low level of action against drug trafficking, and Desmond Ball writes that:

A major factor in the growth of opium cultivation and heroin production since 1988 has been the cease-fire agreements and accommodation arrangements which the SLORC reached with most of the ethnic insurgent organisations in northeast Burma. These have mostly been arranged by Lieutenant General Khin Nyunt, who is officially called Secretary (1) of the SDPC, and is Director of the Directorate of Defence Services Intelligence (DDSI) and the No. 3 officer in the junta.¹²⁶

IV. China-Burma border: the HIV/AIDS nexus

Export to China of HIV/AIDS, along with heroin addiction, could, in addition to the humanitarian implications, severely retard China's economic development.

The major vectors of the spread of the HIV virus in Burma and China are needles shared by intravenous drug users (IDUs) and unprotected sex, vectors especially effective in combination with each other, as occurs to a high degree on the China/Burma border. The increasing migration and road transport moving within, from and across this border acts to carry the virus, particularly along drug trafficking and labour migration routes, into central Asia and beyond; to South China and Hong Kong, as well as back into Burma. The border towns of Ruili (China) and Muse (Burma) joined by a bridge on the Burma Road, are major centres of heroin trafficking and use, as well as of prostitution. Ruili and adjacent areas have been designated as a Special Development Zone in order to benefit from the border trade, and road, rail and water transport into Burma and China is being upgraded. This allows increasing numbers of vehicles to move ever more easily and faster, carrying heroin and the HIV virus with them. Ironically, one of the factors that slows down this process is the slow rate of transport infrastructure development in Burma. The Asian Development Bank (ADB), for instance, is not allowed to fund projects in Burma, due to Burma's continuing international isolation.

An expert report¹²⁷ issued in October 1997 gives a technical description of the situation, pointing out that the subtype C of the HIV-1 virus, which is found along the Burma border, is found in HIV-infected addicts along the heroin trafficking routes to Central Asia and to Guangxi:

The Burma-China border zone, which on the China side comprises the Province of Yunnan, and on the Burma side, the Kachin and Shan States, is currently the highest prevalence zone for HIV infection in the People's Republic of China. The Chinese Ministry of Health recently reported that 80.4% (1426/1774) of all HIV infections in China were detected in Yunnan, and 60.0% of all confirmed AIDS cases. The HIV infection rate in the Chinese border district of Ruili, across from Shan State, was 62% among injecting drug users in 1994. The majority of these drug users were ethnic Kachin (Jingpo in Chinese) and Wa. Chinese authorities have been increasingly open about the Burmese source of their heroin problem, although they have not explicitly linked heroin availability to the SLORC regime, which they support.

Almost 2,500 miles from Ruili, in the northwestern Chinese region of Xinjiang, another explosive outbreak of heroin use and HIV infection has recently been linked to the dual epidemic in Burma. HIV testing among Xinjiang's growing heroin use community in 1995 found no HIV infections among several hundred addicts. In 1996, some 25 percent of drug users were infected with HIV, according to Zheng Xiwen, a professor at the

¹²⁶ Ball D, *Burma and Drugs: the Regime's Complicity in the Global Drug Trade*, Australian National University, Strategic & Defence Studies Centre, Working Paper No. 336, July 1999. See also See Desmond Ball, *Burma's Military Secrets: Signals Intelligence (SIGINT) from the Second World War to Civil War and Cyber Warfare*, Bangkok: White Lotus, 1998, pp.75-77.

¹²⁷ Southeast Asia Information Network (SAIN), *Out of Control 2: the HIV/AIDS Epidemic in Burma*. See also Beyrer, Chris, *op.cit.* and Chelala Cesar and Beyrer Chris, "Drug use and HIV/AIDS in Burma; statistical data included", in *The Lancet*, 25 September 1999.

Chinese Academy of Preventive Medicine who leads China's AIDS-monitoring program. He also reported that the infections in Xinjiang were subtype C of HIV-1, the same as that found along the Burma border and different from strains found in Xinjiang's Central Asian neighbors. Burmese heroin has also begun to appear in several other ethnic minority areas in China with links to the Burma border trade; a potentially disastrous situation for China.

(...)

The third major epidemic zone for HIV infection in China is Guangxi Province, bordering Yunnan to the West and north of Vietnam and Laos. Cross-border heroin trade in Guangxi, as well as heroin from Burma via Yunnan, have led to a rapidly expanding epidemic of HIV in the Province. A study among drug users in treatment centers in Baise, on the border with Yunnan, found that 68% of addicts were HIV infected, and all had the subtype C virus reported in Yunnan and Xinjiang. Authorities in Baise City estimate that 100/kg/day of heroin crosses into the prefecture from Burma en route to the Chinese coast.

This analysis was updated, refined and developed by Chris Beyrer, Myat Htoo Razak, Khomdon Lisam, Jie Chen, Wei Lui and Xiao-Fang Yu in their important paper "Overland heroin trafficking routes and HIV-1 spread in south and south-east Asia" published in *AIDS*, January 2000.¹²⁸ Further figures about the development of the pandemic in Asia may be found in the MAP report of 4 October 2001 on the UNAIDS website.¹²⁹

The 2000 UNAIDS/WHO Epidemiological Fact Sheet on HIV/AIDS in China gives a figure of 500,000 for people in China living with HIV/AIDS, although researchers believe that the low level of reporting would indicate a real figure several times higher. The 1997 China Ministry of Health and UNAIDS report *China Responds to AIDS* states that "the number could rise as high as 10 million before 2010 if no effective countermeasures are taken". This statement was made before the impact on China of the Asian Financial Crisis and the possible reduction in funds available for such countermeasures. But clearly the authorities in Beijing and Yunnan are extremely worried by the rapid spread of the pandemic in China.¹³⁰

China, energetically pursuing the path of modernization and economic development, is certainly aware of the African experience of HIV/AIDS:¹³¹ AIDS hits those in their peak productive years; poverty drives young people into prostitution, thereby increasing the spread of the virus; health care depletes family savings, and orphans have to be taken care of by governments, etc.¹³² The massive drain of a growing HIV/AIDS epidemic on the PRC's resources could set back China's economic development by years.

China's cooperation with UNAIDS and other international organizations contrasts markedly with the denials of the Burmese military. In October 1999, Agence France Presse quoted General Khin Nyunt addressing a gathering of health ministers from the region, asserting that reports of an AIDS epidemic in his country were totally "false and groundless".¹³³

The General claimed that in the past decade only 25,000 people had tested positive for HIV in Myanmar, and that Myanmar did not have a major problem with AIDS because its "cultural values and

¹²⁸ *AIDS*, Vol. 14, Number 1, 7 January 2000.

¹²⁹ MAP Report 2001, The Status and Trends of HIV/AIDS/STI epidemics in Asia and the Pacific Provisional report, Melbourne, Australia, 4 October 2001. <http://www.unaids.org/hivaidinfo/statistics/MAP/>

¹³⁰ See, for instance, *New Scientist*, 29 March 1997, "China Fears AIDS time bomb" and *China Daily*, 21 October 1999, "China – AIDS prevention urgent" which quotes Chinese health officials and doctors speaking at a symposium in Beijing on public communication and AIDS prevention and control.

¹³¹ See *Africa News*, 22 October 1999: "AIDS gulps 60% of domestic income".

¹³² This phenomenon has also been discussed in an article in the Hong Kong *New Straits Times* of 23 September 1999: "How AIDS hits economies".

¹³³ In a 12 October 1999 article entitled "Myanmar general claims AIDS is being used in propaganda war", Agence France Presse.

traditions prohibited sexual promiscuity". He was convinced AIDS would not reach pandemic scale, and denied the UNAIDS estimate that in Burma 440,000 people were living with HIV/AIDS. (by 2000, the estimate had risen to 530,000)¹³⁴ In fact, an estimate of 440,000 HIV positive is by no means incompatible with a figure of 25,000 testing positive, especially in a country where people believe, rightly or wrongly, that they will be imprisoned or worse if they are known to be HIV positive and where doctors are discouraged from reporting large number of infections.

V. Chinese immigration: cultural and economic impact

In areas of low population, free movement is the historical norm. Precisely demarcated borders are a feature of that modern phenomenon, the nation state, and are frequently defined by the strategic or commercial interests of the former colonial powers, which took little note of the ethnicity or economic requirements of the people on the ground. In areas like mountainous northeast Burma/southwest China, people moved where their needs took them. Family or cultural links to the local populations or the demands of local warlords or village heads were more important than any concept of nationality. Thus, Chinese-speaking people have been moving in and through and out of Burma for thousands of years. The Wa, Lahu, Shan and Kachin live on both sides of the China/Burma border (whose demarcation was fixed in 1960 in a deal which allowed the Chinese a corridor up to Tibet).¹³⁵ However, since the opening up of the southwestern provinces of China, the building of large numbers of bridges, roads and railways in China and Burma, and the legalisation of border trade in 1988,¹³⁶ there has been a significant increase in the numbers of Chinese entering Burma, many of whom settle. The best description and analysis of urban settlement is still Mya Maung's "*Asian Survey* article of 1994":¹³⁷

Since 1989, Mandalay's silhouette has been overshadowed by new, modern high-rise buildings, hotels, restaurants, shops, and homes owned and operated by ethnic Chinese and Yunannese merchants. Most of them are in the central sections of the city, stretching east to west, as well as in the sites of two famous markets, *Zay Cho* (the sweet bazaar) and *Tayoke-tarn Zay* (the China Town bazaar)...

By 1993, the new satellite towns built by the SLORC on the outskirts of Mandalay, such as Pellhpyu Goan, Kanthah-yah, Myaye Nandah, Myaye Kan-thah and Mya-mahlah, have become the centers of Burmese culture where the relatively poor ethnic Burmese of Mandalay have been congregated. In contrast, the central quarters of Mandalay have been transformed into a thriving business center of alien culture with modern homes, hotels, shops, and high-rise buildings teeming with rich Chinese businessmen (*lawpans*), ethnic Chinese drug warlords (Kokangs) and other Asian merchants. Only a handful of native-owned business establishments such as printing houses, shoe shops and cheroot factories are left, dwarfed by the towering houses and offices of foreign enterprises.

134 Myanmar: Epidemiological Fact Sheet on HIV/AIDS and sexually transmitted diseases, UNAIDS/WHO June 1998.

¹³⁵ Of the ethnic Han Chinese who have lived for several hundred years in Kokang, Jackie Yang writes that "the majority of Kokang's population are descendents of Yunnan Chinese, some of whom still have relatives living on both sides of the borders". Yang Li (Jackie Yang), *The House of Yang: Guardians of an Unknown Frontier*, Book Press, Sydney, 1997. ChaoTzang Yawngwhwe, author of *The Shan of Burma* and numerous scholarly papers on Burma, writes that "people across the border are related by kinship or ethnically or linguistically affiliated. They have spoken and written language in common. For locals the border is porous. And local people on both sides of the border speak Chinese" (private communication, 1999).

¹³⁶ Aug. 5: Zhu Kui, Vice Governor of China's Yunnan Province, signed an agreement for border trade between the Myanmar Export Import Corporation and the Yunnan Provincial Import Export Corporation. Trade will begin in October at Muse in Burma and Shweli in China. (WPD 8/6).

¹³⁷ *Asian Survey*, vol. XXXIV, no. 5, May 1994.

This article also describes the resulting escalation in real estate prices as aggressive and wealthy Chinese investors, ethnic Chinese Kokang and Wa drug warlords, and military “robber barons” have made wholesale acquisition of real estates and homes. By offering exorbitant prices to the Burmese landowners they sharply accelerated the relocation process.¹³⁸

More recent reports confirm the process, several recording the Burmese fear that their country will become a “Burmese colony”, noting Burmese resentment against Chinese economic power in Burma. Such reports anticipate that at some time there could be a repetition of the violent anti-Chinese riots that occurred in 1967, against a background of Burmese xenophobia, severe rice shortages and Red Guard agitation in Rangoon,¹³⁹ which led to renewed Chinese support for the CPB and a decade-long cooling in China-Burma relations.

An *Asiaweek* article of May 1999, for instance, describing Mandalay, quotes a local Burmese: “Chinatown used to be just around 80th Street. Now the whole town is Chinatown”.

The article also reports on extensive rural immigration:

After two years of flooding in southern China, many farmers there have moved across the ill-controlled border into northern Myanmar. Estimates run from hundreds of thousands to well over a million during the period. The virtually unreported influx is, as one Thailand-based foreign expert puts it, “changing the whole demographic balance in north Burma”. It has also made locals increasingly unhappy with both the migrants and the ruling junta in Yangon. “The military leaders have opened the door because without Chinese support, they couldn’t have lasted”, says one dissident Burmese intellectual. “For that, the Burmese people can never forgive them.”

There is no consensus on the question of rural immigration. Some people think the figure of up to a million is an exaggeration; others say it is an underestimation. On the other hand, there is broad agreement about the possibility that anti-Chinese riots could break out, especially in times of economic hardship, when Chinese arrivals appear to be accelerating, or when, as in 1967, the regime has need for a scapegoat to deflect criticism away from itself. One impact of Chinese trade and immigration is Burmese unemployment. Imports of cheap Chinese consumer goods have more or less destroyed Burmese light industry, with the unemployment and knock-on effects this has in Burma.¹⁴⁰

Bertil Lintner has underlined the danger – demographic, economic and strategic – that China represents for Burma and the region. In an article in the *Far Eastern Economic Review* of 24 June 1999, he broadens the description of Chinese migration into a wider historical and geographical context. It occurred in three waves: at the fall of the Ming dynasty in 1644, the warlord-dominated chaos of the late 19th century, and at the end of the 20th century; not only to Burma, but to the rest of the region and other countries including the United States and Australia. His thesis, that the “large-scale immigration of its people is reinforcing China’s emergence as a big power”¹⁴¹ is one which reflects the “expansionist China” view.

¹³⁸ For a moving story of someone forced to sell his house in Mandalay to a Chinese businessman, see Nyi Pu Lay’s “The Python” in *Inked Over, Ripped Out: Burmese Storytellers and the Censors*, by Anna Allot, PEN American Center, NY 1993. Nyi Pu Lay was imprisoned on account of this story. Anna Allot writes in her commentary that “The python of the title refers to the Chinese and Sino-Burmese businessmen, drug traffickers, and gem dealers who are disliked by many Burmese, since they are perceived as moving into Mandalay and squeezing out the Burmese: laundering their illegal profits by investing in property...”

¹³⁹ For a concise summary and analysis of these events, see Martin Smith, *op. cit.* 1999, pp. 24-27.

¹⁴⁰ “China’s Shadow” by Dermot Tatlow, *Asiaweek*, 22 May 1999.

¹⁴¹ Bertil Lintner, “The Third Wave: A new generation of Chinese migrants fans across the globe”, *Far Eastern Economic Review (FEER)*, 24 June 1999.

VI. Opening up southwest China

China is involved in a deadly race to modernize her economy. This involves closing the inefficient state-owned enterprises and replacing them with modern businesses able to attract investment and compete in the global marketplace, especially now that China has joined the World Trade Organisation (WTO).

This exercise has had some success on the eastern and southern coastal belts, but has not done very well in the inner provinces such as Yunnan and Sichuan where there is less new investment, and a larger proportion of those thrown out of work have not been re-employed. The divide between the rich and poor parts of China is a political as well as an economic problem compounded by the drift of populations to the industrialized east. If the widening of this divide is not slowed down, China could be facing major instability and the collapse of her hopes of modernising – the needed investment will not be attracted unless stability is guaranteed.

It is in this context that the modernization of Yunnan, Sichuan and neighbouring provinces is so important for the integrity of the whole country. And this depends on opening up South-western trading routes to regional and world markets via the Indian Ocean and South Asia – in other words, through Burma.

A rather serious impediment to this undertaking is that Burma, on account of her political and human rights misbehaviour, is not allowed to receive funding from the world financial institutions such as the World Bank, the IMF or the Asian Development Bank, which normally fund such things as transport infrastructure. With some of the money that should be paying for roads in China, Chinese engineers have built and are building roads and bridges in Burma (the Chinese are said to be superb bridge-builders), but Burma is a mountaineous country and low-capital construction cannot produce world class roads at the speed China needs in her race against time.

This author would argue that the best way for China to open up her South-west border and contribute to the conditions needed to bring an end to the drug economy in Northwest Burma that is bringing such devastation to China through drugs, crime and HIV/AIDS would be to encourage the generals in Rangoon, especially the hard-liners, to move quickly into transition phase with the National League for Democracy and, especially, to work with the NLD and the non-Burman ethnic groups to find political solutions to the problems that are making Burma such a dangerous obstacle to regional development. A political solution in Shan State is the only way to begin to put an end to the opium economy which is such a disaster, not only for the people of Burma and China, but also for India, Thailand, the rest of the region and the world at large.

As far as regional development is concerned, such a process would not only benefit China and Burma, but also the neighbours – all the other Mekong countries blocked in their regional development projects by the obstacle of Burma.

VII. Gains and losses for various parties where Burma is (a) democratizing or (b) under Chinese “suzereinty”

The tables below were designed as an exercise to think about different stakes for various actors. Some, but not all boxes have been developed in the main text.

The table or a development of it could be a framework for further analysis.

Table 3.1: Gains and losses where the Burmese military is supported by China

<i>Beneficiary/loser</i>	<i>Economic, Social and Cultural Gains</i>	<i>Economic, Social and Cultural Losses</i>
China	<p>Burma as a market for exports, border trade (particularly vital for Yunnan and SW provinces).</p> <p>Access to timber and minerals (in 10 years China will have to import many metals she now exports)</p> <p>Road and bridge contracts for Chinese firms.</p> <p>Potential access to S and SE Asian and world markets</p>	<p>Poor Burmese infrastructure impedes access to distant markets and most minerals, with negative impact on China's economic development.</p> <p>Lack of political process and HR violations block international assistance to upgrade same. Increased vehicular traffic increases import of drugs and HIV/AIDS and contributes to the crime wave in SW China</p> <p>Burmese economic instability has damaged development in Yunnan, particularly the border towns Ruili and Wanting.</p>
Burmese Military and Government	<p>The armed forces have increased their power and, particularly the senior officers, have become a privileged elite</p> <p>Facilitation of illegal exports</p>	<p>The army, especially the lower ranks, suffer the same losses as the rest of the people.</p> <p>The army is hated by the people, – not a comfortable or stable situation</p> <p>Cheap Chinese goods have destroyed Burmese light industry and produced unemployment</p> <p>Falling investment and technical assistance,</p>
Burmese people		<p>Cheap Chinese goods have destroyed Burmese light industry and produced unemployment. This, combined with the strong Chinese presence in N. Burma, has led to urban displacement (e.g. in Mandalay)</p> <p>Chinese-supported regime survival is at the cost of health and education</p>
ASEAN, India, Bangladesh	<p>Yunnan's growing transport infrastructure into Burma may enhance development of Mekong subregion and speed the incorporation of South Asia into the regional economy</p>	<p>Chinese-supported regime survival prolongs an economically and politically backward system and slows down the development of the region</p>
	<i>Political Gains</i>	<i>Political Losses</i>
China	<p>Burma's support for China's position on 'one China' etc and voice (with Laos and Cambodia) in ASEAN and other regional and international forums.</p> <p>Blocking potentially hostile rule.</p> <p>Can play Burma Card to gain International advantages in exchange for persuading Burma to do the "right thing"</p>	<p>Fear by neighbours of Chinese regional hegemony, with strategic implications (6).</p> <p>Taint of Burma's pariah status</p>
Burmese Military and Government	<p>Chinese arms & consumer goods provided sticks and carrots to control the civilian population and save the regime in its hour of need</p> <p>Potential Chinese support in UN meetings</p> <p>Involvement with China allows Burma to play the China card with India and ASEAN (it got Burma. ASEAN entry)</p>	<p>Increase in Chinese business and settlers has produced anti-Chinese feeling and action. SLORC/SPDC seen as betraying the country to a traditional invader</p>
Burmese people		<p>Chinese support freezes an economically and politically inept regime and slows the restoration of democracy and the rule of law</p>
ASEAN, India, Bangladesh		<p>If Burma acts as a voice for China in ASEAN, this might weaken ASEAN and enhance Chinese hegemony</p>

	<i>Strategic Gains</i>	<i>Strategic Losses</i>
China	Possible SIGINT facilities and Potential access to Indian ocean for PLAN (only relevant in long-term) would allow PLAN to operate in 2 oceans. India?	An unstable Burma could be a flashpoint between nuclear States China and India. Implications for military modernization of economic losses (see above)
Burmese Military and Government	Chinese arms supply has allowed expansion of army and shift to strategy of occupation of border regions, and surrender of ethnic armies	Regional fear of Chinese expansion via Burma
Burmese people		For the armies of the ethnic groups, Chinese arms are a major factor in their defeat
ASEAN, India, Bangladesh		Most of ASEAN and India, fear a Chinese presence in the Indian Ocean and the Malacca Straits

Table 3.2: Gains and losses by various actors if there were a political process in Burma

<i>Beneficiary/loser</i>	<i>Economic, Social and Cultural Gains</i>	<i>Economic, Social and Cultural Losses</i>
China	A political process in Burma would reduce obstacles to international assistance. The resulting development of transport and other infrastructure and increased economic stability and prosperity would facilitate China's trade with Burma and S and SE Asia. Genuine border development would enhance ethnic stability, weaken the drug economy and reduce flows of drugs and HIV/AIDS into China. With international assistance, China will not be called on so often to foot the bill.	Factors listed in the previous column would reduce drug profits for traffickers and their protectors, some of whom are Chinese, and thereby cause a small reduction of income into Yunnan. Access to timber and other raw materials might be more difficult and more expensive.
Burmese Military and Government	Burmese soldiers, particularly those below the most senior ranks, could begin to recover their traditionally close relationship with the Burmese people. The tax reforms made possible by a more popular government would allow the army to be properly paid, thus increasing the morale, and treatment, particularly of the lower ranks, and remove the need for the army to live off the land.	The upper echelons would gradually lose their exclusive privileges. There would be less opportunity for corruption.
Burmese people	The recovery of the economy helped by resumption of international assistance would improve the economic, social and cultural situation of the Burmese people as a whole. Genuine border development and the lesser distrust the ethnic groups have for the NLD would help towards a political settlement of the civil war, the reduction of troop deployment in the border areas and consequent improvement in the human rights situation.	The necessary tax reforms and devaluation of the currency would have to be done sensitively and with international assistance in order to cushion short-term problems for the people.
ASEAN, India, Bangladesh	The development of the Greater Mekong Subregion will certainly be accelerated when the ADB and other funders are able to carry out infrastructure and other projects inside Burma. With improved transport infrastructure, trade between South Asia and China and the Mekong countries will increased.	
International actors	The growth of the GMS and acceleration of transport projects will open up markets for exploitation by Western-based transnationals.	

	<i>Political Gains</i>	<i>Political Losses</i>
China	Fear by the neighbours of Chinese regional hegemony would be reduced, with strategic implications. Taint of Burma's pariah status would no longer apply.	A transition to genuine civilian rule would gradually produce a government less compliant with China's wishes. China's fear that political change will precipitate instability in Burma will be tested.
Burmese Military and Government	Less polarization of rich and poor, urban and rural, Burman and non-Burman, military and civilian, would enhance stability in the country and therefore for the government. Reduced dependence on China would reduce the army's unpopularity. Internationally, Burma would begin to lose her pariah status.	Power-sharing in a transition process will involve the progressive loss of political control by the military.
Burmese people	The Burmese people would clearly gain more political power over a period of time. The hardest task for the NLD will no doubt be to persuade the people to be patient during what may be a rather long process. The division of people and armed forces would be reduced. The ending of the civil war would be facilitated.	
ASEAN, India, Bangladesh	The gradual withdrawal from domination by China that will accompany a political process in Burma will strengthen ASEAN, while Burma will remain a friend of China and be able to express her wishes within ASEAN.	
International actors	With the development of more economic interdependence in the region, tying China more firmly into global markets, there will be less likelihood in the short term that China will seek to expand militarily.	
	<i>Strategic Gains</i>	<i>Strategic Losses</i>
China	The reduction of regional tensions caused by Burma's perceived alliance with China would most likely contribute to an enhanced security regime in the region, encourage a culture of multilateralism and facilitate the development of the region as a significant pole in international affairs.	It is likely that China would gradually lose whatever exclusive military facilities might have been available under SPDC rule. This bilateral loss would be balanced by multilateral gains (see previous column)
Burmese Military and Government	Internally, a power-sharing government would have a greater chance to bring about a political settlement of the civil war, thus enhancing national security. Burma would be able to distance herself from China, thus helping to reduce fears in the region, and contributing to greater regional confidence and security. Eventually, arms embargoes would be lifted, allowing the army to import the US and other arms, spares and ammunition it needs.	Internally, the Burmese military will be taking a certain risk in sharing power with civilians. However, since the most probable process is a gradual transition, the necessary safeguards for internal security can be built into the power-sharing arrangements.
Burmese people	The ending of the civil war would be facilitated.	
ASEAN, India, Bangladesh	Burma's reduced dependence on China for military supplies which will accompany the lifting of Western arms embargoes and the resumption of international assistance will ease the concerns that ASEAN and India have expressed regarding China's strategic influence in Burma	
International actors		However, in a time scale of 20 to 30 years, the Chinese economic growth that will

		accompany increased trade, will allow the PRC to modernize her armed forces, in particular, the Navy, thus allowing her, if she so wished, to become a military superpower, and dominate the region.
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VIII. Possible future focus

Interesting questions for follow-up are:

What comprehensive regime?

A question which has returned many times in the preparation of this paper is what international or regional regime (economic, strategic, political, legal) would be most appropriate for Burma and China.

China's foreign policy is largely bilateral, especially at the regional level – if China can deal with countries in isolation, it has more relative power, whereas a multilateral approach would tend to place it as one among many. However, there are some early indications that in the wake of 11 September and the more overt militarization of United States foreign policy, that China is beginning to recognize advantages in regional groupings. It is certainly too early to see how this shift, if it is such, might impact on China's Burma policy, but it is something to watch.

Desmond Ball writes:

It is imperative that China not be portrayed as a threat to the region. Rather, it is essential that China be engaged in multilateral dialogues, confidence-building arrangements, preventive diplomacy, and other forms of security cooperation in the region. This is not an easy exercise.¹⁴²

Such an exercise might be a little easier if China is indeed seeking a more regional identity.

IX. Conclusions

This paper has argued that China's support for the military regime in Burma has had negative consequences for both Burma and China. The negative impact on Burma of its relationship with China is that it preserves an incompetent and repressive order and locks the country into economic and political stagnation. The negative impact on China is that Burma has become a block to regional development and an exporter of HIV/AIDS and drugs.

China's comprehensive national interests would be best served by an economically stable and prosperous Burma. China could help the development of such an entity by encouraging a political process in Burma that would lead to an opening up of the country to international assistance and a more competent and publicly acceptable administration.

The official Chinese view is that the best way of keeping Burma stable is to reinforce the military. Chinese officials point out that Burma has not broken up like Somalia or Yugoslavia, and is reasonably stable because there has been strong central government. With any country, the official Chinese policy is to support the regime in power, though of course, there are degrees of support. The Burmese military has also been a diplomatic ally to the Chinese, and may be relied on to support the

¹⁴² Strategic and Defence Studies Centre, Australian National University, *Working Paper No. 333*, p. 4.

China line on most issues. The Sino-Burmese theatre of mutual congratulation is much venerated. The Chinese may well be hesitant to encourage a process that could bring so many unknown factors into play. It's all a question of balance. If the Chinese arrive at a point where they consider that the present arrangement in Burma does China more harm than good, they might act.

Track 1

The Secretary-General, his Envoy, Ambassador Razali, and interested governments, (particularly those which are members of the informal contact group) should encourage China to use its influence to urge the Burmese generals to go the next stages of the current process, which at the time of writing is described as "secret talks". Emphasis should be given to the early involvement in the process of the non-Burman groups, including "ceasefire" and "non-ceasefire" groups. Such actions should probably not be public. At some stage, if it seems appropriate, China could be invited into the Burma contact group (which should be made formal).

Track 2

Track 2 initiatives are frequently carried out by academics, specialized NGOs or think-tanks. It would be helpful for non-Chinese Burma specialists to establish scholarly links to their Chinese counterparts. It would be useful to be able to read their publications, and since not many of these have been translated from Chinese, and very few Burma scholars read Chinese a good start in a Track 2 process would be to start translating their books and papers. Conferences and seminars could follow.

Party-to party track

One possibility to explore is that the Chinese Communist Party (CCP), might be persuaded to engage in party-to-party relations with the NLD. There are precedents, even with Burma, of the CPC establishing relations with foreign parties which are not fraternal i.e. Communist.

4. India–Burma relations

Thin Thin Aung & Soe Myint

I. Introduction

India and Burma have a historical connection that goes back to the fifth century and since then have enjoyed mutual contact in the realm of trade, commerce, religion, law, political philosophy and culture. Both countries came under British colonial rule, and Burmese leaders associated with Indian leaders during the struggle for national independence. Nehru and U Nu built up a personal friendship that formed the basis of good Indo-Burmese relations, which with ups and downs have lasted 50 years. The two countries have not once reached a point of diplomatic stand-off or conflict since independence.

The lowest point came after the 1988 people's uprising when India was the first neighbouring country to criticize the Burmese military government. The Indian Embassy in Rangoon actively supported the pro-democracy student activists and many entered India for shelter after the military coup in 1988.¹⁴³ From 1988 to 1990, India followed a policy committed to open support of the forces of democracy and "complete disengagement" with the ruling military junta in Burma.

However, in the 1990s, relations between India and Burma thawed again. Now India and Burma are cooperating in many fields, including countering insurgency on the border, checking narcotics smuggling across the border, sharing intelligence on a real-time basis, promoting trade and investment. India has also extended economic aid to India.

In this research paper, an attempt is made to map out the policies of India towards Burma from the post-independence era to the present time and to analyse the major factors behind these policies. The authors also look at the implications of these policies with regard to democraticization in Burma; and they put forward some suggestions for Burmese pro-democracy groups on how to get political support from India.

For this research, the authors have relied mainly on personal interviews with Indian policy-makers including former foreign secretaries and government officials as well as books written by them. Their experiences and stay in India as political refugees-cum-journalists for a decade have helped them in adding assumptions and conclusions on the subject.¹⁴⁴

It is hoped that this research paper can contribute, even in a small way, to working for consistent international policy towards democratization in Burma. It is hoped that India will use all means available to restore a democratic government in its neighbouring country Burma while maintaining its interests and principles.

¹⁴³ The mother of NLD's leader Aung San Suu Kyi is the daughter of Khin Kyi a Burmese ambassador to India; and Aung San Suu Kyi studied in India before she moved to England.

¹⁴⁴ The authors wish to express sincere thanks to Nehru Memorial Library in New Delhi for having allowed them to consult with the books and materials of the library for this research.

II. Historical background

Indian influence has been felt in Burma since ancient times.¹⁴⁵ Hinduism and Buddhism came to Burma from India by the seventh century. Burma received the foundation of its legal system from India: the earliest law book in Burma was “the Wagaru Dhammathat” of India, which in Burmese known as “Manusara Shwemin”. Linguistically, Pali, which originated from India, was the source of many Burmese words.

Trade relationships between the two countries were also established from ancient times and Indian traders established permanent settlements along the coast of Burma.

Politically too, the connection between India and Burma began well before the British conquest. The Arakanese Kings had close contact with India in the 14th century. Burmese king Bayinnaung (1850–1881) attacked and subdued the present day Manipur of India.

After the British occupation, the two countries became a part of British Empire. Burma was ruled by the British as a part of British India till 1937. The British brought numbers of Indians to Burma during its rule. “There was no department of the public services, police, military or civil, without Indians” in British Burma, wrote W.S. Desai. For the 10 years following 1885, some 18,000 Indian soldiers were stationed in Burma, and the Rangoon police was entirely Indian in 1861. On the morning of independence on 4 January 1948, there were some 300,000 – 400,000 Indians living in independent Burma.

The association of the two countries under British rule created a common understanding and they cooperated in their common struggle for independence. The Indian National Congress (INC) was sympathetic to the Burmese nationalists. In its Resolution on 27–28 March 1931, the Congress declared: “This Congress recognizes the right of the people of Burma to claim separation from India and to establish an independent Burma State or to remain an autonomous partner in a free India with a right of separation at any time they may desire to exercise it”.

After separation of Burma from British India, the leaders of the struggle supported each other’s nationalist movement against British imperialism. Burmese leaders closely watched the Indian independence movement, especially in its last stages. While Aung San was appointed as Vice President of the Executive Council in Burma, Nehru was in the same position in India. When Aung San, along with his six colleagues in the Executive Council, was assassinated on 19 July 1947 in Burma, Jawaharlal Nehru issued a statement in which he mourned for Aung San and his comrades, for Burma and for Asia “which has lost one of her bravest and most far-seeing sons” and he informed the people of Burma that India would “stand by them in the difficult days ahead”.

The Indian Government placed at the disposal of the Burmese Government Sir N.B. Rau, one of its outstanding specialists on constitutional questions to help Burma’s work when it was drafting its constitution. On the eve of the independence of India and Burma the two countries grew closer. Dr Rajendra Prasad, the then President of the Constituent Assembly of India, declared at a meeting of Rangoon citizens on 5 January 1948, “Free Burma could always count on India’s assistance and services whenever she needed them”.

¹⁴⁵ Some historians trace Indian immigration to Burma back to the fifth century. “Some of the early Indian immigrants came to Burma by way of an overland route through Assam into Upper Burma, whereas most others came by sea from South India to Lower Burma”, wrote Uma Shankar Singh in her book on *Burma and India* (1948-1962).

III. India's policies towards Burma

1948–1962

The mutual understanding and close contacts between the leaders of the independence struggle contributed to the friendly relationship after India and Burma achieved independence from the British on 15 August 1947 and 4 January 1948, respectively. On the day of Burma's independence, Indian Prime Minister Jawaharlal Nehru said,

As in the past, so in the future, the people of India will stand shoulder to shoulder with the people of Burma, and whether we have to share good fortune or ill fortune, we shall share it together. This is a great and solemn day not only for Burma, but for India, and for the whole of Asia.

The relationship between the two countries was strengthened by the personal friendship that existed between the two Prime Ministers Nehru and U Nu. Whenever a troublesome issue occurred, the two Prime Ministers worked closely with mutual trust and friendship.

On the other hand, the post-colonial relations between India and Burma were influenced the fate of people of Indian origin in Burma.

After independence the government of Burma took a number of measures calculated to strengthen the economic interests of Burmese against the foreigners. These measures generally hit Indians, as Indians constituted the biggest section in the foreign population of independent Burma. Among the several acts passed by the Burmese Government in 1948, the Land Alienation Act forbade the sale of land to non-Burmese nationals. The Burma Land Nationalization Bill, which was passed on 11 October 1949, aroused deep resentment and strong protest among Indians in both Burma and India.

However, the friendship between Nehru and U Nu averted any confrontation between the two countries. Nehru felt that the Land Nationalization Acts of Burma were non-discriminatory, although they mostly affected Indians. But he stood firm that adequate compensation should be paid by Burma, although the agreement that was reached was half-heartedly carried out by Burmese Government.

Another factor, which contributed to the cordial relationship between the two countries in this period, was rice export from Burma to India. India, in the 1950s, was the largest rice customer for Burma. At one stage, India even agreed to take more rice from Burma at an enhanced rate.

At the time of internal crisis Burma faced just after its independence in 1949, India extended whatever assistance and help to restore normalcy to its neighbour. When the Burmese Government needed cash urgently to meet its military expenses for suppressing the insurgency in the country, India organized a meeting of the governments of Commonwealth countries in New Delhi in February 1949 to discuss the matter.

Nehru provided arms to the Burmese Government in 1949, which prevented the fall of Rangoon under the rebels. In April 1950, the Indian minister of industry and supply Mr Gadgil confirmed the sale of six Dakota airplanes to Burma, which helped the government of Burma to maintain some sort of liaison with the towns remaining in their control during those hours of crisis. India contributed 1 million pounds sterling out of total 6 million pounds sterling of Commonwealth loan to Burma in 1950.

In addition to this assistance, the Indian Government announced in April 1950 a special loan to Burma of 5 million rupees for rice supplied to India by Burma.

Thus, Indian concern over the treatment of Indians in Burma receded. The two Prime Ministers started a pattern of regular consultation and cooperation on issues of concern to both countries and wider issues like world peace and other international issues.¹⁴⁶

On 7 July 1951, India and Burma signed a Treaty of Friendship in New Delhi. This treaty was for five years and was to remain in force “for ever thereafter” if neither side gave notice of its desire to terminate it six months before its expiry. The Treaty of Friendship came into force on 31 January 1952 with the exchange of instruments of ratification in Rangoon in accordance with Article VII of the treaty. Article II of the treaty stipulated that “(T)here shall be everlasting peace and unalterable friendship between the two States who shall ever strive to strengthen and develop further the cordial relations existing between the peoples of the two countries”. Article IV of the treaty said, “(T)he two States agree that their representatives shall meet from time to time and so often as occasion requires to exchange views on matters of common interest and to consider ways and means for mutual cooperation in such matters”.

The relationship between Burma and India at that time was so informal that the Burmese Prime Minister or other members of the Burmese Government were welcome in Delhi whenever they chose to discuss problems with Nehru and the Government of India. Nehru stressed the informal and intimate character of Indo-Burmese relations when he said, “We are in frequent touch with the government of Burma on many matters. We are not only friendly in the normal sense of the world, but if I may say so, somewhat more friendly”, at a press conference in Delhi on 28 February 1952. This informality was further strengthened by the affection and high esteem, which Nehru felt towards U Nu.

In September 1949, when Chinese communist troops approached the Northeastern borders of Burma, the Burmese Government was greatly worried that Chinese troops would invade its territories taking advantage of the presence of Kuomintang troops on Burmese territory. After failing to persuade the United States to intervene with the Chinese nationalist government for the withdrawal of Kuomintang troops from Northeastern Burma, the Burmese Government decided to take the case to the United Nations. The Indian Government strongly supported the Burmese case both in and outside the United Nations.

V.K. Krishna Menon, India’s representative in the United Nations on 17 April 1953, expressed his delegation’s deep concern in the matter. On 14 October of the same year, together with eight other countries, India supported a resolution calling on foreign troops in Burma to lay down their arms or to submit to internment. V.K. Krishna Menon, on 5 November 1953, in a United Nations debate on Burma’s complaint against the presence of Chinese nationalist troops on Burmese territory, warned: “What hurts Burma hurts us equally. We have no military alliance but Burma is closely linked to us and it is naturally of great concern to us that she should suffer”.

Apart from all this, U Nu and Nehru shared a common world view. Both were great advocates of Asian solidarity. Burma and India participated in a number of Asian conferences and their leaders dominated various conferences. Moreover, generally speaking, both Burma and India pursued a course of non-alignment in world affairs.

¹⁴⁶ India acceded to Burma’s request to allow it to be the first country outside the communist bloc to recognize the new Chinese People’s Republic. Burma recognized communist China on 18 December 1949 and India followed Burma on 31 December 1949.

It must be concluded that the friendship between Burma and India during the period after independence served the interests of both countries. However, the relationship cooled when General Ne Win came to power by staging a military coup on 2 March 1962.

1962–1988

A major change in Burma's foreign policy towards China had repercussions on Indo-Burmese relations. A Sino-Burmese border agreement and a treaty of friendship and mutual non-aggression was signed on 28 January 1960 when General Ne Win was leading a caretaker government in Burma.

The changing attitude of China to Burma also figured prominently in the Indian Parliament. On 22 August 1961, Pandit H.N. Hunzru said that: "Since the conclusion of the Sino-Burmese Agreement, China has been making efforts to woo Burma", and "offers of help are being made to Burma in order that Indian influence there might be lessened".

A Sino-Indian border conflict broke out in October 1962. Burma showed a neutral stand on the issue, not wanting to incur the hostility of either of the two. The silence of Burma was interpreted as 'pro-Chinese' by India and naturally Indo-Burmese relations were disturbed. This trend continued until about the end of 1964.

In economic policy, the Ne Win government showed nationalistic fervour. In the early part of 1964, the Ne Win government nationalized shops and stores, hitting small traders. The previous nationalization measures initiated by the U Nu government affected mostly the Indian chettyars, landlords, and the big financiers. The Indians were the hardest hit by Ne Win's nationalization measures. According to the spokesman of the Burma Displaced Persons Association, over 12,000 Indian concerns with assets worth Rs.15 crores were affected.

The latest nationalization measure was so vigorous that many Indians were deprived of their means of livelihood. No compensation was paid to them at the time of nationalization. Many of them wanted to go back to India. But even this was not possible for them as they could not pay their passage and the Government of Burma did not provide even passage facilities to them.

When allowed to leave Burma, they were not allowed to take anything with them. Such were the conditions of the Indians in Burma, that the relations between Burma and India were brought nearly to a breaking point.¹⁴⁷

However, towards the end of 1964, the relationship between the two countries began to regain its former cordiality. One important reason for this shift was the apparently strained relationship between China and Burma because of China's support to Burmese insurgents. In June 1967, anti-Chinese riots broke out in Burma, although there was no evidence to suggest that the Burmese Government inspired the riots.

The close ties that existed between India's Prime Minister Indira Gandhi and Burma's new leader General Ne Win in this period were also important to the two countries' relations. General Ne Win paid three visits to India in this period and Mrs Gandhi visited Rangoon in March 1969. P.M.S. Malik wrote in an article on Indo-Myanmar Relations that: "Ne Win recognized that as long as he fed her ego by visiting her almost as regularly as the contacts he maintained with the top-ranking Chinese leadership he would have nothing to fear from India".

¹⁴⁷ The Indian Ministry of External Affairs in its Annual Reports for 1964–65 said that, "the presence of nearly half a million persons of Indian origin in Burma has on occasion tended to be a disturbing factor in the friendly relations between the two countries".

In February 1965, General Ne Win visited India and the two countries issued a joint communiqué which said that: “A common outlook on international issues resulting from the pursuit of policy of non-alignment has helped in the development of close and good neighbourly relations between the two countries”.

On a six-day private visit to India on 15 March 1968, General Ne Win and Indira Gandhi were believed to have discussed the Chinese threat to the two countries and the possibility of closer political cooperation between them in meeting the “common danger”. China expressed its great displeasure over Ne Win’s visit. A Peking Radio commentary of 13 March 1968 in Burmese lashed out at the visit and called the Burmese Government a “fascist dictatorship”.

On 10 March 1967, India and Burma signed the boundary agreement to formally delimitate and demarcate the entire boundary between the two countries. Both the governments then ratified the Agreement and the Instruments of Ratification were exchanged in New Delhi on 30 May 1967.¹⁴⁸

In the realm of trade and commerce the relationship between the two countries began to decline in 1960 when China replaced India as the largest importer of rice from Burma. The Japanese War Repatriation was another source of help for Burma in this period. Although an agreement to promote trade between India and was signed on 24 December 1962 in Rangoon, there was not much increase in trade relations of the two countries till 1968–69. The agreement remained in force for three years only.

A boost to Indo-Burmese trade was initiated with General Ne Win’s visit to India on the invitation of Indian President V.V. Giri during 15–22 January 1970. Besides having talks with the Indian Prime Minister, Ne Win met the Indian Minister for External Affairs and Foreign Trade. Bilateral trade relations and regional economic cooperation were among the discussions.

On 17 August 1974, a new payment agreement between India and Burma enabled Burma to buy goods from India like cotton textiles, pharmaceutical products, electrical goods and hardware worth Rs. 7.5 crores; India would import from Burma commodities like urea and mineral ores. Then during October 1979 there was a provision for a Rs. 2.17 crore project. Under the project, India would set up 21 pilot projects in Burma in areas ranging from plants for menthol, calcium carbide, glue and gelatin, to electro-chemical metallurgy, orange juice and ferro-tungsten. The two-way trade turnover during 1987 was about Rs. 36 crores.

Another dimension of Indo-Burmese relations in this period was that of border problems posed by insurgents in Northeast India, particularly Nagas and Mizos. Both Nagas and Mizos have been living on both sides of the borders of the two countries. Burma was very helpful to India in countering the insurgency in the Northeast.¹⁴⁹

In this period, there was one noted change of Burma’s foreign relations regarding the non-aligned movement. On 28 September 1979, at the Sixth Triennial Non-Alignment Summit Conference in Cuba, the Burmese delegation walked out of the meeting and withdrew from the movement of which

¹⁴⁸ There was disagreement about the position of Moreh, which Burma claimed, later solved by mutual discussion: interview with Eric Gonslaves. Hence most of the 1,643 kilometre boundary between the two countries was demarcated and the leaders of the Joint Boundary Commission in New Delhi on 24 March 1976 initialed 1,560 maps. Only demarcation of the tri-junction between India, Burma and China at Diphir near Rima at the eastern tip of the McMahon Line still remains incomplete in this regard.

¹⁴⁹ Indian External Affairs Minister Mr Dinesh Singh told the Indian parliament on 6 August 1966 that: “Government of India has been receiving friendly cooperation from the Government of Burma in preventing underground Nagas and Mizos from using Burmese territory as a corridor for crossing over to Pakistan or as a sanctuary...”

Burma was a founder. The main reason given by the Burmese delegation was Cuba's attempt to swing the non-aligned group into the Soviet bloc. In fact, Burma's foreign policy, after 1962 and particularly after 1972 can be termed as an isolationist policy.

Even in this period of isolation, Indian leaders paid visits to Burma. Indian External Affairs Minister Swaran Singh visited Burma in April 1973 and another External Affairs Minister Atal Bihari Vajpayee (the present Prime Minister of India) visited Burma in August 1977.

However, there was a lull in the Indo-Burmese relationship from 1977 till 1988 as Burma nurtured friendship with China. Moreover, by 1987, Burma was expanding its relations with other countries through visits of General Ne Win to the United States and the Federal Republic of Germany. Although Indian Prime Minister Rajiv Gandhi visited Burma in December 1987, it did not indicate much improvement in Indo-Burmese relations.

The ticklish question for Indo-Burmese relations in this period was the case of deposed Prime Minister of Burma U Nu, who requested political asylum in India. He was allowed to stay in India because of personal friendship that existed between U Nu and Nehru's family, and took shelter in India from 1974 to 1980.

1988–1999

The lowest point in the deterioration of Indo-Burmese relations came with India's support to the pro-democratic upsurge in 1988 in Burma. India was the first neighbouring country to stand firmly on the side of democracy when the 1988 uprising took place in Burma. The Indian Embassy in Rangoon was active in helping pro-democracy activists and officials were in touch with opposition groups like the All Burma Federation of Students' Unions (ABFSU), Aung San Suu Kyi and U Nu during the uprising.

When the Burmese student activists fled to the Indo-Burmese border, the Indian Embassy in Rangoon provided them financial assistance to go to India. The Government of India opened refugee camps for these students in Mizoram and Manipur States. The then External Affairs Minister (later Prime Minister) Narasimha Rao informed a parliamentary panel in 1989 that "strict instructions" had been given not to turn back any genuine Burmese refugees seeking shelter in India.

The Indian Government, along with the USA and Western countries, isolated the Burmese military regime. India was a sponsor of a United Nations resolution condemning the Burmese military junta for its violations of human rights in 1992.

When the National League for Democracy (NLD) won a landslide victory in the 1990 general election in Burma, the Burmese Government intensified the crackdown on the democratic activists, in general, and the NLD in particular.

However, between 1991 and 1992, the foreign policy establishment in India started reviewing its foreign policy towards Burma. One factor, which prompted the Indian policy-makers to review Burma policy, was the problems at the border with Burma (see section IV below).

The Burmese army had stepped up its military campaigns along the border of the country, including on the Indo-Burmese border. There were waves of refugee exodus from Burma to neighbouring countries as a result of these military campaigns. In particular, hundreds of Naga refugees fled to Nagaland in India in the beginning of 1992. India protested over this Naga refugee issue and asked the Burmese government to stop atrocities on innocent villagers on the border. Later, India and Burma worked together for the repatriation of these Naga refugees to Burma.

There were cases when Burmese army personnel crossed the Indian border in pursuit of the Burmese rebels. When the Burmese government started paying attention to Kachin insurgents on the Indo-Burmese border, an unwritten understanding developed between the authorities of the two countries: troops from either side could cross the border to a certain limit in pursuit of the insurgents. As in the 1970s, India realized that it needed a friendly relationship with the Government of Burma to contain its own insurgency problem in Northeast India, as some of these groups established their camps within Burma.

Another factor behind the policy review was that India after 1990 wanted to move faster towards “globalization” and to have closer economic cooperation with its neighbours, including Burma. Moreover, the growing Chinese influence in Burma and the closer military and economic cooperation between China and Burmese military regime since 1988 made the policy-makers in New Delhi worried.

In 1990, India began some initiatives to express its willingness to normalize the relationship with Burma. The Burmese government initially negated these attempts.¹⁵⁰

In 1991, India acceded to the pressure of the Burmese government to stop AIR Burmese Language Broadcasting against the government of Burma. When the Burmese government formally complained to the government of India that Daw Than Than Nu, the daughter of U Nu, was using “abusive” language attacking the government of Burma, the Indian government barred her from broadcasting.¹⁵¹

Finally, in 1992, the Burmese government responded positively to India’s offer to normalize the bilateral relationship. An eight-member Burmese delegation led by U Aye, Director-General of the Political Affairs Department of the Ministry of Foreign Affairs, visited India on 11 to 14 August 1992 and met the senior officials in the ministries of External Affairs, Home, Defence and Commerce of the Government of India. This was the first ever official Indo-Burmese senior-level meeting since Rajiv Gandhi’s visit to Burma in 1987. In March 1993, India’s Foreign Secretary J.N. Dixit visited Rangoon and met the Burmese leaders including Lt. General Khin Nyunt. These two bilateral visits were viewed as misunderstanding-managing exercises for both countries. At the same time, India specifically asked the Burmese government to release all political prisoners and stressed that India continued to support restoration of democracy in Burma.¹⁵²

In January 1994, Burma’s Deputy Foreign Minister U Nyunt Swe visited India; during his six-day visit, he held a series of meetings with Indian ministerial officials and discussed wide-ranging issues to improve the relationship between the two countries. A Memorandum of Understanding was signed on 21 January 1994 to increase cooperation between the civilian border authorities of the two countries and to prevent “illegal and insurgent activities”.

A bilateral agreement was also signed to regularize and promote border trade to be conducted through Moreh in Manipur State of India and Champhai in Mizoram State of India corresponding to Tamu and Hri on the Burma side. The border trade was, accordingly, officially opened on 12 April 1995 at Moreh in the presence of the Indian Commerce Minister P. Chidambaram and the Burmese trade minister Lt. General Tun Kyi. Since that time, the Indo-Burmese relationship has been steadily

¹⁵⁰ Muchkund Dubey’s interview.

¹⁵¹ Since that time, the AIR Burmese language service has stopped broadcasting its regular 10-minutes programme on current political situation in Burma. This programme used to criticize the military regime in Burma. The AIR, moreover, stopped broadcasting political commentaries on Burma, which were regularly contributed by analysts and scholars from India.

¹⁵² For example, during his visit to Burma in March 1993, Foreign Secretary J.N. Dixit told the Burmese military leaders that: “We are opening the relations because India’s interests are affected. It does not mean any changes in our criticism of you having suppressed democracy”.

improving and there have been a number of informal and formal visits of the senior officials and ministers of the two countries.

However, India continued to extend shelter to a number of Burmese democratic activists and Members of Parliament on Indian soil. When Aung San Suu Kyi was awarded the Nobel Peace Prize in October 1991, the people of India heartily welcomed it. Prominent citizens and leaders of political parties expressed their support to the democratic movement and urged the military government to release her from house arrest.

On 3 February 1992, the then President of India R. Venkataraman called on the Burmese military regime to restore democracy in Burma while receiving the credentials of the new Ambassador for Burma. He said that India was concerned at the delay and uncertainty in forming a popular government there and called for the release of Aung San Suu Kyi and all political prisoners in Burma. Moreover, India conferred its prestigious Jawaharlal Nehru Award for International Understanding for 1993 to Daw Aung San Suu Kyi on 14 November 1995 in New Delhi.

Meanwhile, the relations and cooperation between India and Burma continued to improve. Regular meetings, exchange visits and sharing of intelligence became more frequent. In trade too, the bilateral trade between India and Burma increased substantially.¹⁵³

The improvement in trade relations had its impact on the political relations of the two countries. Indeed, for India and Burma, trade was a step towards reconciliation and cooperation. The Burmese military junta is basically looking for recognition, especially from India and countries in Asia.

A number of high level ministers and officials of both countries have exchanged visits after the India–Burma/Myanmar Trade Treaty was signed in January 1994. The following are some noted visits:

- An official delegation to Rangoon on 10–11 June 1994 in order to review the arrangement for operationalization of the Border Trade Agreement (BTA) with Burma.
- Another round of official talks was held with Burma from 10–12 January 1995 to finalize the arrangements for operationalization of the border trade agreement with Burma.¹⁵⁴
- From 3 to 12 April in the same year, at the invitation of the then Indian Minister of State for Commerce, P. Chidambaram, a Burmese trade delegation visited India to discuss matters relating to bilateral relations, economic and border trade.¹⁵⁵

¹⁵³ According to available figures, India's exports to Burma, though small in relation to trade with its major trading partners, have increased from Rs. 9.4 crores in 1991-92 to Rs. 172.8 crores in 1997-98, while imports from Burma grew from Rs. 125.6 crores to Rs. 811.7 crores during the same period. As a result, India's bilateral trade with Burma, which amounted to Rs. 135.0 crores in 1991-92, increased to Rs. 984.5 crores in 1997-98. The increase was due mainly after opening the border trade through Moreh of Manipur State of India and Tamu of Burma in 1995. India has now become the largest export market for Burma accounting for 23% of Burma's total export.

¹⁵⁴ Ashok Jha, Joint Secretary, Ministry of Commerce of India and was accompanied by an inter-Ministerial delegation. The Burmese were led by Khin Maung Oo, M.D. Inspection and Agency Services, and was accompanied by a 16 member official delegation. The talks, which were held at Imphal, included visits to the border posts of Tamu in Burma and Moreh in India to review the arrangements made for commencement of border trade.

¹⁵⁵ During their stay in India, the delegation held discussions with the Chairman and Members of the Federation of Indian Export Organisations and the Federation of Indian Chambers of Commerce and Industry (FICCI) in Bombay and Delhi respectively, Lt. Gen. Tun Kyi also called on the Minister of External Affairs, Pranab Mukherjee and discussed matters relating to strengthening friendship, promotion of trade and economic cooperation of mutual interest between the two countries.

- The Deputy Home Minister of Burma Col. Tin Hlaing, accompanied by four officials and the Burmese Ambassador in India, called on the Commerce Minister of India on 17 August 1995 and had a wide-ranging discussion on various aspects of boosting bilateral trade relations.
- Indian Minister of State for External Affairs Saleem I. Shervani visited Burma in November 1997. He inaugurated the second Indian Trade Exhibition in Rangoon.
- Indian Commerce Secretary P.P. Prabhu visited Burma in the first week of November 1998 to promote trade between the two countries. During his visit it was proposed that India enter into joint ventures for exploration and exploitation of nickel and coal deposits in upper Burma.
- Maj. General Nyunt Tin, Burmese Minister of Agriculture and Irrigation, visited Delhi in August 1998, exploring the possibilities of India's participation in Burma's agricultural sectors. In February 1999, a 10-member strong delegation from Myanmar Computer Federation visited Delhi and Bangalore.
- Indian foreign Secretary K. Raghunath visited Burma on 25–28 February 1999 at the invitation of Deputy Foreign Minister of Burma.
- A delegation from Burma's Ministry of Science and Technology led by Minister U Thaung was in June 1999 in India. He met with Indian industrialists during his tour. He signed an agreement with Indian Human Resources Minister Dr Murli Manohar Joshi in cooperation in science and technology between the two countries.
- In July 1999, a high-level meeting between Home Ministry officials of Burma and India was held in New Delhi. The meeting “identified ways and means to strengthen mechanisms for cooperation on issues like cross border terrorism, sharing of intelligence on real time basis, setting up of better communication links, etc.”¹⁵⁶ The meeting also agreed to review the work relating to the maintenance of the boundary pillars on the Indo-Burmese boundary. Moreover, India agreed to organize training for anti-narcotics officials to take strict measures in checking illegal narcotics smuggling across the Indo-Burmese border. During their stay in Delhi, the Burmese delegation called on Indian Home Minister L.K. Advani, Commerce Minister Ram Krishna Hegde and Indian Minister of State for External Affairs Ms Vasundhara Raje.
- General Maung Aye visited India 14– 21 November 2000 at the invitation of Indian Vice-President Mr Krishan Kant. The high-powered Burmese delegation, which included six senior ministers besides Maung Aye, was given the kind of “ceremonial welcome” which is usually reserved for visits by heads of State or government to India.
- General Maung Aye’s visit was the first high-level contact between India and Burma since 1988. Business and security were the two main agendas during his visit. Before this, several senior ministers, bureaucrats and military officials of the two countries had exchanged visits. These visits included former Indian Army Chief V.P Malik’s visit to Burma in January and again in July 2000. In January, General Maung Aye paid a one-day trip to Shillong, the headquarters of the eastern command of the Indian Air Force. At that time, his trip was at the invitation of General Malik.

However, the India–Burma relationship is not free from problems. In October 2000, three Indian soldiers were killed when Burmese fired on an Indian patrol party mistaken as "Naga rebels" near Border Pillar 153, close to Lungwa in Nagaland's Mon district. The Burmese army later tendered its "unqualified apology".

¹⁵⁶ During the three-day talks on 28-30 July, Burmese delegation was led by Deputy Home Minister Brig. General Thura Myint Maung while Indian delegation was led by Home Secretary Kamal Pandey.

While Indian army chief General Ved Prakash Malik was visiting Burma in July 2000, the powerful Burmese intelligence chief and SPDC Secretary –1, General Khin Nyunt, flew to India's arch rival Pakistan with a high-level delegation. Pakistan is known to be supplying arms and ammunition to Burma and there have been close ties between the armed forces and defence industries of Burma and Pakistan.¹⁵⁷

Pakistan military leader General Pervez Musharraf paid a three-day state visit to Burma in May this year and his visit was preceded by a visit of three Pakistan Navy ships, the first foreign naval visit to Burma since 1988. Some foreign policy analysts in New Delhi think that China is actually behind the close ties between Burma and Pakistan as a part of its policy of containing India from outside.

Fall-out of India's constructive policy towards Burma

As a result of pursuing friendship with Burma, the Indian government has stayed away from the US-led condemnation against the military junta for its human rights violations and crackdown on members of the National League for Democracy inside Burma. At the government level, India, along with China and ASEAN countries, was silent when the rest of the world condemned the Burmese government for blocking Aung San Suu Kyi outside Rangoon and later putting her under house arrest. India was one of the minority that voted against the decision of the International Labour Organisation (ILO) to take action against the regime for failing to curb forced labour in the country.

Though India continues to allow hundreds of Burmese pro-democracy activists to stay in India, the Indian authorities have been closely watching their movements and activities. In some cases, there are restrictions on their political programmes. Three days before the visit of General Maung Aye to India in November 2000,¹⁵⁸ India turned back a prominent exiled Burmese activist from the airport despite the fact that he was holding a valid visa issued by the Indian Consulate in Chaing Mai, Thailand. Apparently, Indian authorities were taking precautionary measures against any embarrassing incidents for the Burmese top leaders during their visit in India.

- On 4 September 1998, 64 Burmese activists were arrested while they were staging a demonstration against the visiting Burmese Health Minister, General Ket Sein, in New Delhi. The activists were charged with violating Section 144, which does not allow the gathering of more than four persons. After hours of detention, they were released on bail. Again on 26 February 1999, the Indian police arrested about 50 Burmese activists in New Delhi while they were in a demonstration against the military rule in Burma. They too were charged and released on bail.
- In December 1998, the Indian Home Ministry, at the last minute, cancelled the venue of a seminar on Burma, when the Burmese democracy activists tried to organize it at the Constitution Club in New Delhi. Moreover, Indian police and intelligence personnel have been closely monitoring the activities and movements of Burmese activists in Delhi. Burmese refugees in Delhi were asked to register with the Foreigners Regional Registration Office (FRRO) in Delhi. The Indian Home Ministry has reportedly directed the UNHCR Office in New Delhi not to recognize any more Burmese as refugees.
- Again in July 1999, the Indian government banned a Burma Democracy Conference (scheduled to be held in Calcutta on 6–8 July) and did not issue a visa to those Burmese exile activists who planned to participate in the meeting.

¹⁵⁷ *Jane's Intelligence Review*, 1 June 2000.

¹⁵⁸ General Maung Aye visited India 14–21 November 2000 at the invitation of Indian Vice-President Mr Krishan Kant.

- On 29 July 1999, a Burmese activist who is working as an India-based stringer for Radio Free Asia (Burmese Language Service) was arrested by the local police in Moreh, Manipur State of India. He was later released on 30 July.

Aung San Suu Kyi expressed disappointment with the change in policy. In a conversation with Indian journalists in December 1995, Aung San Suu Kyi said that she expected India to help the movement for democracy in Burma. She said that both India and China continued to have friendly relations with the junta in power. China was not a democracy, she said, but from India she expected greater assistance for her National League for Democracy.¹⁵⁹

Indian policy analysts maintain that India has supported and continues to support the democratic aspirations of the Burmese people, despite its official working policy towards the military regime. “The government of India has been a host to various refugee groups from Myanmar and members of the democracy movement. That has not changed over the years. This itself shows India’s stand,” said Sanjoy Hazarika, a senior fellow of the Center for Policy Research (CPR).¹⁶⁰

“What has changed, however, is the government of India’s emphasis and public recognition of the importance of the regime in Rangoon both from the security point of view and in terms of economic relations with that country,” he added in a recent interview.

With respect to Indian policy, P.M.S. Malik wrote:

This is a case of making the best of a bad bargain, a recognition of the fact that there is little that the international community can do, for the present, for the restoration of democracy in Burma.... Further the manner, in which the military has so far controlled the political, social and economic areas of the country, has ensured that they can keep the world out.

In November 1997, when Indian Minister of State for Foreign Affairs Saleem I. Shervani visited Burma, the question of Indian support to the Burmese pro-democracy movement was raised. “I told them that India is a vibrant democracy and we do not just preach freedom, but also practice it. But India will never allow itself to be used by anybody to destabilize another country”, said Mr Shervani.¹⁶¹

An editorial in *The Hindu* newspaper reminded that India’s engagement with the Burmese junta should not mean neglect of India’s consistent policy of supporting democracy in Burma. It said that:

There are strong trade-cum-strategic arguments in favour of engaging the military regime in neighbouring Myanmar, but these should not be allowed to cloud or sideline India’s principled policy of supporting the democratic forces in that country. Engagement is not endorsement, apologists for the trade-led policy... Let India engage the junta in Myanmar but let us also simultaneously pile pressure on the regime to return the country to the democratic path. Let us reiterate at every possible forum that a ruthless dictatorship in Myanmar is a major destabilizing force in a region strategically important for this country.¹⁶²

The editorial concluded by saying that: “The men in Khaki must realize that returning the country to democracy can bring lasting peace, with substantial dividends in terms of stability and progress”.

¹⁵⁹ *Times of India*, 12 December 1995.

¹⁶⁰ Interview on 6 November 2000.

¹⁶¹ *The Hindu*, 7 November 1997.

¹⁶² *The Hindu* newspaper, 18 November 1997.

IV. Major factors contributing to the relationship between India and Burma

From India's point of view, three major factors involved relations with Burma. These are: 1) the security aspect of Indian North East insurgency and Chinese influence in Burma, 2) the economic aspect of promoting trade and economic relations with the neighbouring country and 3) the presence of people of Indian origins in Burma. Since independence of both countries in 1947–48 these were serious issues in the relationship between the two countries, although the issue of Indian origins in Burma became less important for India after the late 1980s.

From the SPDC's point of view, it is important to have a good relationship with India as it enhances its own political image both inside and outside the country. Moreover, it is important for trade purposes and gives it some degree of dependence on China. Over the years, India has emerged as the largest export market for Burma, accounting for one-fourth of Burma's total export.

Security Aspect: insurgency on Indo-Burmese border and Chinese influence

It is a known fact that some major insurgent groups that are fighting against the Indian State have bases on the Burmese side of 1600-km long Indo-Burmese border. These groups include both factions of the National Socialist Council of Nagaland (NSCN) and Manipur insurgent groups.¹⁶³

India wants cooperation from the Burmese regime to “contain” or “eliminate” these insurgents as the SPDC now effectively controls almost the entire area bordering with India. Some of the Indian insurgent groups are believed to have established relations with the local Burmese commanders and are thus able to make movements along the border areas.

It is also in Burma's own interests to tackle the insurgency problem, as it has insurgents like the Kachins and the Chins in this area. Although the Kachin Independence Army (KIA) entered a truce with the Burmese government, the Chin National Front (CNF), which was formed to fight for self-determination of Chin people in Burma, has its camps inside Indian border.

There have been joint military efforts between the two armies to counter insurgency across the border. For example, a joint operation – code-named Operation Golden Bird – was launched between the Indian and Burmese armies against the Indian insurgents in the Northeast in July 1995. The Burmese army had taken some casualties in this operation. However, in the middle of the operation, Rangoon ordered its army to pull out of the operation because the Indian government announced that it was awarding the Jawaharlal Nehru Prize for Peace and Understanding (the highest civilian honour in India) to Aung San Suu Kyi.

The Indian side then returned to a consistent approach in getting Burmese help by befriending the Burmese military junta. There were several exchange visits as well as regular civilian and military meetings between the two countries.

Former Indian Army Chief V.P Malik's two visits to Burma in 2000 contributed to enhancing bilateral border management. The Burmese military has been extending its cooperation to India in countering Northeast insurgents on the border. Indian Home Minister L.K Advani, after meeting with visiting Burmese Home Minister Col. Tin Hlaing, said on 17 November 2000 that the Burmese army is

¹⁶³ According to *Indian Defence Year Book* (1998-99), the Nagaland-Manipur area (which has 613 kilometre border with Burma) alone has an estimated 10,700 armed guerrillas belonging to such bigger outfits as the National Socialist Council of Nagaland – NSCN (IM), NSCN (K), Manipur's United National Liberation Front (UNLF), People's Liberation Army (PLA), Kangleipak Communist Party (KCP), People's Revolutionary Party of Kangleipak (PREPAK), Kuki National Front (KNF) and the Kuki National Army (KNA).

helping India fight against Naga insurgency and that it had destroyed five National Socialist Council of Nagaland (Khaplang faction) camps that year. In addition, Burmese generals have assured the Indian government they would continue similar operations against the remaining camps of Indian insurgents inside Burmese territory.¹⁶⁴ Obviously, this is a result of the growing friendship between the two governments. A high-level six member Burmese military team led by Vice-Admiral Kyi Min, commander in chief of Burmese Navy, visited India in November 2001.

Another important security consideration in building the relationship with Burma was the growing Chinese presence and interests in Burma, particularly after 1988. Strategically, Burma controls one of the most important land routes from China southwards. India is worried about China's strategic attempts to use Burma as an access to India's Northeastern States.

India believes that its closer relationship with the junta will help to "balance" Chinese influence. "We found that Chinese were selling large amount of arms, establishing defence cooperation and a relationship. This was the strategic challenge to India... We want to balance Chinese influence. We do not want China dominating the strategic area of northern Myanmar",¹⁶⁵ said former Foreign Secretary Mr. J. N. Dixit who was instrumental in normalizing of ties with Burmese junta in 1993-94.

"(T)he Burmese are so dependent on China that the Chinese are able to exercise quite a bit of leverage over the military junta in Yangon. The Pak-Burma relationship is the outcome of Yangon's dependency on Beijing", said Brahma Chellaney from the Center for Policy Research (CPR) in New Delhi.

India thinks that by distancing itself from the military regime in Burma, it is pushing Burma closer to the Chinese, which primarily threatens India's interests.

P.N.S. Malik supported this view in his article on "Indo-Myanmar Relations". He wrote that:

For India the real problem is one of security; a nuclear China is present on all three sides of its land borders. This is the consequence of the Chinese influence in Pakistan and Burma. The idea of Burma being a friendly and a non-threatening buffer state between India and China has disappeared for good. India has to plan its strategic response to this position by reinforcing its ties with the elements that are likely to retain control even if a constitutional form of government comes into existence.

Economic aspect: promoting trade with the neighbouring country

Economic interest has pushed India to establish a good relationship with the Burmese junta, and it plays a very major role in the present India-Burma relationship. From the viewpoint of Indian industry and business, Burma is a bridge between India and Southeast Asian markets, and a gateway to Southeast Asia.¹⁶⁶ While Indian economic relations with other ASEAN countries such as Thailand and Singapore are relatively good, Indian business sees Burma as a potential not only for bilateral economic cooperation but also for regional cooperation due to its geographical proximity with India.

As Burma is part of both BIMSTEC (Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation) and ASEAN, Burma is crucial for some regional projects like the Trans-Asian highway and railway projects. (Burma is being linked to the rest of Southeast Asia under the trans-Asian highway project from Iran to China.) And India is keen to import gas from Burma. India's Oil and Natural Gas Corporation (ONGC) Videsh Ltd. is reportedly negotiating with South Korea's Daewoo International Corp. to buy a 30% stake in Daewoo's offshore exploration block in the Arakan offshore in northwestern Burma.

¹⁶⁴ *The Asian Age*, 18 November 2000, New Delhi.

¹⁶⁵ Interview on 13 July 1999.

¹⁶⁶ CII's meeting with General Maung Aye on 17 November 2000 and CII interviews.

Moreover, Indian business is keen to strengthen linkages between India and Mekong basin countries, which include Burma. Cooperation among these countries in the transport and infrastructure sectors includes railways, roads and air travel as well as greater cooperation in science, technology and human resources.

The apex industry association of India, Confederation of Indian Industry (CII), is playing an active role to increase economic ties between India and Burma. Apart from signing MOUs with Burma, it hosted an interactive meeting between General Maung Aye-led Burmese delegation and Indian industry in New Delhi in November 2000. At the meeting, Burmese leaders invited more Indian investment in Burma in areas including agriculture, fisheries, pearl cultivation, infrastructure, oil and gas, mining and tourism. The CII had proposed to have a target of US\$ 2 billion bilateral trade between the two countries by the year 2003.

Indian investment in Burma accounted for about 1.1% only, amounting to US\$ 4.5 million, while ASEAN countries' investment in Burma accounted for 50% of Burma's US\$ 7.3 billion foreign investment. And the balance of trade between the two countries is hugely in Burma's favour.⁵

The 100-mile Kalay–Kalaywa–Kyigon–Tamu road in Sagaing Division of Burma, built with the assistance of India for three years, was formally inaugurated by the Indian foreign minister Jaswant Singh and the SPDC's Secretary – 2, Lt. Gen. Tin Oo on 13 February this year. This Indo-Myanmar Friendship Road connects northern Burma with India's national highway 39 that terminates at Moreh in Manipur State, providing better link from the India–Burma border to central Burma. India will undertake responsibility for the maintenance of the road for the first six years by providing the services of an Indian Road Maintenance Force, along with the necessary material and manpower. India also built a friendship bridge on the Mizoram–Burma border to facilitate a new border trade route. The 170-feet long bridge, built by India with Rs 146 lakhs (about US\$ 3 lakhs), connects Zokhuthar village in Mizoram and Rih village in Chin State of Burma.

Moreover, India is currently building the Monywa– Kalaywa road together with two major river bridges in Burma.¹⁶⁷

That economic factors are important in India's foreign policy clearly outlined back in 1947 by Jawaharlal Nehru in his statement that: "Foreign policy is the outcome of economic policy, and until India has properly evolved her economic policy, her foreign policy will be rather vague, rather inchoate and will be groping".

When the world entered into the new era after the cold war and "globalization" started having impact in India, particularly after 1990, economic factors became more important in India's foreign policy.

The economic struggle had become far more crucial than ever before, with palpable consequences for foreign policy...In the new era no country could hope to play a meaningful international role if it did not manage well its economic problems and was not demonstratively registering economic progress. The economic dimension became the most important dimension of foreign policy.

V.P. Dutt

A section of Indian businessmen in Burma have also been pushing the two governments for increased economic relationship. They obviously want to exploit the opportunities offered by the ruling regime in Burma for Indian business and investments although many of themselves were victims of Ne Win's rigid nationalization measures in the late 1960s.

¹⁶⁷ It also provided a credit line of US\$ 15 million to Burma (a line of credit US\$ 10 million to Burma in 1997) for purchase of Indian goods during the Jaswant Singh's visit to Burma. Both countries jointly set up a remote sensing and data-processing center in Rangoon.

In this vein, G. L. Goenka, President of Mumbai-based Indo-Myanmar Chamber of Commerce and Industries declared:

I have one quotation on opportunity, which reads thus ‘Open the door when opportunity knocks or it will knock at your neighbour’s door’. Some of our neighbouring countries are very active in Myanmar and we should surge ahead before we are left with no opportunity.¹⁶⁸

V. Indo-Burmese trade relationship

- The balance of trade is in Burma’s favour and India has emerged as Burma’s largest export market accounting for US\$ 163.4 million, i.e. one-fourth of Burma’s total exports.¹⁶⁹
- Bilateral trade between India and Burma was around US\$ 216 million in 1999/2000 (April–March).¹⁷⁰
- Exports to India in 1999–2000 were to the tune of about US\$ 141.14 million while imports from India were worth US\$ 75.36 million.¹⁷¹
- The trade turn over, which was just US\$ 13 million in 1980–81, touched US\$ 194 million in 1999–2000.¹⁷²

At least from the first century, a trade route from India to China crossed North Central Burma down the Chindwin Valley up the Irrawaddy to Bhamo and the border of China. However, due to the difficult nature of the land routes, trade developed largely by sea.

When Burma became a part of British India, Burma played an important part in India’s economy. India obtained most of her rice, mineral oils and teakwood from Burma: in 1938–39, these three commodities accounted for 87% of her imports from Burma. Moreover, Burma was an important source of supply of food and raw materials.

For example, in April 1954, India agreed to buy 900,000 tons of rice from Burma over three years, at a relatively high price of 48 pounds sterling per ton. In May 1956, the Indian government concluded yet another agreement to purchase from Burma two million tons of rice for a period of five years, beginning from 1 June 1956. The purpose of this agreement was to achieve a balance of trade in favour of Burma. In return for Burmese teak, timber, rice and lead, India would supply Burma with cotton and woolen textiles, cotton yarn, jute manufactures, fish, sugar, coal, coke, machinery, engineering goods and other products, drugs and medicines. In another agreement signed on 30 September 1959 India consented to purchase from Burma 150,000 tons of rice over and above the 350,000 tons already contracted for, and made firm commitment to take another 350,000 tons of rice from Burma’s 1960 crop.

Table 4.1: Percentage of India’s Share in Burma’s Trade

<i>Year</i>	<i>Imports</i>	<i>Exports</i>
1938–39	80	66
1947–48.....	56	60
1948–49.....	57	44
1949–50.....	32	34

¹⁶⁸ In its *Indo-Myanmar Business Bulletin*, Volume 1, No. 2, 1998.

¹⁶⁹ Arun Bharat Ram, President of CII, on 17 Nov. 2000 in New Delhi.

¹⁷⁰ Reuters. 17 Nov. 2000, New Delhi.

¹⁷¹ *Asian Age*, 17 Nov. 2000, New Delhi.

¹⁷² *Hindustan Times*, 17 Nov. 2000, New Delhi.

1950–51.....	40	33
1951–52.....	38	38
1952–53.....	53	23
1953–54.....	24	23
1954–55.....	17	38

Source: Government of India, Ministry of Commerce and Industry. *Report on the economic and Commercial Conditions in Burma for 1955*, p. 19

There was a general decline in trade between India and Burma after 1960, although trade relations continued and there were many trade agreements. This was because of various factors, such as the improvement of food production in India, the economic policy of the Ne Win government in Burma, and the existence of new rice markets elsewhere. But by 1968–69 trade began to increase again. This was partly due to a trade decline in Sino-Burmese relations after 1967.

After 1983 there was again a sharp increase in India's imports with a purchase of 3,000,000 tons of Burmese rice besides pulses, timber and gemstones. The two-way trade turnover during 1987 was about Rs. 36 crores. There was a lull in the period between 1988 and 1992.

On 21 January 1994, the two countries signed a Border Trade Agreement to legalize the trade that had been going on for centuries along the border areas of the two countries. There were two Indian trade exhibitions held in Rangoon: one in February 1995 and another one in November 1997.

According to available figures, during the first 10 months of 1998, India's imports from Burma increased to US\$ 124 million from US\$ 114 million during the same period in 1997, showing an increase of nearly 10%. However, India's share in Burma's total exports during the first 10 months of 1998 declined to 14.5% compared to the share of 16.2% during the same period in 1997. India's exports to Burma fell sharply from the level of US\$ 89 million in first 10 months of 1997 to US\$ 59 million during the first 10 months of 1998, showing a decline of 34%.

During 1996–97, exports of primary and semi-finished iron and steel comprised 36% of the total Indian exports to Burma while miscellaneous processed items comprised 22% of the exports. 10% of the exports to Burma were engineering goods and iron and steel bars/rods etc. The major items imported from Burma were pulses (49%), wood and wood products (26%) in 1996–97.

India's Major Exports to Burma

- Misc. processed items
- Chemicals, cosmetics drug pharmaceuticals etc.
- Engineering goods
- Iron and steel bars/rods etc.
- Primary & semi-finished iron and steel
- Glass, glassware, paints ceramic, enamels, varnishes, cement, etc.

India's Major Imports from Burma

- Pulses
- Wood & Wood products
- Sugar

- Fruits & nuts including cashew nuts

Table 4.2: The Total trade between India and Burma during 1997–98

	<i>Imports</i> (US\$ Million)	<i>Exports</i> (US\$ Million)
April 1997–March 1998	218.20	46.45
April–December 1998	123.40	22.77

Source: *Federation of Indian Chambers of Commerce and Industry*

The total volume of bilateral trade across the border from 12 April 1995 till 15 June 1996 was Rs. 25.77 crores with exports totaling Rs. 16.71 crores and imports totaling Rs. 9.06 crores. (Source : CII)

In October 1998, the Confederation of Indian Industry (CII), the apex industry association of India with a direct membership of over 3,800 companies, signed a Memorandum of Understanding with the Union of Myanmar Chamber of Commerce and Industry (UMCCI) and Myanmar Industries Association (MIA). CII also signed in February 1999 a MOU with Myanmar Computer Federation (MCF). The MOUs agreed to exchange professional experiences relating to services rendered to their respective members and agreed to provide full cooperation to each other in the promotion of Trade Fairs and Exhibitions in India and Burma.

The two countries have been cooperating in exchange of technologies and in development of their resources. Gas Authority of India Ltd. (GAIL) signed a MOU in 1998 with Brown & Root, Cairn Energy and Shell to bring in 28 million cubic metres per day of natural gas from Burma to India. The Navratna Company (a GAIL subsidiary) has plans to bring gas to Orissa State of India through a sub-sea pipeline.

In a visit to India in June 1999, Burmese Science and Technology Minister U Thaung invited Indian industrialists to come and invest in his country. He also invited Indian companies to invest in the agricultural sector of the country; a private company would be allowed to export half its produce.

Indo-Burmese border trade

Border trade has been through Tamu–Moreh and efforts have been made by both governments to open an additional route: Champhai–Hri. Burmese authorities have also suggested the possibility of opening a third border point at Paletwa township in Rakhine State in Burma and South Mizoram in India.

Under the Border Trade Agreement signed on 21 January 1994, 22 items are identified for exchange by residents living along the border between India and Burma.¹⁷³ However, out of 22 items identified as exchangeable items, it is learnt that only 12 items are practically viable for import and export across the border. Border trade suffered abrupt downfall during the years 1997–1998 and 1998–1999.

¹⁷³ These 22 items are: Mustard /Rape seed, Pulses and Beans, Fresh Vegetables, Fruits, Garlic, Onion, Chillies, Spices (excluding nutmeg, vace, cloves, cassia), Bamboo, Minor forest products excluding Teak, Food items for local consumption, Tobacco, Tomato, Reed Broom, Sesame, Resin, Coriander Seeds, Soybean, Roasted Sunflower Seeds, Katha, Ginger.

Table 4.3: Volume of Trade

EXPORT		
<i>Year</i>	<i>Value</i>	<i>Cess</i>
1995–96	Rs. 10,45,32,984/-	Rs. 5,23,682/-
1996–97	Rs. 29,79,96,037/-	Rs. 22,64,112/-
1997–98	Rs. 25,16,67,199/-	Rs. 26,64,985/-
1998–99	Rs. 4,88,42,680/-	Rs. 4,51,289/-
IMPORT		
<i>Year</i>	<i>Value</i>	<i>Duty</i>
1995–96	Rs. 5,39,05,477/-	Rs. 46,04,421/-
1996–97	Rs. 16,17,12,506/-	Rs. 1,37,54,666/-
1997–98	Rs. 37,19,55,314/-	Rs. 3,11,96,155/-
1998–99	Rs. 3,74,56,152/-	Rs. 37,80,194/-

Source: *Moreh Chamber of Commerce*

To boost border trade, the Government of India has agreed to equip better communication facilities in Moreh and also to sanction necessary funds to the government of Manipur State for organizing seminar-cum-awareness programmes/workshops on border trade. Moreover, the Central government was considering a 100-crores budget proposal of the Manipur government to set up an "Export Promotion Industrial Park" in Manipur State.

VI. Indo-Burmese military cooperation

During the independence struggle of both countries, Burma hosted Netaji Subhash Chandra Bose's Indian National Army in World War II. As early as 1944, one Indian historian Sardar K.M. Panikkar had focused attention on the strategic significance of Burma to India. He said, "The defence of Burma in fact is the defence of India and it is India's primary concern no less than Burma's to see that its frontiers remain inviolate. In fact, no responsibility can be considered too heavy for India when it comes to the question of defending Burma."

Nevertheless, India and Burma do not have much military cooperation. India provided arms and ammunition to the Rangoon government when the U Nu regime was surrounded by Karen rebellions in 1949. Apart from this incident, there has been almost no arms transfer from Burma to India.¹⁷⁴

The military cooperation between India and Burma has been basically limited to intelligence sharing and occasional joint operations against the insurgent groups, which are operating along the border areas against both countries. The Burmese government has been more or less cooperative whenever India has information regarding the Indian insurgent groups, which from time to time set up bases inside Burma. Sometimes, the authorities in Burma have captured or killed some of the leaders of Indian insurgent groups.

¹⁷⁴ Although some media reports suggested in September 1998 that India had offered to supply arms and intelligence equipment to Burmese junta, Indian Defence Minister George Fernandes denied the reports as baseless.

From 1951 to the early 1960s, at the request of the Burmese government, members of the Burmese armed forces were given training in India. Members of armed forces from both countries have been exchanging regular visits since 1994. In June 1999, a 16-member delegation from the Indian National Defence College visited Burma.

Worried about China's apparent attempts to access the Indian Ocean through Burma, India has lately been making efforts to increase some strategic cooperation with Burma and has helped with strategically important road building.

In particular, increased cooperation has involved crackdown on insurgency in border areas, as described above.¹⁷⁵ Indian security forces started pressurizing the armed Burmese ethnic groups, particularly Chin National Front (CNF) to enter into a cease-fire with the Government of Burma. In April 1995, two senior CNF leaders died while in custody of the (Indian) Assam Rifles in Mizoram State. In January 1999, a CNF member, Mang Duhtling, was arrested and handed over to the Burmese army by the Assam Rifles in Mizoram. In July 1999, Assam Rifles attacked some mobile camps of CNF along the Indo-Burmese border.

In 1996, the Indian authorities secretly handed over a Burmese student activist along with 11 defectors from the Burmese army to the Burmese military government. The student activist, who is a recognized refugee of United Nations High Commissioner for Refugees (UNHCR) in India, was jailed in Burma and the fate of the 11 army defectors in the hands of Burmese authorities is not known.

India has not protested when Burmese soldiers have entered its territory chasing Burmese insurgent groups. For example, in the first week of August 1999, the Burmese army entered 300 metres inside Indian territory while chasing an Arakan Muslim group in the India–Burma–Bangladesh triangle. The local commanders in the border areas have mutual understanding on these incidents and allow the “accidental” intrusion.

Apart from “Operation Golden Bird” launched in May 1995 (mentioned above) the Indian armed forces launched an operation in February 1998, code-named “Operation Leech”, against so-called gunrunners and seized huge amount of arms and ammunition; 73 people were arrested and 6 shot dead.¹⁷⁶

In conclusion, India has agreed to sign the protocol for a South-East Asia Nuclear Free Zone in which Burma will take part. In the Sixth National Level meeting of India and Burma Home Ministry officials held in Delhi on 28–30 July 1999, the two countries agreed to enhance cooperation on issues like “cross border terrorism”, sharing of intelligence on real-time basis and setting up of better communication links. The Burmese side assured the Indian authorities that it would take action whenever it came to know of any activities or movements of Indian insurgents groups inside Burmese territory. India drew the attention of Burmese delegation to the fact that some Bodo insurgents, Ulfa and NSCN (Khaplang) groups are shifting their camps from Bhutan to Burma.

¹⁷⁵ Moreover, through regular meetings and discussions, India hopes to be able to influence Burmese leaders to increase economic and military cooperation between the two countries as the military personnel usually lead the Burmese delegates in the meetings.

¹⁷⁶ In reality, this is a case of one Indian army intelligence officer who conspired and shipped arms of the Arakan Army (armed wing of National United Party of Arakan) and Karen National Union from the Thai-Burma border to an island in the Andaman Sea on the pretext of providing an island base for the groups. The same officer, Colonel Grewal, had handed over the 11 Burmese soldiers in 1996. During Operation Leech, six Arakan leaders of the group were shot dead and 73 people were arrested with a large number of arms and ammunition.

VII. India's support to the Burma democracy movement

India's support to the democracy movement since the 1988 people's uprising has been scaled down as the relationship with the military government has improved. Indian government officials have become cautious in speaking about the Burma democratic movement and rarely comment on the political situation in Burma under the military regime. Lately, there has been almost no official statement from the Government of India in support of the Burma democracy movement although individual MPs say privately that India is still committed. Burmese democratic activists in India are disappointed that the Indian government is not even giving lip service to their movement.

Indian authorities have, for example, barred some of their political programmes in Delhi by canceling or not allowing them to have particular venues such as Constitution Club, which is a politically influential place in Delhi. On two occasions, the police arrested Burmese activists in Delhi while they were demonstrating against the Burmese military regime.

Mr Deenadayalan from Friends of Burma organization, was very critical of the present position of the Government of India towards Burma. In an interview he said:

Though the Indian state is supposed to be the largest democracy in the world, its expression and manifestation in terms of its relationship with neighbouring countries has shown that it has also been undemocratic in promoting forces which are not democratic. This is a very clear from its support to the Burmese Government.

Initially, about 1000 pro-democracy political and student activists came to India with hopes and expectations that they would receive support and assistance from the government and the people of India. During the heat of the nation-wide uprising in 1988, the Indian Embassy in Rangoon openly supported the pro-democracy activists and the Indian Embassy in Rangoon turned its library into clinic for injured demonstrators. Dr I. P. Singh was the Ambassador to Burma and Rajiv Gandhi was the Prime Minister in India at that time.

Indian Embassy officials even tried to mediate between U Nu and Aung San Suu Kyi to agree the formation of a provisional government headed by Aung San Suu Kyi. The Embassy worked with other foreign Embassies to extend recognition to the provisional government if it was formed.

In October 1988, at the United Nations General Assembly, the then External Affairs Minister of India (later Prime Minister) P.V. Narasimha Rao said: "India had watched with growing concern the trials and tribulations faced by the people of Burma with whom the people of India are bound by close ties of history and culture". When the Burma pro-democracy activists reached the Manipur and Mizoram states of India towards the end of 1988, the Government of India announced that it would not turn back the student refugees from Burma and that it would give them shelter as long as their lives were in danger in Burma.

The government of Manipur on its part set up the "Burmese Refugee Camp" (BRC) at Leikhun in Chandel district. The camp is about 64 kilometres away from the Indo-Burmese border. The government of Mizoram also established a refugee camp at Champhai, which is about 24 kilometres from the border. Although the refugee camps established were virtually concentration camps surrounded by barbed wire and armed soldiers, the local people extended whatever assistance available to them to the Burmese activists.

When some of the activists tried to leave the camps, they were arrested by the police and put into jail for months. At that time, Indian human rights lawyers such as Nandita Haksar in Delhi and Shelley Chara and Koteswar Singh in Manipur helped them in their release from the illegal detention.

India was initially hesitant to allow the United Nations High Commissioner for Refugees (UNHCR) to extend refugee status to the Burmese activists when they moved to Delhi from the border areas after 1989–90. But, with the intervention of some intellectuals and pressure groups, the Indian government did not object when the UNHCR office in Delhi started recognizing the Burmese activists as “person(s) of concern” and issued refugee certificates in early 1990.

On 10 November 1990, two Rangoon University students hijacked a plane of Thai International Airway from Bangkok to Calcutta to draw the international attention to the plight of the Burmese people. After the nine-hour hijacking drama, the two students gave themselves up to the Indian authorities. They were arrested under the Anti-Hijacking Act and sent to the Dum Dum Central Jail in Calcutta. However, the people of West Bengal extended their unconditional support to the Burmese students and the People’s Union for Civil Liberties (PUCL) provided two High Court lawyers to fight the case. Besides providing legal assistance, the PUCL extended moral and material support to these young students while they were in jail. After three months in the jail, these two Burmese students were released on bail with the support of the people of India. Many called for their release, and 38 Members of Parliament signed the letter requesting the Prime Minister of India give them political asylum in India.

With the advice of Rajiv Gandhi, some political leaders and intellectuals formed an India–Myanmar Friendship Society in late 1988 with an aim to strengthen the people-to-people relationship between India and Burma. It was led by K.R. Narayanan, a former Ambassador to Burma (later President of India).

Leaders of the various political parties and statesmen of India expressed solidarity with the struggle for democracy in Burma at a meeting of the India–Myanmar Friendship Society held at New Delhi on 20 June 1990. In his inaugural address, the eminent statesman P.N. Haksar, former Deputy Chairman of Planning Commission of India, characterized the Burmese people’s struggle in the context of a “century of turbulence and massive awakening to the cause of human liberty”. “Tied not only by history but by geography and common aspirations, Indians should rejoice in the fact that the people of Burma are overwhelmingly asserting their desire for liberty and political democracy”, Haksar said.

The All India Radio (Burmese Service) was notably supportive of the Burma pro-democracy movement in this period and even criticized Ne Win by name in its broadcasting. When the Supervisor of AIR (Burmese Service) asked Prime Minister Rajiv Gandhi about the Burma democracy movement in 1988, Rajiv Gandhi responded that: “We have to strengthen the aspirations of the people of Burma”. And from then onwards till mid-1991, AIR Burmese Service broadcast 10-minute “Burma Current Affairs” which were so popular in Burma that the Burmese government retaliated with furious attacks against AIR and Government of India in its state-controlled media.

When Aung San Suu Kyi was awarded the Nobel Peace Prize for 1991, India was among the first countries to convey its congratulatory message to her:

The news has been greeted with joy and pride throughout India. It is a most timely and an apt recognition of the non-violent struggle launched by the people of Myanmar for democracy and respect for human rights under the able leadership of Ms. Suu Kyi.
Indian Prime Minister P.V. Narasimha Rao.

The India–Myanmar Friendship Society organized a function to felicitate Aung San Suu Kyi *in absentia* in New Delhi on 6 November 1992. Speaking at the function, Minister of External Affairs Natwar Singh (later responsible for foreign affairs in the Congress Party of India) said that if the Burmese government continued to debar the elected representatives from running the country, the Indian government should recall its Ambassador from Myanmar. He urged the Indian government to

snap diplomatic relations with the Burmese government if the latter continued the incarceration of Aung San Suu Kyi.

In fact, the government demanded unconditional release of Aung San Suu Kyi when she was put under house arrest on 20 July 1989. On 15 March 1993, Dinesh Singh, the Minister of External Affairs, stated in the Indian Parliament:

We have repeatedly called upon the Government of Myanmar both on our own and in consonance with other like-minded countries, to release immediately and unconditionally the Nobel Laureate Mrs Aung San Suu Kyi. The latest instance of our efforts in this direction was the support extended by us by a UN resolution on the situation in Myanmar in December 1992, calling on that country to restore democracy and release Mrs Suu Kyi.

However, the real attitude of the government seems to be ambivalent. The Indian government does not give financial assistance to Burma pro-democracy activists in India, although Indian intelligence personnel occasionally give money and materials to Burmese democracy leaders more or less in exchange for information.

Genuine support and solidarity with the Burma democratic movement does come from many of the Indian people, such as lawyers, musicians, journalists, political and human rights activists, women activists, trade union leaders, Members of Parliament and students as well as from some non-governmental organizations.¹⁷⁷ In 1993, a Friends of Burma organization was formed by concerned citizens to create an awareness of the need in India for supporting the cause of democracy in Burma and Burma pro-democracy activists in India in particular. It consisted of people from different walks of life, such as journalists, human rights activists, social and political activists, trade union leaders and professors.

Apart from the support from political and intellectual quarters, Burma democracy activists received help from the Indian immigrants who were driven from Burma to India by nationalization measures. Thousands of these Indian immigrants settled down at Janta Quarters of Janak Puri in New Delhi, and they extended help and assistance to the Burmese activists on their arrival.

In February 1992, when the new Ambassador of Burma presented his credentials to the President of India, Mr Venkatraman “expressed concern over the delay and uncertainty in forming a popular government in Myanmar and he hoped for an early and peaceful transition to democracy in the country”. It was against this background that India decided to allow the National Coalition Government of the Union of Burma (NCGUB) to open its office in New Delhi in July 1992.

India conferred the prestigious Jawaharlal Nehru Award for International Understanding for 1993 to Aung San Suu Kyi. Describing her as a “symbol of peace and friendship as well as symbol of challenge to injustice the world over”, the Vice-President of India K.R. Narayanan said that Aung San Suu Kyi has emphasized the importance of human values in today’s world obsessed with economic and materialistic values.

The Citation of the Award said,

¹⁷⁷ For example, on 30 November 1992, a meeting entitled “Indian students in solidarity with the struggle for democracy and human rights in Burma” was jointly organized by the various Indian students organizations in New Delhi. At the meeting, Indian students adopted a resolution in which they expressed “deep concern” over the continuation of the military rule in Burma and violation of human rights by the junta. They urged the Burmese military government to free all political prisoners and demanded the restoration of democracy. Many well-known political leaders including Members of Parliament and Cabinet Minister V.C. Shukla attended the meeting and delivered speeches.

Amid the turbulence of an era in transition, Aung San Suu Kyi adhered strictly to a peaceful struggle in her espousal of democracy in her country Myanmar. Her belief in Mahatama Gandhi's philosophy has sanctified the campaign for democracy in her own country. By conferring the Jawaharlal Nehru Award on Aung San Suu Kyi, India pays tribute to a courageous torchbearer of this tradition of peace and non-violence; and to a luminous example of the indomitable human spirit that can change the course of history.

Although some members of the government in later years played down the award to Aung San Suu Kyi as "an award to an individual for her contribution to the cause of liberalism and human rights",¹⁷⁸ the award was seen as a clear message to the Burmese government in particular that India stands with democracy movement in Burma.

On 8 August 1998, at a joint meeting in New Delhi, six political parties of India re-committed their support to the Burma struggle for democracy. More than 75 MPs, in the same month, signed a letter urging the Burmese government restore democracy in Burma.

On 17 February 1999 Indian Foreign Minister Jaswant Singh confirmed that "India is committed to the security and freedom of the Burmese who are taking shelter in India".

The most active support has come from George Fernandes, a trade unionist-turned Member of Indian Parliament. He has allowed a Burmese student organization to function from his official residence, i.e. 3, Krishna Menon Marg in New Delhi, since 1992. In January 1996, he organized an International Convention for the Restoration of Democracy in Burma in New Delhi to bring together those involved in or supporting the struggle of the Burmese people from all over the world.

In conclusion, India has faced and continues to face a dilemma over its policy towards the democratic movement of Burma. The Indian foreign policy establishment believes that India must have normal relations with whosoever is in power in Burma. On the other hand, India has not abolished totally its hope for restoration of democratic government in its neighbour and maintains that it is committed to it.

VIII. Suggestions for Burma pro-democracy activists

As one Indian journalist noted, the ASEAN policy of constructive engagement with the Burmese military regime has now given the international community some leeway in dealing with the junta, and ASEAN policy has encouraged India to promote the idea of engagement with the ruling government in Burma. It can be assumed that the Burmese regime will be more and more acceptable in the international arena even if the United States and European Union continue to isolate the junta.

Many Indian policy-makers have a perception that the Burmese democratic movement is highly influenced by "Western interests and powers". They think that the NLD and democratic movement is closer towards the Western countries in their approach than to India and other Asian countries. If Burma pro-democracy groups want to get India's active support, they will definitely have to convince the Indian political leaders that the Burma democracy movement needs India's support as well as the support of other countries in the region.

When we talked with Indian political leaders and NGO personnel, they mentioned that the NLD/NCGUB leaders seldom communicated with them. For example, Former Prime Minister Chandra Sheikhar, who was sympathetic to the Burmese democratic movement, told us that he did not receive any communications from the NLD/NCGUB leaders in India. He only received communications from the Burmese student groups based in India. Hence, it is important for the

¹⁷⁸ Foreign Minister Pranab Mukharjee on 1996 Singapore trip.

leadership of the democracy movement to maintain regular communications through occasional meetings with the political leadership of India.

In fact, it is useful to approach the Indian political leaders while they are in opposition and bureaucrats while they are out of service. Support from the opposition political parties and leaders is crucial for any resolution on foreign policy matters in the Indian Parliament.

It is clear that the governments of India and Burma, in their own interests, will work together even more closely in the future. India's urgent interest at the moment is not the restoration of democracy in Burma but to get cooperation from the ruling military regime in Burma in military and economic fields. Burma pro-democracy groups must be aware of this fact. They should, from time to time, ask the Indian authorities to use bilateral and multilateral meetings to talk with the Burmese leaders for implementing concrete measures towards the restoration of democracy in Burma.

In India, many people who are aware of the Burma situation, including bureaucrats and politicians, are sympathetic to Aung San Suu Kyi and the democracy movement. But the Burma pro-democracy activists have not been able to translate this sympathy into an action-oriented solidarity movement to support either the democratic movement in Burma or their campaigns and activities in India. Aung San Suu Kyi and the NLD party should maintain a direct communication link with some of the important political leaders in India.

At one level, the pro-democracy groups have to carry on campaigning to increase awareness and support from the people of India in general and the people in the border states of India, such as Manipur and Mizoram States, in particular. The governments of these border states are important as seen in 1988–89. When Burmese student activists entered into India after the military crackdown in Burma, the Central Government directed the two state governments to house the activists in refugee camps.

Although the Government of India is now engaging a "working relationship" with the military regime in Burma, there is a section of government, notably India's external intelligence wing – Research and Analysis Wing (RAW) – which keeps working with Burma pro-democracy groups for better cooperation. The democracy activists need to utilize this channel to influence the policy of the Government of India towards active support of the democracy movement.

Moreover, it is important to widen the campaigns of pro-democracy groups to other South Asian countries and Southeast Asian countries to support the democratic movement because what other countries think or do with the military regime in Burma naturally influences the policy-makers in India.

Apart from these, Burma pro-democracy groups should themselves find some kind of unified approach in articulating their demands for a democratic Burma. There is a widespread apprehension among the political circles in India that Burma democracy groups are highly divided.

Generally speaking, in India at this moment, there is no strong movement to fight for moral values and idealistic politics. Hence, there has to be a conscious and very clear campaign creating solidarity with the struggle for democracy in Burma. For example, creating solidarity with women groups, trade unions, student groups is important.

The Indian public will be more active if they consider that Burma's democracy and the issues relating to Burma are important for India. In mobilizing public opinion in India, pro-democracy groups should highlight the fact that establishment of a democratic government in Burma will serve India's interests in the long term.

To get support and solidarity from the government and the people of India the pro-democracy groups of Burma could:

1. Maintain regular communications with Indian political parties and their leaders, policy research institutes and experts on Burma, intellectuals and NGOs in India, and organize occasional meetings with them on the situation of Burma;
2. Organize campaigns and programmes to increase awareness among the general public on the democracy movement in Burma and mobilize the public opinion;
3. Keep in regular touch with the media personnel and journalists, as the media in India tend to be sympathetic to the democratic movement of Burma;
4. Keep in regular contact with the embassy in Rangoon; the Indian Ambassador in Rangoon plays quite critical role in India's policy towards Burma;
5. Use the two Burma support groups formed by interested individuals in mobilizing Indian public opinion. The two groups are: a) Friends of Burma organization and b) Friends of Democracy in Burma. The Indo-Myanmar Friendship Society is not functioning any more.
6. Lobby the members of the Parliamentary Committee for Foreign Affairs as the committee plays a role in making India's foreign policy;
7. Approach the Indian Embassies in foreign countries and make them aware of the ongoing political situation in Burma;
8. Lobby the regional and small parties for their support; India is entering into a coalition politics era and regional parties play quite important role in forming the government in the centre.
9. NLD (LA)/NCGUB in particular should strengthen itself by getting other Burma activists involved in its activities and organization; NLD (LA)/ NCGUB in India is a weak political force although it has more financial strength compared with other pro-democracy groups.

IX. Conclusions

The major shift in India's foreign policy towards Burma in the 1990s is related to some of the following factors:

- The country's insurgency problem in the Northeast has increased.
- India wants to conform with ASEAN rather than the Western countries.
- Economic aspects have become a more important factor in its foreign policy.
- India thinks that by increasing cooperation with the regime in Burma, it can partly detach the junta from Chinese influence.

India's Burma policy must also be seen in the context of the evolution of India's foreign policy and the changes in the foreign affairs establishment in India.

In Nehru's era, both globalism and regionalism were present in India's foreign policy. India was active in international affairs and it took a stance in moral and political questions around the world. However, through the years, a trend has emerged where the relative importance of globalism has slowly declined

while regionalism and interest-oriented nationalism have acquired a much larger and decisive place in India's foreign policy preoccupations. This became forceful in the 1990s.

Moreover, the changing political leaders and unstable political governance in India contribute much to India's leeway in international affairs. The leaders after Nehru did not really have the vision to plan the framework of a new international role that would take into account the new situation. Although Indira Gandhi did make some attempts to seek a more global role, her personality and particularly her Emergency Rule in India did not convince the world leaders that she was a peacemaker. While orienting India's policy even more in a regional direction, Rajiv Gandhi evinced a far greater interest in global affairs than his mother did. It was Rajiv Gandhi who helped the campaigns against the apartheid regime in South Africa, and who was actively involved in supporting Burma democracy groups in his last days of power.

But international role-playing and involvement virtually disappeared in India foreign policy after Rajiv Gandhi. The successive Prime Ministers after him were either not interested in international affairs or were too encumbered with domestic politics. The governments after 1989 were either minority governments or coalition governments, and they were generally preoccupied with making the government survive or were heavily involved in internal affairs. The political attention naturally shifted to what was happening within the country from what was happening outside.

A coalition government, by its very nature, makes it exceedingly difficult for the Prime Minister or Foreign Minister to exercise the same degree of authority as in a one-party government.

The growing lack of interest in international affairs among political leaders and in the manifestation of political parties contributes to India's non-active foreign policy. Although the Indian Parliament is important in foreign policy-making, the majority of members are not really exposed to foreign affairs and their basic interests are tied to their constituency and region.

Not surprisingly, the Indian external intelligence organization – Research and Analysis Wing (RAW) – has played a crucial role in India's foreign policy as it has the task of monitoring all aspects of foreign intelligence. While formally holding an important diplomatic position in the Indian missions abroad, RAW officials collect information not only on the country where they are stationed but also on all important international developments. The Director has easy access to the Prime Minister and RAW played a crucial role in training members of the Liberation Tigers of Tamil Eelam (LTTE) when India decided to use them against the Sri Lanka government.

Moreover, after Rajiv Gandhi, the decision-making process in the foreign ministry of India was changed. It was decentralized with most of the routine, visible and macro decisions taken principally by the bureaucrats in the Ministry of External Affairs, to which the minister generally gave a stamp of approval. Bureaucracy has now become more active than ever before in making foreign policy. It gathers and accesses the information, highlights the problems, frames the alternative solutions and operationalizes the actions.

Although the task and importance of the Ministry of External Affairs remains crucial, the increasing globalization of India's economy has added the need for greater coordination among the ministries in policy-making, particularly between the Foreign Ministry, Commerce Ministry, Defence Ministry and Finance Ministry.

The Political Affairs Committee of India is usually comprised of Prime Minister, Defence Minister, Commerce Minister, Finance Minister and Food and Agriculture Minister. Policy Planning and Review Committee under the Cabinet is comprised of the Foreign Secretary, Chairman of the Joint Intelligence Committee and Secretary of the Ministry of Commerce.

In India, a new coalition government led by the Hindu nationalist Bharatiya Janata Party (BJP) won the general elections in September 2000. George Fernandes' Samata Party is a key coalition partner in the government. The current government is continuing the previous government's policy of having a "working relationship" with the Burmese military government.

However, there is overwhelming support found among the Members of Parliament in India towards the Burma democracy movement and Aung San Suu Kyi. In a petition launched by Burmese student activists in India in November this year, more than 50 MPs belonging to various political parties (both ruling and opposition parties) have signed in expressing their support for a "MP Declaration on Burma" which calls upon the Burmese military government to release imprisoned Members of Parliament and political prisoners in Burma.

The signed declaration, a worldwide MP declaration, also calls upon the Burmese junta to recognize the right of the duly elected representatives of Burma to convene the parliament and immediately cease all restrictions against them. The petition, which is still underway at the time of writing this addition, is expected to be endorsed by more than a hundred Members of Parliament in India.

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34. Interview with Ms. Jaya Jaitely, Samata Party on 26 June 1999.
35. Interview with Mr Sumit Chakravarty, Friends of Burma on 5 July 1999.
36. Interview with former Prime Minister Mr Chandra Sheikhar on 7 July 1999.
37. Interview with former foreign secretary Mr Eric Gonselvet on 21 July 1999.
38. Interview with former foreign secretary Mr J.N. Dixit on 13 July 1999.
39. Interview with former foreign secretary Mr Muchkund Dubey on 17 July 1999.
40. Interview with Prof. G.N. Jha, JNU on 27 July 1999.
41. Interview with Dr Udai Bhanu Singh, Institute for Defence Studies and Analyses (IDSA) on 13 August 1999.

5. Thai–Burma relations

Kavi Chongkittavorn

I. Thai perceptions of Burma

To comprehend the nature and complexity of Thai-Burmese relations is to understand the transformation of their friendship over the past 431 years. Thais have a range of perceptions about Burma, from a historical notion of a devilish nation, to a more recent nostalgic view of the “good old Burma”. Thais describe such nostalgia as “hooi-ha-adeed”.

The view of Burma as a devilish nation can be traced back to the fall of Ayudhya. In 1569, Burmese troops invaded Ayudhya and occupied it for 34 years before the Siamese King Naresuan won the decisive battle in Nong Sarai and retook the capital city from Burma. But then again in 1767, the Burmese King Bayinnaung ransacked Ayudhya. After a prolonged fight, the city fell miserably to Burma. It was this defeat and the huge damage the Burmese victors inflicted on the Thai losers that has been etched in their memory since then. Literally, every valuable in Ayudhya was either torched or taken away by the Burmese troops. While Thais remember Naresuan’s heroic victory, they have not forgotten the aggression and barbaric acts of the Burmese invaders, and the name of King Bayinnaung, has continued to be a source of hatred. To rub salt into Thai wounds, the Burmese junta in 1996 erected a statue of King Bayinnaung opposite Ta Songyang, Tak, as if to remind Thailand of the bitter history of the two countries. Ask any Thai student who Thailand’s enemy Number One is. The answer will inevitably be Burma. This historical memory further complicates Thai-Burmese relations.

It was not until the fall of Ayudhya in 1767 that Siam’s political and intellectual leaders started to realise the unbridled violence of the Burmese and the resultant perils to Thailand, and showed more concern for investigating and reconstruction the past circumstances of their hostilities with this neighbour.

Dr Sunait Chutintaranond, 1995.

Despite this view of Burma as a devilish nation, the two countries managed to co-exist without major wars before Britain colonized Burma in 1826.¹⁷⁹

While Thailand was consolidating its statehood between 1850 and 1970, the nation, its leaders in particular, viewed Burma as a symbol of failure for being unable to combat the forces of colonization. They put the blame on the Burmese leaders. Prominent historian Somdet Kromphraya Damrong used this theme to explain Burma in his writings. “Thieu Muang Phrama” or “Travelling inside Burma” was a typical work. He praised the ability of Thai rulers over the Burmese as they could protect the country from the West’s control. He viewed the Burmese leaders as corrupt and selfish, without any leadership. In most of his work related to Burma, he used this theme to highlight the differences between Thailand and Burma. Some of these views were taken from Western authors, such as James Scott. Other Thai authors, such as Luang Vichitvathakarn and Kukrit Pramoj, also entertained this negative perception in their writings about Burma. Such stereotyping of Burma has also been perpetuated through popular TV period-dramas, which recycle characters and scripts that belittle Burmese leaders. During World War II, the Thai government used nationalism as a theme and as

¹⁷⁹ The colonization pushed Thailand and Burma to redefine their common border. Thus the 1909 treaty was established, which currently serves as a legal instrument to demarcate the 2400-kilometre long border.

propaganda to legitimize the government and its policy of accommodation with the Japanese. Before World War II, Luang Vichitvathakran wrote nine fiction stories related to Thai-Burmese history. The stories became popular among Thai readers and all were made into TV dramas. The government at that time fully supported this line of thinking; it did not matter whether what the Thai people perceived of Burma was fact or fiction.

After Burma gained independence, it remained a neutral country while Thailand followed a pro-US policy during the Cold War and the US-initiated containment campaign throughout the world. At this time, there were normal contacts along the Thai-Burmese border allowing peoples from the two countries to trade and learn from each another. However, the stereotype, nurtured through literature and TV series, continues unabated.

At the other end of spectrum, Burma has also been associated with a romanticized feeling towards Burma, especially among the upper-middle class and *nouveau riche*. Recently, several books and videos have perpetuated this perception of the 'good old Burma'. During the economic crisis, articles by Thai writers lauded Burma's basic lifestyle and socialism, without referring to political oppression. Naowarat Pongphiboon, a well-known poet, wrote a book lamenting the loss of Thai-ness in "Mong Phrama" or "Looking at Burma".

Another attitude is found among business groups, who view Burma as a new market where they can get rich. This attitude was widely prevalent during the Chatichai Choonhavan government (1988–1991). The Chatichai administration went all out to accommodate the Burmese junta in exchange for concessions to exploit natural resources such as logging, fisheries and gemstones. These businessmen, based in Bangkok and provincial areas, can influence the cycle of ups and downs of Thai-Burmese relations, particularly on the state of border trade. They continue to press the government to open more permanent checkpoints to further facilitate border trade, without other considerations.

Since 1995, at least half a dozen docu-dramas have been produced relating to the Thai wars against Burma at various periods. The most famous were "Prasrisuriyothai", "Nine Wars", and "Soldiers of King Taksin" and "Nai Kanumthum". The most interesting trend was that all these series were remakes of previous productions. These productions sought to reinforce the notion that Thai-Burmese relations were about war. It was as if that was the only lesson Thais would learn from history, although the war of 1767 was just one of two major battles in their 400-year history of war.

Now, the Thai perception of Burma has been transformed, not only among civilians but among the military as well. While most Thais still view Burma as an enemy, they also sympathise with the situation in that country and the plight of the Burmese people. The Thai public admires the courage of Aung San Suu Kyi, the leader of the opposition party, the National League for Democracy, because they have found in her leadership, a quality lacking, especially among Thai women. She is ranked high among popular political figures in Thailand along with Singapore's senior minister Lee Kuan Yew.

The Thai people also view their country as more developed than Burma. The sense of insecurity *vis-à-vis* the Burmese has somewhat diminished given current Thai economic development and level of democratization. The emerging civil society and political reform since 1997 have rendered a strong sense among the Thai people that Thailand is a democratic country that respects human rights like Western societies do. In contrast, they see that Burma is still ruled by military dictators and that political oppression continues. Thus Thais can take pride in their current situation.

After years of unquestioned collaboration between the Thai and Burmese armed forces, the Thai army no longer tolerates the old pattern of relationships, which were characterized by awards or incentives from Burma's military leaders. It has been an open secret that the Thai military used to obtain concessions, especially in the lucrative logging and gemstone business, in exchange for security

cooperation. It was common in the past for security forces along the Thai-Burmese border not to pursue policy as directed by the central government.

II. Ties with Thailand: a short history

Moving quickly through the history of Thailand and Burma, bilateral relations did not vary much over the past 200 years until Burma gained independence in 1948. Britain went to war with Burma in 1824 to retaliate against Burmese raids across the Indian border. This led to the colonization of Burma two years later. As a neighbour, Thailand was very concerned that Britain had ambitions to colonize it, too. As part of the effort to appease the great power, Thailand concluded the Burney Treaty that followed the visit of Captain H. Burney in 1825. This development redefined the two countries' border: the current territorial boundary between the two nations. After independence, ethnic minorities continued to use the Thai-Burmese border as strongholds to stage wars of attrition against Burma and China. Together with the remnants of the Kuomintang armies in the north along the border, independent Burma distrusted the Thais because Burmese leaders believed the Thai government was supporting the KMT (Kuomintang). It took much dialogue between the two countries to settle the matter. Throughout the 1950s, the lack of mutual trust was the major reason for the deteriorating relationship. Burmese Prime Minister U Nu visited Thailand in March 1955. Thai Prime Minister Field Marshall Pleak Bhibunsonggram returned the visit in the December of the same year. The visits warmed relations. During U Nu's visit, the Thai delegation took him to Ayudhya so he could see the ruined temples and mutilated Buddha images. These visits resulted in a treaty of peace and friendship being signed a year later. In 1960, their Majesties the King and Queen visited Burma for the first time. Thai-Burmese relations, right after World War II, were very cordial because of the growing number of exchange visits among senior officials. However, after Gen. Ne Win's 1962 coup deposed U Nu, Thai-Burmese relations faced new challenges and their relations gradually deteriorated.

Once in power, Ne Win harboured greater suspicion about Thailand's intentions and its support for the minorities sheltering along the border areas, especially the Karen rebels, whom Burma considered arch-enemies. With the proclamation of the Burmese Way to Socialism by Ne Win, anti-communist Thai leaders were alarmed and concerned that Burma would export socialism to Thailand. As such, both sides did not trust each other and bilateral contacts, including top-level dialogue, almost stopped. The Burmese government also adopted a long period of isolation, which in effect severed ties with the outside world. As Burma was engulfed with its own development and problems, the rest of the Southeast Asian region was confronted with a much more serious issue – the victory of the communists in Indochina. The reunification of North and South Viet Nam, the Khmer Rouge victory and the takeover of Laos by the communists occupied the hearts and minds of Thai leaders. Thailand's security along its Eastern flank suddenly became a major headache. Therefore, Thai-Burmese border issues fell into a state of disrepair. These circumstances encouraged the minorities to increase their border attacks against the Burmese government while the Thai side turned a blind eye.

After almost two decades of socialism and dismal economic performance, the Burmese government loosened its grip on the economy. The new leniency immediately stimulated border trade and created a better feeling inside Thailand. With better understanding and improved dialogue, the Thai government in the 1980s began to push back the minorities who had sought sanctuary inside Thai territory. Under the premiership of Gen. Prem Tinsulanonda (1979–1988), Thai-Burmese ties improved markedly. The Prem government stated that Thailand sought to befriend all countries, especially those that share a common border. Thailand's assurance had an immediate effect in encouraging dialogue between the two countries. Then Foreign Minister A.C.M. Siddhi Savetsila visited Burma in 1986, followed by a senior-level visit by then Thai Army Chief Gen. Chavalit Yongchaiyudh the following year. Both

sides agreed to revive the long-discarded Joint Border Committee, which had been established in 1967. The joint committee would serve as a forum for the two countries to discuss and settle border-related problems, which had become more complex due to the vast goods, arms and drug smuggling networks that had developed. The long-awaited visit of Princess Maha Chakri Sirindhorn in March 1986 to Burma gave the long-troubled Thai-Burmese relations respite and an added semblance of normalcy.

The climate of better bilateral ties lasted for two years before a new crisis confronted the two sides. It was roughly at the same time that the pro-democracy crackdown began in Burma that Thailand had a new government under the premiership of Gen. Chatichai Choonhavan, who initiated a policy of turning the battlefields of Indochina into new markets. Such a policy at that time was extremely unconventional because Thailand, as part of ASEAN, was still fighting the Vietnamese occupation of Cambodia. It was not until the end of 1989 that Viet Nam began to pull out its troops. After the military crackdown in Burma, the Chatichai government initially appeared to follow international sentiment that the Burmese regime must be sanctioned and isolated as a punishment for their actions and violation of human rights. However, before long, Chatichai changed his approach and followed his own policy of maintaining ties and dialogue with the junta, thus going against the worldwide sanctions. The government considered the crackdown Burma's internal affair and Thailand decided to refrain from joining the international community in pressuring the country.

The bloodshed drove thousands of students into exile to Thailand and India. Thailand's dilemma was how they were going to handle these students. The government decided against repatriating the estimated 8,000 students and activists who choked various border checkpoints. The Thai decision not to hand the students back to the Burmese government was done on humanitarian grounds and under growing international pressure. Locally, the press and academics as well as activists urged the government to pressure the Burmese government to halt all forms of violation and suppression against the students.

As debate on Burma intensified, the Chatichai government maintained its ambivalent policy towards that country. Chavalit decided to visit Rangoon for just one day as a means to show support for the government under the leadership of Gen. Saw Maung. The trip was soundly criticized by the West because it would give the Burmese regime the wrong signal – that the world recognized and sanctioned its atrocities. Chavalit reasoned that his trip was necessary to settle pending border security issues. The Foreign Ministry did not comment on his visit. After Chavalit broke the ice, several Thai delegations, including lawmakers and businessmen visited Burma over the following two years. It was between 1988 and 1990 that Burma adopted a more positive approach towards Thailand in exchange for its friendship. Numerous new logging, fishing and gemstone concessions were given to Thai businessmen with political connections. Thai military leaders were given priority for contact and dialogue with Burma, not to mention trade and commercial concessions. Several bilateral agreements to strengthen commercial and trade ties were signed. It was in 1989 that the Chatichai government banned logging inside Thailand, making the country's timber needs and consumption totally dependent on the forests of Burma and Cambodia. In exchange for Thailand's support, Burma continues to award Thailand with logging concessions and fishing rights. Thus in the end overwhelming economic interests completely dominated the decision-making on Burma.

In retrospect, the government's forward-looking policy in Indochina must have been the main reason why it decided to embrace Burma. Thailand considers itself, along with Burma, as part of the traditional Indochina, which was called Suwannaphum. Chavalit, who is currently the leader of the New Aspiration Party, was responsible for the policy and was the key person to assist the Rangoon military regime. Obviously, given the overwhelming security concerns along the porous border and economic interests, Thailand has put the human rights concerns on the back burner.

III. Border trade from 1948–1999

Given that the Thai-Burmese border runs for 2,400 kilometres, people living on both sides of the border have been trading and crossing the frontiers for centuries. Ten provinces that share the border with Burma are Mae Hong Son, Chiang Rai, Chiang Mai, Tak, Kanchanburi, Ratchaburi, Petchaburi, Prachuap Khiri Khan, Chumpon and Ranong.

The long stretch of mountains and hills dividing Thailand and Burma has served as a natural demarcation line and has been a rendezvous for peoples of both countries to exchange products and other necessities. Even villagers come across with their homegrown produce or hand-sewn items. Most of the trade is conducted without any government sanction, except at key trading posts accessible by roads and to tourists such as those in Mae Hong Song, Tak and Chiang Rai provinces.

Thai-Burma border trade has a long history, but real regulated border trade occurred right after Burma's independence in 1948. Border trade continued unabated between 1948 and 1962 while Burma was moving steadily towards socialism. The amount of trade was marginal due to the similar structure and level of economic development. Major items that were heavily traded included rice, timber and other agricultural products.

Burma turned socialist and remained so for the next 26 years. All business enterprises were nationalized. Thai-Burmese ties between 1962 and 1987 reached their lowest ebb partly as mistrust grew. An anti-communist government under the premiership of Field Marshal Sarit Thanarat led Thailand, at the time. However, the black market along the border proliferated and, ironically, increased people-to-people contact for commercial purposes. The border checkpoint at Mae Sot, Tak Province, has always been a key trading post. During the socialist period, the huge demand for consumer goods encouraged smuggling across the border. Thailand was the major exporter of goods to Burma. Both China and India were docile trading partners. Thai-Burma border trade in the past 12 years has greatly increased and at the same time become more complicated. Burma had adopted limited economic reform as in other socialist countries and was in need of foreign capital. It was during this period that Thai-Burma relations grew, especially trade and concessions related to natural resources such as timber and precious stones. In return, Thailand imported marine products, buffalo, and raw materials to feed the small and medium-sized factories located along the Thai-Burma border.

Since Burma's independence, Thai-Burmese border trade has been influenced by the presence of various ethnic minorities along the frontier. The Karen minority, which has been fighting for the past five decades for an autonomous region, has been associated with the border smuggling. The New Mon State Party, the Shan, and the Kachin ethnic groups also have their fair share of border trade. These minorities used to have freedom to levy tax and collect other service charges without any interference from Rangoon. However, the situation changed in the late 1990s when Burmese troops attacked the minorities and tried to exert control over their strongholds. In the beginning, it looked as if Burma allowed the minorities to trade with Thailand without much interference. It is now apparent that the Burmese government was searching for ways to disarm the minorities and wrest direct control of the border trade.

IV. Evolution of Thailand's constructive engagement policy

ASEAN foreign ministers were caught off guard when EU representatives unexpectedly raised the situation in Burma during their ministerial meeting in Luxembourg in May 1991. That question on Burma was destined to become a hurdle in ASEAN–EU relations almost a decade later. The EU wanted to know ASEAN's assessment of the situation in Burma. No ASEAN country at that time

appeared keen to be associated with the crackdown on the democratic opposition in that nation which took place a year after the State of Law and Order Restoration Council (SLORC) refused to honour the electoral victory by the opposition party National League for Democracy, headed by Aung San Suu Kyi. Because of close proximity to Burma, Thailand was assigned to answer the EU inquiry on Burma. Two months later, when ASEAN foreign ministers met their counterparts – including the USA, the EU, Australia, Canada, and New Zealand in Kuala Lumpur – Burma was the central issue under discussion. The political oppression inside Burma was brought up separately by representatives of the USA, the EU, Japan, Canada and Australia.

The West's harsh and coordinated criticism of the Burma situation caused great concern within ASEAN about possible outside interference. Thailand, as Burma's neighbour, became a target for the West. It was at this meeting that the term "constructive engagement" as an alternative to confrontation or sanctions was first introduced by the Thai foreign minister. Arsa, a veteran Thai diplomat, was in the uncomfortable position of having to explain the situation in Burma in response to questions posed by reporters while he was simultaneously trying to improve Thailand's image right after the February 1991 coup. The Thais argued that ASEAN countries knew the situation in Burma better: the Burmese should be left alone to settle their own problems without outside interference.

Although the Burmese situation was raised and extensively discussed between ASEAN and its dialogue partners, the controversial issues were not reflected in the joint communiqué issued at the end of the Kuala Lumpur meeting. Among the ASEAN countries, only Thailand mentioned the constructive engagement policy as its official stance. At the time, ASEAN countries did not have any common or coordinated stand on Burma and agreed to adopt their own position. Both Malaysia and Indonesia expressed concern over the ongoing suppression inside Burma and the treatment of the Burmese Muslims, known as the Rohingya, and both countries protested the military junta's treatment of the Rohingya refugees. When ASEAN foreign ministers met a year later in Manila, there was an attempt to organize a common ASEAN approach by sending Foreign Minister Raul Mangapus as an ASEAN special envoy to discuss the situation in Burma with its leaders. But Rangoon quickly rejected the initiative saying that it would only welcome him in a private capacity. The rejection toughened the group's position and ASEAN–Burma ties fell to their lowest ebb. After its initial strong support of Burma, Thailand was playing it safe by stepping back from its efforts to improve bilateral ties.¹⁸⁰

The Burmese issue continued to be high on the agenda of ASEAN foreign ministers when they met in Singapore in 1993.¹⁸¹ In Singapore ASEAN and the West agreed to disagree on Burma and to overlook differences so they could cooperate in other areas, which they considered more important. This included, in particular, security issues needed to shape the new regional order. At the time, the idea of an ASEAN Regional Forum (ARF) was broached and subsequently agreed to by ASEAN and dialogue partners. After the agreement on the ARF, both ASEAN and the dialogue partners showed support for a common approach to political and security measures. With the Western dialogue partners in a new regional security framework the Burmese issue began to take a back seat, although suppression continued to intensify inside Burma. It was at this time that the split within ASEAN widened. However, in 1994, ASEAN–Burma relations began to change when Foreign Minister Prasong Soonsiri invited Burmese Foreign Minister U Ohn Gyaw as guest of Thailand to participate in the ASEAN meeting in Bangkok for the first time. It was a controversial decision by Thailand, which tried to appease the Burmese junta because of the deteriorating bilateral relations. Burma's presence caused a commotion among human rights and non-governmental organizations. They staged protests in front of the meeting venues trying to block the Burmese delegates. The Thai government, which

¹⁸⁰ The lack of Thai leadership contributed to Burma's early admission into ASEAN in July 1997.

¹⁸¹ Each time ASEAN struggled to review the situation, the members failed to reflect a common stance in a joint communiqué at the end of their meetings.

was under constant public pressure over its lenient policy towards Burma, then gave in and allowed Nobel Prize laureates led by Bishop Desmond Tutu to visit the Thai-Burmese border and areas where displaced refugees, including Karen minorities, dwelled. The visit was also to show solidarity and support for the jailed Aung San Suu Kyi, also a Nobel Peace prize laureate. ASEAN's dialogue partners, led by the USA, Australia and Canada, continued to press ASEAN to urge Burma to open up and called for the release of all political prisoners and the ban on the use of child labour and porters.

A year later Burma decided to join ASEAN as an observer and acceded to the ASEAN Treaty of Amity and Cooperation. The junta leaders also released Suu Kyi from house arrest. It was a calculated move by Rangoon to reduce pressure from the Western dialogue partners and the European Community. As an observer, Burma automatically became a member of the region-wide security forum, the ASEAN Regional Forum, at the annual Jakarta ASEAN meeting in 1996. Through the personal manoeuvring of the chairman, Indonesian Foreign Minister Ali Alatas, Burma was able to escape criticism from other ARF members at that crucial meeting. In previous years, the situation in Burma had always been on top of the ARF agenda. Interestingly, Burma's admission into ASEAN was completed within six months, a record time for admitting a new member. It took Viet Nam more than three years to become an ASEAN member while Laos took five. Given the political uncertainty preceding the membership, Cambodia required two years. One of Burma's biggest advantages in joining ASEAN is its English-language ability, as the only former British colony to join ASEAN. In retrospect, Burma's speedy success in joining ASEAN was partly due to the fact that Indonesia and Malaysia gave Burma's membership application the most support. They viewed its membership as a symbol of defiance against growing Western pressure on the group not to admit Burma. As host of the 1997 ASEAN ministerial meeting and subsequent special ASEAN summit, to commemorate the 30th anniversary of ASEAN, Malaysian Prime Minister Mahathir Mohamad managed to admit Burma. Another reason that benefited Rangoon was the lack of strong leadership and consistency from Thailand. Bangkok opposed the admission at the time on the grounds that Burma was still a very repressive regime and needed to open up a bit and liberalize its society before joining ASEAN. But confronting a myriad of domestic political issues, including frequent leadership changes between 1992 and 1997, Thailand was unable to lead ASEAN and at the same time failed to articulate ASEAN-related issues. Malaysia and Indonesia were able to take the lead and shape the direction of ASEAN during this pivotal period.

Bilateral ties between a new ASEAN member and other members have never before deteriorated as fast they did with Thailand and Burma. A few months after Burma was admitted into ASEAN, Thai and Burmese naval forces went to battle on the high seas over fishing disputes in the Andaman Sea. This became common over the next few years. Deputy Foreign Minister Sukhumbhand Paribatra said that Thailand and Burma are the only ASEAN members still doing battle, which is against the ASEAN tenet of the non-use of force to settle disputes.

See also the chapter on ASEAN.

V. Thai-Burmese technical cooperation

Economic and political relations have always been the main focus of Thai-Burma ties, while other ties that cover social, technical and agricultural areas have not been reported. For the past decades, Thailand has provided a generous amount of aid, scholarships and training courses to Burmese officials.

Initially, most of the Thai assistance went into training officials and for scholarships to Burmese students, chosen by the government, to attend higher education institutions in Thailand.¹⁸² After 1995, Thailand broadened the scope of the cooperation with Burma to include agriculture, education, public health and railway rehabilitation. Before the economic crisis in July 1997, Thailand allocated Bt58 million, the highest amount of aid in a single year, as assistance to Burma. Prime Minister Chavalit Yongchaiyudh's said the aid was aimed at cementing ties because Chavalit was well known for his close rapport with the military leaders in Rangoon.

VI. Key issues

Various issues of Thai-Burmese relations have plagued the two governments. Efforts to settle these problems have been marred by a lack of understanding and implementation mechanisms.

Ethnic minorities on the border

The first major issue is the presence of ethnic minorities along the Thai-Burmese border. The Burmese minorities, especially the Karen, Mon and Khaya, living along the border, have vowed to fight for autonomy although the Burmese regime has been trying to co-opt them. Rangoon has been quite successful in negotiating a cease-fire with at least 15 minority groups. In 1980, the Thai government under Prime Minister Gen. Perm Tinsulanonda made it clear to Burma that Thailand did not have a policy of supporting Burmese minorities along the Thai-Burmese border. The subsequent governments have continued to reiterate this position at the outset of their administration. However, Burmese leaders and officials remained sceptical and alleged that Thailand secretly supported the Karen rebels against Rangoon.¹⁸³ They said that Thailand continued to provide shelter and sanctuary to fleeing leaders of various minority groups, offering logistics, and selling illegal arms to minority groups. Burma was very concerned with Thailand's continued provision of a safe shelter to Gen. Bo Mia, who is considered the Burmese junta's Enemy No. 1. However, after the junta leaders were able to split the Buddhist Karens to fight against the Christian Karens, Burmese troops took control of the Karen stronghold in Manaplaw, which forced thousands of Karen refugees into Thailand. At the moment, Thailand continues to host over 50,000 displaced Karen people along the Thai-Burmese border. In addition, there are numerous incidents of robbery and theft because armed minority factions refuse to lay down arms and use them to rob villagers in the areas.

Burmese border troops

Second, the presence of Burmese troops and artillery along the Thai-Burmese border is a major concern for Thailand. Following the cease-fire agreements with Burmese minorities, the Burmese troops have moved into the strongholds of these minorities causing tension along the Thai-Burmese border. Currently, Doi Lang is the most volatile spot along the Thai-Burmese border because fully armed soldiers are standing within a stone's throw of each other. Currently, Thailand has to spend close to Bt5 million a day to secure the border. Apart from Doi Lang, the demarcation line No. 16 at

¹⁸² After the crackdown on students in 1988, thousands fled to the Thai-Burma border. About two-thirds went abroad or settled in third countries. After 12 years, over 2,000 Burmese students are still living inside Thailand. The Thai Government has provided assistance to a small number of students in discreet ways.

From 1991, the Thai Government increased the financial assistance several-fold, from less than Bt2 million in 1991 to Bt50 million in 1993. The number reached the unprecedented level of Bt55 million in 1994 and 1995.

¹⁸³ That Burma still accuses Thailand of harbouring its enemies can be seen in an article "The bad neighbour" in *The New light of Myanmar*, 1 March 2001: "What Thailand has done is like the act of a person in a ward who is accommodating hoodlums, ruffians, crooks and robbers at his house. These hoodlums, ruffians, crooks and robbers burgle other houses at night."

Ban Nong Uk, Hill 491 and Lam Island, Kan Island and Khee Nok Island are considered problem areas.¹⁸⁴

Illegal fishing within Burmese waters

Third, Thai illegal fishing within the Burmese maritime boundary continues unabated. Due to depletion of Thai marine resources, Thai fishing trawlers, the fourth-largest fleet in the world, continue to fish in troubled waters inside Burmese territorial waters, knowing they could be arrested and prosecuted. Burma issues two kinds of licence, one from the government and the other from the province involved. Fishing trawlers continue to buy concessional tickets from the local governments, which can be bought and withdrawn at will by the Burmese authorities when an incident irks the Burmese junta.

Illegal logging

Fourth, Thais are doing illegal logging inside Burma, especially in areas controlled by the minorities. Burma prohibited logging inside its territory in January 1995 but allowed a few timber companies to operate. But illegal logging continued unabated, especially in areas where Burmese troops are unable to wrest control. Burma has told the Thai government that illegal cutting of timber continues in border areas along the Shan, Kaya, and Kachin states. The Thai timber companies often use fake documents to back up timber felling operations.

Illegal Burmese migrants

The fifth key issue is the presence of illegal Burmese workers and migrants. Currently over 100,000 refugees are seeking safety inside Thai territory, along with 47,000 displaced persons of various ethnic backgrounds, 110,000 illegal immigrants, about 3,000 Burmese students in exile and 50,000 illegal immigrants from other countries.

Drugs

The final major problem is the flow of illegal drugs into Thailand from Burma. When *Far Eastern Economic Review*, on 1 June 2000, reported the growing dissatisfaction among Thai leaders over Burma's illegal drug trade and the toughening of the Thai position *vis-à-vis* its Western neighbour, it caused quite a stir among Bangkok-based diplomats. More disturbing, the magazine also published an interview with Thai Deputy Foreign Minister Sukhumbhand Paribatra. It quoted him saying that Thailand was supporting clandestine sabotage operations in the territory controlled by the United Wa State Army inside Burma. Although subsequently Sukhumbhand dismissed the report as groundless, it was widely known within top security echelons that Thailand has long been contemplating heavy-handed measures that would stem the flow of methamphetamine tablets into its territory. According to Thai intelligence sources cited by the magazine, Britain's elite Special Air Services are being recruited to train members of the Karen community as agents in the war against drugs inside Wa territory. This is considered as long-term strategy and is aimed at obtaining information and weakening supply routes of both raw and finished tablets.

On 24 June 2000, the Thai army sounded a warning of a huge increase in the production and trafficking of drugs in Burma. The army blamed the Burmese junta leaders, who moved tens of thousands of people into border areas as part of a mass relocation programme. In March 2000, about 50,000 people were moved from the south of the Chinese border to towns in the eastern Shan State

¹⁸⁴ Burma's attitude towards Thai border troops is not welcoming, as shown in an article entitled "The bad neighbour" in *The New light of Myanmar*, 1 March 2001: "Thailand is showing hostilities and making threats against Myanmar. A large number of Thai forces were deployed along the border as a means to show hostilities toward Myanmar."

bordering Thailand. However, the number increased to 100,000 by the end of June. The relocation led to the increase of methamphetamine factories along the border. Each factory can produce up to 1 million tablets of the drug every day.

The Burmese side argued that the relocation is aimed at cutting heroin production in northern Burma by moving people away from areas where they traditionally used to grow poppies. But Thai officials feel that the relocation is a thinly disguised move to boost the drug industry by bringing the supply closer to markets in Thailand. They point out that the Burmese and Wa are using the money generated from the drug business to fund the setting up of new towns, especially Muang Yuon, only a stone's throw from the Thai border.

VII. New Thai policy towards Burma

Faced with the huge drug trade problem, Thailand is contemplating various options for both the short and medium term. Following long debates and examination of evidence that showed that the Burmese regime and the Wa minority are working together in the drug trade, Thailand was seriously considering what army chief Gen. Surayut Chulanont suggested – using surgical strikes on Wa-operated drug factories along the Thai-Burma border. Any military action across the Thai-Burma border to destroy drug-producing factories or mobile units would definitely have far-reaching ramifications on Thai-Burmese relations and the unity of ASEAN. If force is used, which is highly likely if the flow of illegal drugs continues unabated, it will have to be swift action by helicopter gunships. Apparently, given the gravity of the drug problem, the Thai leaders are ready to face any consequence derived from military actions against the drug warlords. Thailand is confident of garnering support from the international community because the conflict near the Thai border is akin to what happened in Kosovo two years ago. Here in the region, a pariah state exists which supports drug warlords on its territory near the Thailand border.

From a Thai point of view, cooperation from Burma and the Wa is necessary and pivotal to any reduction in the border drugs trade. Thailand has repeatedly urged Burma to assist Bangkok's anti-narcotic's efforts against the Wa, but all such overtures have failed. Of late, Thailand has viewed Burma's recalcitrance as a direct threat to Thailand's security because drugs could be used to destabilize the country. In mid-May 2000, Prime Minister Chuan Leekpai dispatched a special envoy, former foreign minister Sqd. Ldr. Prasong Soonsiri, to meet the junta leaders, including Gen. Khin Kyunt in Rangoon. Prasong brought with him a Thai proposal for a joint border patrol along the Thai-Burmese border, but Burma rejected it outright.

According to government statistics, at least 60% of methamphetamines end up in the hands of people aged 15 to 18. The tablets, locally known as ya-baa (mad pills), have been declared Public Enemy No. 1 by the previous and current governments. As part of the implementation of a new Burma policy, substantial changes and reshuffles took place in May and June 2000 along the Thai-Burmese border involving the Third Army Region, provincial and customs officials.

Bangkok also raised the issue of drug production with China and the Deputy Foreign Minister planned to visit Beijing and Yunnan in August 2000 to highlight the importance of Chinese cooperation in suppressing the cross-border drug trade.

The more assertive, if not more aggressive, policy towards Burma came after the departure of two key Foreign Ministry officials, Saroj Chavanaviraj, permanent secretary for foreign affairs and Virasak Footrakul, director general of the East Asian Affairs Department in April 2000. Former ambassador to Washington, Nitr Pibulsonggram assumed the position of new permanent secretary together with the

new director general of the East Asian Department, Surapong Chaiyanama. The change was crucial as far as Burmese policy is concerned because for the past decade the Foreign Ministry played almost no role in formulating policy on Burma. Under Nitr and Surapong, the Ministry has assumed the lead role on Burma. Surapong is well known within the ministry and Bangkok-based diplomatic community for his liberal views and tough position on Burma. He has long advocated a dual-track policy toward Burma that would increase Thailand's bargaining position. The ASEAN policy of supporting Burma could be disastrous, he argues, as it does not reflect the nature and interest of Thai foreign policy, which has respect for human rights and democratic principles as one of its main pillars. In the post-Cold War era, ASEAN has had to suppress their differences for the sake of unity and in its struggle against outside powers.

The most visible policy shift came in on 10 May 2000. The Foreign Ministry issued a hard-hitting press release in response to the *New Light of Myanmar's* accusation that Thailand provided shelter to Karen rebel groups in order to protect its black-market interests. The two-page release took the Burmese regime to task and soundly criticized Rangoon for the spillover of problems from Burma. It said that because of continuous fighting inside Burma, women, children and old people had to cross over to Thailand for safety. Thailand has to care for them and it has become a burden for the country, the document said. In subsequent months, the Rangoon regime used its mouthpiece, the *New Light of Myanmar*, to continue to attack Thailand and its leaders.

On 6 June 2000, Foreign Minister Surin Pitsuwan issued a strong protest to the Burmese junta following a serious accusation in the state-run press on 19 May 2000. *The New Light of Myanmar* threatened to expose Thai officials engaged in drug-trafficking "including those of Royal blood". Early on 6 June 2000 Surin met secretly with the junta leader Gen. Khin Nyunt at Don Muang Airport, where the Burmese leader was in transit, before flying to Tokyo to attend the funeral of the late Prime Minister Keizo Obuchi. During this meeting, Surin delivered the protest to Khin Nyunt, telling him that an allegation that involved a Royal was not an act of friendship. Showing that Thailand did not take it lightly, three weeks later on 27 June the Burmese ambassador to Bangkok was summoned to the Foreign Ministry to remind him of the allegation that would have far-reaching implications on Thai-Burmese relations. Bangkok stressed that, in addition, Thailand was expected to accede to the Treaty of the International Crime Court some time that year. Thailand would be able to join the international community in expediting justice on dictators and drug barons.

Thailand's new policy was tested in Geneva at the annual meeting of the International Labour Organisation on 14 June 2000, when Thailand abstained from supporting Burma – the only ASEAN member to do so. It was the first time that an ASEAN country decided to break away from the group's common approach. Before this crucial vote, the Thai government indicated to the Rangoon regime that its support was no longer automatic. If Burma failed to comply with ILO recommendations, Thailand would maintain its position until Burma came up with measures that would stop the practice of forced labour. The Thai abstention also demonstrated the uncomfortable situation ASEAN encounters when forced to vote on issues where there is no consensus.

At the meeting, the ILO decided to impose punitive sanctions on Burma, which would take effect in November 2000, if the situation of forced labour did not change. The sanctions were initiated following a report by an ILO technical cooperation mission that visited Burma during 22–27 May to ensure that Rangoon was in full compliance with ILO recommendations to stop all forms of systematic forced labour inside the country. After some heated debate, the ILO voted overwhelmingly in favour of a resolution proposing a number of sanctions against Burma. Despite some tough words from the Thai government the previous year, Thailand had voted along with other ASEAN members to support

Burma's record at the ILO meeting.¹⁸⁵ The June 2000 deliberation indicated that Thailand's policy towards Burma has changed.

Thailand's decision to abstain was due mainly to a soft-approach ASEAN statement. Two weeks before the vote, Malaysia, a member of the governing body, produced an ASEAN draft that would commend Burma's effort to ban forced labour. However, Thailand wanted the draft to reflect international concerns including Burma's own commitment to implement recommendations by the ILO.

Under the Surin and Sukhumbhand's leadership, the Thai Foreign Ministry has been taking a leading role in policy-formulation towards Burma. This is a new development because in the past the Thai army was the main policy-maker, determining the direction and substance of the country's ties with her neighbours, especially Burma. The National Security Council (NSC), which plays a coordinating role between key government security agencies, is no longer playing an assertive role. The NSC's role rests with the Prime Minister, who is the agency's chairman. Before Chuan took charge of the government, the NSC played a high-profile role in directing Burmese policy and displaced people along the Thai-Burmese border.¹⁸⁶

After the appointment of army chief Gen. Surayut Julanond in 1998 the army has been cooperating closely with the Foreign Ministry to work out and coordinate a common policy towards Burma. Surayut's predecessor, Gen. Chetta Thanajaro was considered close to the Rangoon junta leaders. He preferred personal talks with the junta leaders to dissolve bilateral issues, especially concessions on logging and fishing rights, including the opening of new border checkpoints. Under his leadership, Thai-Burmese relations were held hostage by the Burmese regime. Chetta also commented constantly on Thai-Burmese ties and took different views from that of his country as if he was operating alone. But Surayut changed all that. He asked the security officials along the Thai-Burmese border not to conduct any business across the border. With Surayut abstaining from comment on Thai-Burmese affairs and consulting the Ministry, policy-makers are now working as one for the first time.¹⁸⁷

However, when the government under Prime Minister Thaksin Sinawatra came to power in early 2001, he turned the Burmese policy upside down. Along with strong support from his coalition partner, Defense Minister Gen Chavalit Yongchaiyudh, Thailand dropped all conditions for political liberalization and improvement of human rights inside Burma. Top Thai leaders including Thaksin visited Burma and appeased the Burmese counterparts. Hard pressed by a campaign promise to get rid of narcotics along the Thai-Burmese border, Thaksin restored full trade relations with Burma in exchange for anti-narcotic cooperation and border security. With the new economic-oriented approach, the role of foreign ministry has again been side-lined as Chavalit and his team, who ended Burma's isolation in 1988, has taken charge of the policy and its decision making process. Although the tension along the Thai-Burma border has been reduced during the first half of 2001, the long-term prospects of joint anti-narcotic suppression and proposed demarcating border remain doubtful. With an absolute majority in the house, the Thaksin government is likely to continue the current policy which stimulates cross border trade regardless of political conditions inside the country.

¹⁸⁵ Before the voting, Foreign Minister Surin Pitsuwan told reporters that he personally supported the abstention, but the Thai representative in Geneva voted differently.

¹⁸⁶ During the reign of Gen Chavalit Yongchaiyudh leadership, the NSC became one of the most important bureaucracies to implement the policy. However, over the past three years, the NSC has returned to its traditional role of coordinating and facilitating discussion among various policy-makers.

¹⁸⁷ Burma has been testing the Thai resolve by employing divisive tactics through incentives. This has not succeeded.

VIII. Conclusions

Thai-Burmese relations have reached a critical juncture. Never before have Thai policy-makers expressed such frustration over bilateral ties, especially over the issue of narcotics suppression.

Before the extensive political reform in Thailand in 1997, Thai-Burmese ties were mainly driven by personal friendship. For instance, the leaders of the armed forces from the two countries met often and resolved conflicts on an ad hoc basis and through gentlemen's agreements. That helped explain why certain problems could be settled quickly and other problems dragged on. It must be noted that some of the issues settled through political expediency have returned to haunt the leaders of the two countries. In the past, strong military ties omitted and obliterated other key policy-makers including the Foreign Ministry, the National Security Council, the Interior Ministry and other related organizations. But with reform, the Foreign Ministry took the lead in the formation and execution of Burma policy.

The international community would like to see Thailand take a firm stand against the Burmese junta. As in the Cambodian conflict between 1978 and 1992, Thailand was able to provide leadership during the 14-year conflict and was a prime mover behind ASEAN solidarity and policy initiatives. Unfortunately, during the crucial days of Burma–ASEAN relations between 1995 and 1997, when key ASEAN decisions were made, Thailand was troubled by political uncertainty at home. However, the political reform that has taken place since 1997 should serve as political bedrock.

However, when the government under Prime Minister Thaksin Sinawatra came to power in early 2001, he turned the Burmese policy upside down. With strong support from his coalition partner, Defense Minister Gen Chavalit Yongchaiyudh, he has followed a policy of appeasement to further economic ties and, in particular, gain cooperation in narcotics suppression.

The long-term prospects of joint anti-narcotic suppression and proposed demarcation of the border remain doubtful. With an absolute majority in the house, the Thaksin government is likely to continue the current policy which stimulates cross border trade regardless of political conditions inside the country.

6. International Policies towards Burma: Western governments, NGOs and multilateral institutions

Zunetta Liddell

I. Introduction

A careful and objective study will reveal that both sides have the same aim – the emergence of a democratic country. The difference is only in the tactics to reach this goal. If these nations, which are trying to exert pressure and isolate Myanmar through prejudice, adopt a positive attitude and assist Myanmar, we can achieve our common goal more quickly.

Khin Nyunt, Secretary-1 SPDC, 10 August 1999

In the 11 years since Burma's democracy summer, vast amounts of time, money and energy have been spent by individuals, organizations, governments and inter-governmental organizations trying to bring about the transition to democracy and protection of human rights which thousands of Burmese died for. And yet, in Burma the human rights situation has not only failed to improve, but in many respects has worsened and the political situation remains deadlocked. Internationally, there is also a sense of stasis, almost hopelessness, and a realization that while it was always assumed that change in Burma would have to come from within, efforts to assist and support that process from without have apparently achieved little thus far. At the same time, however, the search for new ideas and a fresh approach is hampered by polarized positions among activists which have become entrenched over the years, and especially since the release of Aung San Suu Kyi in 1995. Simply put, these positions can be summed up as isolation versus engagement. Isolation seeks to isolate the military in the hope that either this will lead to a collapse of the government, or at least pressure the military into having to make the required changes. Constructive engagement is a longer-term approach that tries to change the military by stealth. Neither isolation nor engagement can be said to have failed at this point, for neither has really been tried. For a synopsis of these policies,¹⁸⁸ see the Introduction to the Executive Summary.

Since 1999 there have been some attempts by governments and multilateral institutions to come out of their bunkers and adopt a more pragmatic, realistic approach which seeks to prevent a humanitarian disaster and prepare for the long-term future of Burma, whilst continuing to support the internal opposition.

Aims and methods

This chapter seeks to assess the activities and strategies of "Western" governments (which in this case is limited to the United States, the European Union and Japan); multilateral institutions; international development organizations; and the myriad voluntary organizations ranging from major foundations to small solidarity groups, that have been actively seeking change in Burma.¹⁸⁹ It is difficult, if not

¹⁸⁸ Initially prepared by Zunetta Liddell for this chapter on international policies.

¹⁸⁹ For clarity this report will generally use the term NGO to denote those non-governmental organisations whose work is not development oriented: it includes, human rights organizations, solidarity groups, advocacy groups.

impossible, to show that a particular advocacy strategy resulted in any change in governmental policy, or that a particular policy change resulted in changes of the kind wished for in Burma. However, it is important that as far as possible, strategies and policies are assessed and reassessed as to their impact so that lessons can be learnt for the future. Few of the organizations and individuals that are the subject of this report have undertaken their own impact assessment or employed independent assessors.

Much has recently been written on methods by which the effectiveness of NGOs can be measured; this chapter will adapt the model developed by the Catholic Institute for International Relations (CIIR) in the discussion paper, *Making Solidarity Effective*.¹⁹⁰ CIIR have differentiated between several kinds of impact:

- Impact on policy in the West – including governments and multilateral institutions
- Impact on the situation in the targeted country (in this case Burma)

For both of these, CIIR lists three kinds of impact.

- Capacity-building, that is the ability of NGOs or governments to “accumulate the funding, infrastructure, policy information, contacts and allies” needed to carry out effective advocacy or policies. Within Burma, this would include the ability of groups to make contact with partner NGOs abroad, and to collect and disseminate useful and effective information;
- Declaratory impact, that is “changes in the rhetoric or legislative outputs of decision-makers” (such as UN resolutions, for example);
- Implementation impact, that is “the extent to which these measures have been translated into new administrative procedures or broader practices”, particularly by governments.

In addition, there is also a need to look at any possible negative impact foreign advocacy work has had on the overall situation in Burma.

This paper is not intended to be exhaustive. Undoubtedly much work has taken place behind the scenes, and it would not be possible or even desirable to explain or describe all of these activities. This paper is written with the intention that those of us, who have for years worked to promote a democratic transition in Burma, are able to step back and see how both the internal and international situation has changed over the years, and how we might more effectively direct our energies in the present context. It is also intended to help those interested in becoming involved in Burma for the first time to understand how we got to be where we are, and indicate some possible new strategies for the future.

The international context

Since 1988, while much in Burma has remained the same, the international community and the unspoken rules governing international relations have undergone incredible changes. In 1989, with the fall of the Berlin wall and the break-up of the Soviet Union, a new international era – the New World Order – was heralded. The days when internal abuses of human rights by governments against their own people would be ignored if the country concerned were fighting off communism, or capitalism, were over. It seemed to many at the time that Burma might benefit from the acclaimed international resolve to put concern for human rights and democratic government at the forefront of foreign policy, and create a world where dictators could find no home.

The term International Development Organization (IDO) is used to mean non-governmental organizations that have an international coverage, and work mainly or solely on humanitarian/development projects.

¹⁹⁰ Baranyi, Kibble, Kohen and O'Neill, *Making Solidarity Effective: Northern voluntary organizations and the promotion of peace in Angola and East Timor*, London: CIIR, 1997.

By 1999, however, this New World Order had been torn apart by civil wars and the failure of interventions in Somalia, Rwanda, Angola, Sudan, Afghanistan, Yugoslavia and Chechnya. After the Balkans crisis and the military intervention in Kosovo, there is still no consensus as to the role of the United Nations or regional military or political alliances in stopping or preventing mass human rights abuses occurring within the territory of sovereign states. However, “non-interference”, which for so long held off effective intervention to prevent human rights violations, is no longer sacred. It remains to be seen what the overall impact of the disaster in East Timor will be, but one lasting legacy will surely be that in this case even ASEAN broke its own long-held agreement not to intervene in member countries, as both Thailand and Malaysia sent troops to join the UN peace-keeping mission there.

While the United Nations and regional alliances sought formulas for intervention in Europe and Africa, in Asia the end of the cold war gave rise to a new East/West divide and an ideological battle over human rights versus “Asian values”. Burma profited by this divide, seeking to ally itself with Asian powers which could, it hoped, defend the country from Western “neo-imperialist tendencies” and calls for respect for human rights and democratic change. However, the Asian economic collapse of 1997/8 exposed the long-term political tensions in many countries, and the mantra that in Asia economic development has to precede political liberalization has to be reassessed.

Short of armed intervention, measures to cajole, force or persuade governments to change their ways have also been attempted over the past years. The use of sanctions has been developed, albeit in a very ad hoc way. Since the South Africa case, the first case of UN-sponsored (voluntary) economic sanctions against a country for its denial of basic human rights, sanctions have been employed by many governments and by non-governmental actors (companies and individuals) against many regimes, with varying degrees of success. Cuba stands as an example where sanctions by one major government, the United States, have failed after nearly 40 years to have the desired effects and where even human rights organizations have called for the sanctions to be lifted.¹⁹¹ Iraq stands as an example where near-global sanctions have also failed to remove an odious regime, or force it to get its house in order.

China is a case where limited economic sanctions by the USA were lifted when it was seen to be weakening US companies’ ability to compete in a burgeoning market. Instead, the USA employed a policy of “constructive engagement” with Beijing. Indeed, where economic or strategic concerns have taken precedence over human rights, “constructive engagement” has often been the order of the day – often no more than a scrap of loincloth to give moral cover for continued economic relations. Thus, to many observers, constructive engagement has come to be a pseudonym for an “unethical” foreign policy, and sanctions its “ethical” opposite. However, this polarization has allowed sanctioning governments to get away with policies which are morally satisfying, but can be a fig leaf to cover a lack of real political will to bring about the desired changes. It also allows “engaging” countries to avoid any concerted and detailed monitoring to ensure that they do indeed get something constructive out of their engagement with pariah states.

While Western governments grappled to find a Burma policy, there was a burgeoning of grassroots advocacy on Burma – from the work of the exiled Burmese community at the United Nations and other international forums, to the proliferation of local campaign groups calling for boycotts of companies working in Burma. When thousands died on the streets in Rangoon in 1988, there were no television cameras to record the terrible events and the waves of outrage emanating from those dreadful events barely reached the West.¹⁹² By 1999, there was more global awareness of the situation

¹⁹¹ Jose Miguel Vivanco, Executive Director of Human Rights Watch/America in “Washington’s Embargo Feeds Castro’s Tyranny”, *New York Times*, 23 March 1998.

¹⁹² A couple of amateur videos, taken by diplomats or by those participating in the demonstrations were later made available, and have since been fairly widely seen in TV documentaries.

in Burma, and of the plight of the opposition, symbolized by Aung San Suu Kyi. Throughout Western countries campaigning organizations had sprung up, many initiated by exiled Burmese students who fled in 1988. In the USA, UK, Canada and Australia in particular, these groups had pressed governments for a more active, accountable policy towards Burma, and in the USA had succeeded in the imposition of limited economic sanctions: a ban on all new investment in Burma. More recently, such groups have also begun to emerge in Asia, with non-governmental organizations in Thailand and elsewhere working to persuade their governments to press the SPDC for fundamental reforms.

That the debate on how to bring about change has become deeply polarized is clear even in the language which Burma watchers use: do you say “Burma” or “Myanmar”? Have you been “inside” Burma (never “to”)? This polarization is perhaps beginning to break down, as it surely must if there is to be internal reconciliation. If there is one thing that the international community can do for Burma now it is to show that concern for the human rights of the people of Burma, that is their health, education, development, right to life and other civil and political rights, is more important than rhetoric, or pride. Progress and reform in all aspects has long been an imperative – not a dream.

II. The European Union, Japan and the United States

Western governmental policy towards Burma has gone through a number of different stages over the past 11 years, but has been dominated by a view that the only way to bring about a positive transition is by the use of sticks and carrots. The idea is that the government will rationally choose to make the reforms stipulated (directly or indirectly) in order to not be totally isolated and denied assistance (the stick approach), or to gain specified assistance for specified changes (the carrot approach). On a sliding scale, the USA has used the most sticks, followed by Europe (in the following order: Denmark, Norway, Sweden, UK, Germany, France), Canada and Australia. Japan, at the other end of the scale, has used the most carrots.

Of course, this policy would only work with a government that acts rationally in order to do the best for its people (as defined by the West). Burma however, is a country ruled by a strongly nationalistic, even xenophobic, military junta, whose understanding of what is best for its people is widely different. From the Tatmadaw’s viewpoint, the policies of the West are directed towards neo-colonial domination of Burma. At least that is what they say publicly – it can be assumed that for at least some of the members of the SPDC this is understood to be a convenient fiction which enables them to justify their continued hold on power. From the Tatmadaw’s perspective, there are only victors and the defeated in a battle, and they will not be defeated. Their overriding concern, which they repeat frequently, is not do anything that might threaten “national security”, no matter how unpopular it is with the international community.¹⁹³ This includes, apparently, not only things concerning human rights, such as releasing political prisoners and permitting freedom of speech and information, but also such things as regularizing the exchange rate, as advised by the World Bank and IMF.

This attitude has only relatively recently been acknowledged by Western governments, who, in cutting off diplomatic relations with the SLORC/SPDC, also cut off opportunities to meet with and understand the military leaders.¹⁹⁴ It has also only recently been acknowledged by Japan, after several carrots were

¹⁹³ Thus, for example, Rachel Goldwyn, the British woman arrested in Rangoon while singing pro-democracy songs with her ankle chained to a lamp post on 7 September 1999, was sentenced to seven years’ imprisonment for threatening “national security”.

¹⁹⁴ For example, during peace talks with the KNU, Khin Nyunt is reported to have told them to stop calling for the isolation of Burma, as this was actually self-imposed.

eaten with relish, but with little sign of any real positive process of change as a result (see below).¹⁹⁵ There remains then only a very real frustration with the SPDC, and with no big ideas to replace them, the same old policies have continued regardless of their lack of impact. In part, this can be explained simply by the lack of real will to take on Burma's problems. But in part also by the popularity among the voting public of measures punishing a pariah regime, which is very important to governments that also trade and engage with states with human rights records like those of Burma.

The proponents of isolation (both governments and advocacy NGOs) would also argue that the aims of isolation have changed: the objective is no longer to try to bring the government to collapse, but to maintain a high level of pressure, so that the consequences of failing to reform are high. This is a laudable aim, but it cannot work long term, as the government finds other ways of securing the benefits that might otherwise accrue from the West, or decides it can do without them. Both these things are already happening in Burma, with the Tatmadaw relying increasingly on China, and at the same time turning inwards on itself to promote a new form of the isolationist BSPP era where self-reliance is the key to sustainable growth. In addition, maintaining a loud rhetoric of denunciation and isolation means that when new approaches emerge – such as that of UNICEF in 1992 (see below), or Australia's attempt to encourage the formation of a Myanmar Human Rights Commission in July 1999 – they are quickly shot down by knee-jerk responses from the Burmese community abroad and campaign groups. It is not only the SPDC that finds it hard to shift from entrenched positions.

There are however signs that a second rethink of Burma policy has begun. With the developments in international diplomacy and intervention in East Timor, following so soon after that in Kosovo, it was hoped that concepts such as “preventive diplomacy” and “conflict resolution” would finally be combined with political will to intervene before a crisis gets out of hand. The first review of Burma policy took place in 1993/4 when America, the EU and Australia each developed their own versions of benchmarks (critical dialogue or roadmaps) in progress in human rights and democratic reform which the SLORC would have to reach before Burma would receive any new assistance. These policies each faltered, as the SLORC showed no interest in reaching for the carrots offered. The “review” apparently underway by the EU, Australia and Canada is perhaps not so much a policy as a set of possible initiatives aimed at strengthening civil society. If any of these new ideas are to have some success, they must, as long-time Burma watcher David Steinberg put it, be “a way to deal with Burma that involves neither confrontation nor appeasement, but rather engagement. Further engagement along this line might be the only way to wrench Burma out of its political and economic morass.”¹⁹⁶

The United States

The USA currently has the most wide-ranging economic sanctions in place against Burma, and has set the markers for the West's hardline approach. At the same time, it gives the largest amounts of assistance to promote democracy and human rights, rising from US\$ 250,000 in 1990 to US\$ 5 million in 1999.

Following the military crackdown in 1988, the USA suspended all aid and loans to the government, then about US\$ 16m. This included around US\$ 10m for an (unsuccessful) opium eradication programme. It imposed a *de facto* arms embargo, and encouraged other countries to do the same. In early 1989, it also suspended Generalized System of Preferences (GSP) benefits to Burmese imports to America under labour rights provisions of the 1974 Trade Act (it was not until 1996 that the EU enacted similar legislation). In addition, the USA also publicly reported human rights abuses from its

¹⁹⁵ The exception to this was the release of Aung San Suu Kyi in July 1995, which was widely believed to have come after pressure and promises of aid from Japan.

¹⁹⁶ Steinberg DI, “Talk To Burma's Generals”, *Far Eastern Economic Review*, 16 September 1999.

embassy in Rangoon, and since that time the annual State Department *Country Reports on Human Rights Practices* report on Burma has been both detailed and devastating.

In 1990, Congress passed legislation calling on the President to:

...impose such economic sanctions on Burma as he determines appropriate...unless the President certifies to Congress before 1 October 1990 that all the following conditions have been met:

1. Burma has satisfied the certification requirements of the Narcotics Control Trade Act
2. national governmental legal authority in Burma has been transferred to a civilian government
3. martial law has been lifted
4. political prisoners have been released....[Including] Daw Aung San Suu Kyi and Tin Oo.¹⁹⁷

However, the wording of the resolution did not compel the imposition of sanctions, and when October came and went the Administration said that it was considering an embargo, but that it would only take further measures if it was supported by other countries, especially the EU (EEC as it was then) and Japan.

For the next few years, policy on Burma remained largely at the level of rhetoric at home, while supporting the maintenance of the de facto sanctions imposed in 1988 with the suspension of World Bank, IMF and Asia Development Bank. Activists criticized the administration for failing to prevent investment in Burma, especially by the oil companies Unocal and Texaco. Overall, the policy, such as it was, was reactive, not proactive, with the administration responding to every new human rights crisis with loud denunciations and little action. Both the Bush and Clinton administrations were besieged on three sides: an active group of pro-democracy senators and congressmen and women who had been successfully lobbied by the NCGUB and others; powerful business lobbies who saw Burma as a potentially profitable investment and entry point to ASEAN markets; and the Drug Enforcement Agency, to whom Burma was simply the world's largest producer of narcotics, and this demanded that greater assistance be given to the SLORC to eradicate drugs.

In mid-1993, at a time when all Western governments were seeking new, more proactive policies towards Burma, Clinton ordered a review of Burma policy. The review was completed in October 1994, and essentially concluded that the USA would only countenance an improved relationship with the SLORC if there were progress on three fronts: democracy, human rights and counter-narcotics. The Deputy Assistant Secretary of State for East Asia and Pacific Affairs, Thomas Hubbard, went to Rangoon in October to present the new policy directly to Lt. Gen. Khin Nyunt. He offered the SLORC "two visions of a future relationship with the USA, either increased cooperation based on positive movement on human rights, democratization and counter-narcotics issues, or increased isolation". As a sign of things to come, Hubbard was denied access to Aung San Suu Kyi (then under house arrest) and promises given by Khin Nyunt that they would continue talks with her and would allow prison visits by the International Committee of the Red Cross (ICRC), were not fulfilled in the short term.¹⁹⁸ The only issue on which the SLORC showed cooperation was counter-narcotics, and the Drug Enforcement Agency (DEA)'s request to undertake a joint opium survey was granted.

The history of US/Burma cooperation on narcotics is instructive. Here, the SLORC's failure to prohibit the production and distribution of drugs, notably opium/heroin, had direct impact in America,

¹⁹⁷ For the full text, see Marc Weller ed., *Democracy and Politics in Burma* (Manerplaw, National Coalition of the Government of the Union of Burma) 1993.

¹⁹⁸ Rather, there were no further meetings with Daw Aung San Suu Kyi, and the ICRC pulled out of Burma in June 1995 and publicly condemned the SLORC's refusal to enter into negotiations in good faith.

where 60% of the heroin on the streets of New York was found to originate in Burma. The USA desperately wanted to stem the flow of drugs from Burma, but far from preventing the rising opium production it appeared that SLORC was possibly profiting by it. Thus cooperation with the SLORC did not appear to offer a way forward, even without the SLORC's human rights record. Thus, every year since 1989, the administration denied counter-narcotics certification to Burma, effectively denying any counter-narcotics assistance. Following the agreement for a joint survey, which took place in December 1994, it was announced in June 1995 that the SLORC would be rewarded by new assistance for counter-narcotics. The proposal was a "compromise" between human rights and counter-narcotics policies, with the assistance being limited to discussions with SLORC officials on drug policies, in-country training to SLORC anti-drug enforcement units, an exchange of intelligence information (especially to assist SLORC's offensive against Khun Sa), and increased funding for the UN Drug Control Programme's activities in areas of Burma controlled by ethnic minority insurgents. The administration was able to enact these policies in the face of massive criticism from Congress, but in response in January 1996 when Khun Sa "surrendered" to the SLORC, even the offer of a US\$ 1 million reward could not persuade the government to hand him over to America to face a US court.

After the initial trip of Hubbard to present the new policy to the SLORC, there seemed to be an impasse, with the administration having no clear idea of what to do to step up pressure after the almost total rejection of its plan. The only thing that was certain was that Clinton did not consider the imposition of economic sanctions as part of the "isolation". Since the 1990 legislation, concerted attempts by some members of Congress to introduce meaningful sanctions legislation failed to win sufficient cross-party support. By 1995, the USA was the fourth largest investor in Burma, with investment primarily in the oil sector, totalling nearly \$203 million. Instead, the administration continued to state that it would support multilateral sanctions through the UN, but could not do so without support from other governments.¹⁹⁹

The release of Aung San Suu Kyi in July 1995 was welcomed cautiously. President Clinton issued a statement welcoming the news but expressing "concern about a number of serious and unresolved human rights problems in Burma, including the continued detention of other political opponents, the failure to permit the Red Cross to visit prisoners, and the ongoing military campaign against a number of ethnic groups."²⁰⁰ Thus, rather than see her release as a positive change in human rights which would lead to greater US assistance to Burma, as might have been appropriate under the 1994 policy, the administration undertook a new review of policy while deciding how to react. Secretary of State Madeline Albright was sent to Rangoon to hold discussions with Aung San Suu Kyi and the SLORC. She delivered a tough message, calling for "fundamental progress towards democracy and respect for human rights" before relations with the USA could be improved or the USA would consider lifting the ban on World Bank loans to Burma imposed since 1988.

Albright made no attempt to hide her admiration for Aung San Suu Kyi and her contempt for the SLORC, in the form of Khin Nyunt, sparking off a personal animosity which was to dog US-Myanmar relations and lead to scores of denunciatory and at times abusive articles in the Burmese state newspapers. Despite the total lack of any moves towards a closer relationship, the administration still did not impose further sanctions on the SLORC, but continued its strong support of UN resolutions

¹⁹⁹ In a letter to Lane Kirkland, president of the AFL-CIO labour confederation, who wrote to the State Department urging a trade and investment embargo against Burma, US Secretary of State Warren Christopher said on April 5, 1995, "We have regularly explored whether there would be support for such an embargo with our allies, and with Burma's major trading and investment partners in Asia. We have found no interest in a U.N. embargo."

²⁰⁰ *The Financial Times*, London, 12 July 1994.

and the embargo on financial assistance from the World Bank and IMF. However, in October 1996, a new bill, which was introduced soon after Aung San Suu Kyi's call for international sanctions, was finally passed by the US Senate as part of the fiscal year 1998 Foreign Assistance Act. As with the 1990 legislation, the bill did not call on the President to immediately impose sanctions, but gave him the authority to do so if the Burmese government physically harmed, rearrested or exiled Daw Aung San Suu Kyi or committed "large-scale repression" against the political opposition. Another part of the bill which gave the President the authority to deny visas to Burmese officials was acted upon the following day.

For the last months of 1996, events in Rangoon where student demonstrations resulted in the detention of nearly 700 people, and where several leading members of the NLD who had been arrested during the year were given long prison terms, gave rise to a discussion on what constituted large-scale repression. The question frequently put to the President was "how many people have to be arrested, or do people also have to be killed?" Finally, on 22 April 1997, President Clinton announced his decision to impose the investment ban.

The US sanctions were hailed by the opposition and NGO community as a major step forwards. It was the first unilateral economic sanctions against Burma, and it was hoped would serve as an exemplar to other governments. In terms of the first step towards international sanctions, it was a significant step. However, as a tool by which to effect change in Burma, the legislation was greatly flawed. Little remained of the original draft after the horse trading which took place in order to get bipartisan support for such a bill (in the face of massive counter-lobbying by the business community). It did not meet any of the criteria required of effective sanctions: there was no clear objective other than punishment, and there was no "exit clause" of reforms the SLORC would have to make in order to get the sanctions lifted.

After the sanctions were imposed, the USA had no direct leverage left with Burma. As the confrontation between the NLD and SPDC reached new heights in 1997 and 1998, the USA repeatedly called on the SPDC to use restraint and not to physically harm Daw Aung San Suu Kyi. But what more could the USA do if the situation deteriorated further, into violent confrontation, for example? Further pressure could only be applied through using its influence with countries, especially ASEAN and Japan. Indeed, a key part of the US policy had always been to encourage an international consensus and a hard-line position, and to a great degree the USA was successful in this. However, the Administration now has to find ways to maintain a proactive policy towards Burma if the sanctions are to achieve anything. As highlighted by Mary Callahan, introduction of US sanctions "may help to bring down the SLORC/SPDC but because it does not address the other decades-old obstacles to democratization, it is unlikely to advance the cause of sustainable, long-term democracy in the very difficult conditions that characterize Burma today".²⁰¹

European countries

The European Union, although never unified in foreign policy, has also followed policies towards Burma which are strongly supportive of the democracy movement, while falling short of economic sanctions and total isolation. In general, the Nordic countries and the UK have taken the toughest positions, with Germany and France being the most reluctant to isolate Burma. As with America, the lack of direct leverage on the SLORC/SPDC resulted in Europe seeking to use its influence with regional governments, in the hope that they in turn would bring pressure to bear on the Tatmadaw. This was especially the case in the run up to and following ASEAN's decision in 1997 to accept Burma as a full member.

²⁰¹ Callahan MP, "Democracy in Burma: The Lessons of History" in *Analysis*, Seattle: The National Bureau of Asian Research, May 1998.

In 1988, all EU countries cut off aid to Burma, and shortly afterwards agreed on an arms embargo. In 1990, the European Parliament awarded Aung San Suu Kyi the Sakharov Prize for Freedom of Thought, the first international accolade she received. In the international arena, Sweden and France (later the EU presidency) took the lead in drafting resolutions at the UN General Assembly and Commission on Human Rights. The award of the Nobel Peace Prize to Aung San Suu Kyi in 1991 was very important for her own international standing, as well as bringing much needed publicity to the plight of the peoples of Burma. Following the Nobel prize, in late 1991, Norway recognized the National Coalition Government of the Union of Burma (NCGUB), and established, with initial government funds, the Norway Burma Council. In 1992, with assistance from other Western governments and foundations, the Democratic Voice of Burma was set up, a radio station run by Burmese political exiles, which broadcasts by satellite from Oslo to Burma.

In 1993/4, the EU conducted a review of its policy towards Burma. In part, this was because of the complete indifference with which the SLORC met the periodic complaints by the EU. In part though, it was because Burma's dramatic growth figures for 1992/3 (according to government figures, growth reached 10% in those years), led many business leaders to believe that Burma might have massive potential in terms not only of growth but also as an entry point to other Asian markets. It was felt that if this were going to happen, European companies should be there to profit from it. That the review was timed to coincide with the July 1994 EU–ASEAN Ministerial meeting gives some credence to NGO claims that it was their commercial interests above all that underlined the need for a new policy. In the end, the review produced a new policy, “critical dialogue”. As with the US policy review which took place at the same time, the EU came up with “benchmarks”:

- the release of Daw Aung San Suu Kyi and all other political prisoners;
- meaningful dialogue between the SLORC and the NLD;
- free access to Burma by foreign IDOs;
- the liberalization of the economy; and
- progress on the creation of democratic institutions.

In return for these reforms by the SLORC, the EU would increase support for humanitarian relief through IDOs, resume bilateral assistance to the government and encourage investment in Burma by European companies.

There was no direct response from the SLORC to the new policy. However, European efforts continued to try to engage the generals at every and any opportunity, while maintaining a tough line at the UN. The rolling EU presidency meant that at each meeting, the EU was represented not just by a different official, but a different government, making progress more difficult than it otherwise might have been. There were also some very bad judgements in terms of the timing of visits to Burma by EU ministers – for example, in February 1995, the German Deputy Foreign Minister went to Rangoon just days after a bloody attack by pro-government forces on Karen refugees in Thailand. Later the same month, the British Embassy in Rangoon launched a second “British Week” aimed at encouraging British business in Burma.

While governments pursued critical dialogue, NGOs and trade unions lobbied national parliaments and the European Parliament to strengthen the critical part of the policy. In 1995 the International Confederation of Free Trade Unions (ICFTU) introduced a complaint under the 1994 EU Council Regulations regarding the Generalised System of Preferences (GSP), and called for GSP to Burma to be cancelled because of the widespread use of forced labour. In June 1995, the European Parliament supported the ICFTU action in a resolution calling on the European Council and member governments

to “investigate possible cooperation between companies of the European Union in Burmese projects applying forced labor and examine the desirability of imposing economic sanctions”.

Later in 1995, an investigation into forced labour was initiated, and a European Commission delegation were denied entry to Burma, on the grounds that as there was no forced labour in Burma, there would be nothing for them to investigate. With the compelling testimony of human rights researchers, this response clearly angered the Commission. Finally, in December 1996, the EU withdrew GSP privileges from Burma, an act that had a far greater symbolic impact than any real economic one. At the time, EU imported only around US\$ 30 million in goods from Burma.

As the investigation into forced labour was underway, the EU continued with its policy of critical dialogue, meeting with the SLORC in the margins of meetings at the UN General Assembly and the ASEAN post-ministerial meeting in July. With the release of Aung San Suu Kyi, there remained the hope that this policy might bring about some positive change, as each meeting with the SLORC represented an opportunity to reinforce the message of UN resolutions, and the position of the NLD, that dialogue was the only way forward. In October 1996, however, after the mass detentions of NLD members and parliamentarians in May and September, the European Council announced a new common position on Burma. The paper denounced the “continuing violations of human rights” and the “failure of the SLORC to demonstrate any willingness to respond to the concerns of the United Nations General Assembly and the European Union” and established new measures intended to promote “progress towards democratization and securing the immediate and unconditional release of detained political prisoners”.²⁰² The measures included a ban on entry visas for senior members of the SLORC, their families, and “others in the Burmese security forces who formulate, implement or benefit from policies that impede Burma’s transition to democracy”. It also suspended all high-level bilateral governmental visits to Burma. This common position has been renewed every six months, unchanged despite three further European Parliament resolutions calling for sanctions, and remains in place today.²⁰³

The new measures were again largely symbolic, since not only did very few SLORC or military personnel from Burma wish to travel to the EU, but the ensuing argument within Europe over who exactly was covered by this ban meant that those who did want to often succeeded in by-passing this regulation.²⁰⁴ They stopped way short of the economic sanctions which NGOs and the European Parliament had called for. At the same time, the new measures did not represent the abandonment of critical dialogue, and the introduction to the common position “reaffirms [the EU’s] determination to resume such dialogue at any time”.

On 6 July 1999 the EU delegation visited Rangoon in the first attempt since the common position was announced to resume dialogue. There was much press speculation about the incentives for the mission, chief among which were reported to be EU concern for greater trade links, especially after the US sanctions; an attempt to capitalize on what was seen as a softening by Daw Aung San Suu Kyi on the conditions for dialogue; and the problem which Burma’s membership of ASEAN had created for EU/ASEAN relations.²⁰⁵ It is likely that all of these considerations prompted the EU to move, in

²⁰² 28 October 1996, The Council of the European Union, Common Position.

²⁰³ European Parliament resolution of 12 June 1997, resolution 1998.

²⁰⁴ For example, the former General Ne Win’s grandson who was studying in London was able to continue to do so, on the grounds that his grandfather was no longer an “official”. Similarly, Gen. Aye Kyaw, a serving SLORC Minister, was permitted a visa to the UK for medical treatment in July 1996. Aye Kyaw had cancer, and died in a London hospital one month after his arrival. The EU reasoned that such a humanitarian gesture would encourage the government to show similar compassion for their own people – though it seemed to have been forgotten when the SPDC refused Daw Daw Aung San Suu Kyi’s husband a visa when he was dying of cancer in March 1999.

²⁰⁵ See for example, Nussara Sawatsawang, “EU Makes Burma An Offer”, *The Bangkok Post*.

addition to the frustration felt in all EU capitals concerning the failure of Western policies to move the SPDC in any positive way. The initiative had in fact been Germany's, during its presidency of the EU from January to June 1999, and perhaps simply resulted from the need to respond positively to the UK's initiative in holding the Chilston Park conference the preceding year (see section on the UN Secretary-Generals's Office). Solidarity groups noted that those represented on the mission included representatives of the European Commission which deals with trade and aid.²⁰⁶ The delegation met with Khin Nyunt and Daw Aung San Suu Kyi, but there was no official comment on the trip by either side since then, except to say that the atmosphere was "cordial".

With little direct leverage on the SPDC, the EU has directed its efforts increasingly towards ASEAN in an effort to encourage Burma's neighbours to use their greater influence to press for positive changes. This assumes two things – a) that ASEAN and the EU have mutually reinforcing objectives in Burma and b) that ASEAN has, or could have, influence over the SPDC. Both of these were probably correct, to an extent, in 1999, although they were probably less true in the past. When Burma made it known to ASEAN that it wanted to become a member of the regional group, in 1992, the EU was quick to point out that it would not favour such a move. When Burma was finally admitted in 1997, it was in the face of strong European and American opposition, causing a rift which for a time prevented constructive discussion of Burma. Meetings between EU officials and their ASEAN counterparts were cancelled when ASEAN insisted, that Burma be represented. Lengthy negotiations had to take place before all ministerial level joint meetings, so that acceptable compromises could be found where Burmese ministers could be present, but not contribute. This pressure from the EU has no doubt had some influence in ASEAN relations with Burma. However, with the effects of the Asian economic crisis and the crisis in East Timor, the problems in Indonesia – which is a far more important member of ASEAN – tended to monopolize ASEAN's attention for some time.

In addition to these diplomatic initiatives, EU policy towards Burma has also included financial support for NGOs working on human rights and democratization, humanitarian aid to refugees in neighbouring countries and increasingly also for humanitarian projects in Burma, through IDOs.²⁰⁷ Member states have also given financial assistance on a bilateral basis to these activities and to disaster relief – for example the terrible floods in August 1996 in southern Burma. The EU has also supported the US position at the World Bank and the IMF to withhold major assistance.

Recent developments are summarized in an EU document:²⁰⁸

There has been **some positive development on the political level** during the last months. An **EU Troika Mission** to Rangoon from 29 to 31 January 2001 was able to confirm that Aung San Suu Kyi had met with senior officials of the SPDC on a number of occasions since last October. While both sides expressed satisfaction with these contacts, they both informed the Troika that they had agreed not to give any information on the content or progress of their talks. **The Troika Mission concluded that the contacts were promising, but still at a delicate stage and not yet irreversible.**

Due to the decision of the ASSK and the SPDC to keep the contents of the talks secret it is almost impossible to predict when these initial contacts are likely to produce significant public results and there were **rumours that the talks had stalled**. There are signs of improvement, in that over 30 political prisoners have recently

6 July 1999.

²⁰⁶ From 1 May 1999, external affairs of the EU were the concern not of the Troika – the countries who held the past, future and present presidency (on a 6-monthly rotation) – but the present and future presidencies, plus the European Commission and European Secretariat officials responsible for common foreign policy and security.

²⁰⁷ Among others, World Vision-Myanmar and Save the Children-UK have received some EU funding for their projects.

²⁰⁸ This extract was retrieved from the European Commission's External Relations Directorate-General website: http://europa.eu.int/comm/external_relations/index.htm.

been released (at least 9 of which are high ranking members of the NLD). The prisoner releases (though limited) and the re-opening of 20 or so NLD local offices suggest that the regime may be making an effort, even if it is at present insufficient. The EU's interest in Burma/Myanmar is primarily informed by humanitarian concerns, as well as by concerns about the supply of illicit drugs. (Burma/Myanmar is, after Afghanistan, the world's second largest supplier of illicit drugs).

Australia

Following the crackdown on demonstrators by the Burmese military government in 1988 Australia, like most other donor countries, suspended bilateral aid to Burma. Beyond this however, there was little policy at all, as Australia's bid to be considered by her Asian neighbours as one of the club constrained it from being overly critical on human rights in the region.

Following the Western trend, in 1994 Australia conducted a policy review, and a conference of Burma experts led to the adoption of "benchmark diplomacy". This Australian version of the USA's three conditions and EU "critical dialogue" promised to be the closest to ASEAN's constructive engagement, with rewards offered for progress on 10 benchmarks which included not only human rights concerns, but also economic restructuring. There was, however, no clear timetable for compliance, the carrots were not specified, and there were also no sticks to punish the SLORC for failing to reach any of the benchmarks.²⁰⁹ In common with what was then being done by the USA and EU, Australia took this new policy to the SLORC in a ministerial visit in mid-1994. There was little response. While the government continued to try and find points of dialogue with the SLORC, in 1995, the Australian Parliament's Joint Standing Committee on Foreign Affairs, Defense and Trade issued a *Report on Human Rights and the lack of progress towards democracy in Burma*. The report was long and detailed, and made 38 recommendations to the government of Burma.

The Liberal/National Coalition government (elected in March 1996) concentrated its efforts on multilateral diplomacy, aiming for the adoption of strong consensus resolutions by the UN General Assembly and the UN Commission on Human Rights. The government urged regional countries (particularly members of ASEAN) to use their influence for positive change in Burma. A humanitarian assistance programme is in place, channeled through IDOs and UN agencies. Since 1989 the government has also provided humanitarian assistance for refugees mainly along the Thai/Burma border. Despite growing pressure from NGOs and Burmese groups in Australia (which has accepted over 200 Burmese students on scholarship and refugee programmes), there has been no governmental support for sanctions. Australia said in March 1999 that as a result of the low level of trade and investment in Burma, the imposition of sanctions "would not have a practical effect on improving the situation in Burma".²¹⁰ Although the government suspended official Austrade visits to Rangoon, there is an active Austrade office in Burma which is locally-staffed.

A ban on defence exports to Burma remains in place along with the suspension of defence visits from Australia. The government has acknowledged that a high proportion of all narcotics entering Australia originates in Burma but has been criticized for failing to address the complicity of senior Burmese government officials in the drugs trade.²¹¹

²⁰⁹ For a critique see Australian Council for Overseas Aid, *Slave Labour in Burma: an examination of the SLORC's forced labour policies*, May 1996.

²¹⁰ Department of Foreign Affairs and Trade, *Country Brief - Burma*, 'Australia-Burma Relations'. 2 March 1999.

²¹¹ See Professor Desmond Ball, *Burma and Drugs: The Regime's Complicity in the Global Drug Trade*, 1999, Strategic and Defence Studies Unit, Australian National University.

In July 1998, Foreign Affairs Minister Alexander Downer met with his Burmese counterpart U Ohn Gyaw to encourage the government to set up a national human rights commission. Australia is a member of the seven-nation Asia Pacific Forum for National Human Rights Institutions, and was interested in extending the capacity building potential of this forum to Burma. A year later in August 1999, the idea was followed up by a visit to Burma by the Australian Commissioner for Human Rights, Chris Sidoti. Sidoti met with Burmese government officials in Rangoon and had meetings which according to the SPDC were “fruitful and successful”, although there seemed no likelihood of any immediate action on Burma’s part. He was not able to meet Aung San Suu Kyi, but instead met with U Tin Oo, vice chairman of the NLD, who was reported to have expressed concern over the proposal. On 22 September in a video message to members of the Australian Parliament, Aung San Suu Kyi went further, saying that,

we think that the timing of this visit is wrong and that it was ill advised. At this time when the military authorities are at their most oppressive, the visit could be misconstrued. It could be seen as an endorsement of their policies, it could in fact, be seen as a tacit approval of what they are doing to the democratic forces in Burma. Such a misinterpretation could hurt us very badly.²¹²

Despite the opposition of those elected in 1990, the Australian government continued to engage the military, with the plan for a human rights commission tied to a new aid package. In 2001, the SPDC announced the convening of a committee to establish a Human Rights Committee – SPDC-speak meaning that some action has been taken towards an end, though when that end might come and what the exact make-up of the final product will be is unknown. During the year, Australian academics conducted two human rights training programmes for Burmese government officials and individuals chosen by the military were held in Rangoon and Mandalay. At the same time, Downer continued to call on the Burmese to make substantive progress in the talks with Aung San Suu Kyi started in October 2000.²¹³

Japan

Japan has been one of the most important countries in the international community’s policies towards Burma. In 1987, Japan was the single largest donor to Burma, and it was Japan’s refusal to grant further loans until wide-ranging economic reforms were made that led to the demonitization later that year, the impetus behind the 1988 demonstrations.

Like other Western governments, Japan cut off all Overseas Development Aid in 1988, but with so much invested in Burma in the past, and with a powerful business lobby pushing for a renewal of ODA, Japan has tried to tread a fine line between encouragement and appeasement. More than Western countries, Japan stands to gain a lot from a stable and economically developed Burma, but it has nevertheless also maintained a concern for human rights and good governance (if not democracy). Indeed, on paper, Japan’s policy looks rather like that of the EU and Australia after 1994, the main difference being that whereas other countries have offered the possibility of increased assistance, Japan has actually given it; and whereas other countries make their condemnations of human rights

²¹² Daw Aung San Suu Kyi, “Message to Australian Parliament”, 22 September 1999. Quoted in BurmaNet News, 23 September 1999.

²¹³ Five workshops have been delivered since July 2000 on Human Rights and Responsibilities and International Law to middle level civil servants. “Australia’s immediate objective with the initiative for a human rights institution in Burma is the engagement of the regime’s key figures in a process of dialogue...Our assessment of these first workshops concluded they had achieved their modest objectives, in that Burmese participants freely discussed human rights issues and international law.” (letter from the Australian Department of Foreign Affairs, 10 May 2001). The programme has faced criticism from the Australian opposition because of Aung San Suu Kyi’s opposition to it.

violations more loudly and more regularly, Japan favours quiet diplomacy. Japan has never sponsored a UN resolution, for example, and frequently lobbied for drafts to be toned down.

At times, it seemed that Japan's policy was having success, but at others it appeared that SLORC simply took the money and ran. As noted below (under the UN Commission on Human Rights), Japan played an important role in negotiating with the SLORC to ensure the acceptance of a UN Commission on Human Rights special rapporteur. Likewise, the release of Aung San Suu Kyi in July 1995 was widely credited to the persistent efforts of Japan. In the months before Aung San Suu Kyi was due to be released, Japan gave the first handful of ODA assistance, US\$ 11 million for "agricultural development" in ethnic minority areas. The following month Burma was granted debt relief worth US\$ 4 million. At the time, Khin Nyunt dismissed the deputy foreign minister's call for the release of Daw Aung San Suu Kyi, but she was nevertheless released, against the expectations of most observers. Soon after, Japan gave US\$ 13 million to pay for an extension and improvements to the Rangoon Nurses College.

In March 1998, an ODA grant of US\$ 25 million was released for a project to extend Rangoon airport (part of a £274 million project which had been started by Japan in early 1988). A further US\$ 800,000 was given for anti-narcotics programmes, and Japan also suggested an international conference on narcotics be held in Burma. There was strong opposition to the award of both these grants from parliamentarians of all parties, and the airport money was only released after the parliament was convinced that the extension was a humanitarian necessity. Shortly after this, as tensions rose in Rangoon for the eighth anniversary of the general election, Japanese deputy foreign minister Koichi Haraguchi visited Rangoon on 27 May 1998 to deliver a letter to the SPDC. The letter, from the Prime Minister, urged the SPDC to take positive steps on human rights and democratization, including access by the ICRC to prisoners and opening a dialogue with the NLD. Economic cooperation issues were also discussed.

As these requests were apparently ignored, Japan in July granted US\$ 75,000 in aid to Burmese refugees in Thailand, for the first time. While Japanese governments attempted to use their influence in Burma constructively, but somewhat recklessly, Japanese businesses were becoming increasingly active and visible in Rangoon. During 1998, economic cooperation between the two countries continued, with training programmes for Burmese businessmen and government officials culminating in the establishment of the Japan–Myanmar Business Cooperation Committee in November. In a speech opening the Committee, Khin Nyunt stated that "(t)he relations between Myanmar and Japan have been characterized by close friendship, mutual understanding and genuine goodwill. It is based on this firm foundation that concerted efforts should be made for long lasting friendship between the peoples of Myanmar and Japan."²¹⁴

It remains to be seen whether Japan's business community will finally be able to convince the government to release the reins and offer full ODA assistance, or whether Japan will continue to use the small sums of aid, and the prospect of much larger amounts, as a means of influencing the SPDC. Whichever, Japan will always be a key player in the international effort to promote transition in Burma, even if the tactics employed differ from those of other Western countries.²¹⁵

²¹⁴ Khin Nyunt, 20 November 1998. Reported on www.myanmar.com.

²¹⁵ Subsequent to the writing of this chapter, Japan announced it would provide more than US\$ 28 million to rehabilitate the Lapida hydroelectric project in Kayah State that the Japanese had built in the late 1950s. David Steinberg commented:

"The Japanese government has informally justified this measure as humanitarian assistance, because the people need electricity. Yet that is a rationalization implying more than is stated. Electricity is important, but Japan has been looking for excuses to restart its foreign assistance program in Burma for a variety of reasons, including the

III. Multilateral organizations

Burma has been the subject of UN resolutions in the Commission on Human Rights since 1989 and the General Assembly since 1991. Despite the increasingly tough wording of these resolutions, virtually none of the operative paragraphs has been implemented. Where implementation has taken place, such as the release of Aung San Suu Kyi from house arrest in 1995, or granting the ICRC access to prisoners in 1999, it has not been as a direct result of the resolutions. Indeed, it would appear that as the language of each resolution has been strengthened, so too the SLORC/SPDC has strengthened its resolve to ignore the will of the international community. This was most graphically illustrated with the refusal of the government to allow the second Special Rapporteur of the Commission on Human Rights access to Burma after his appointment in 1994.²¹⁶ Nevertheless, the resolutions remain as the key benchmarks of reforms that the international community requires of the Burmese government. The importance of the resolutions has at times been reinforced by the repetition of key human rights clauses in policy statements from Western governments. However, despite the fact that the resolutions have each year been passed by consensus at the UN, and thus have the tacit support of all member states, only two regional governments, India (in 1991) and Korea (since 1998), have ever sponsored a resolution.

Other than resolutions at the General Assembly's third committee and the Commission on Human Rights, there has been little activity at the UN. In an effort to encourage greater political dialogue both within Burma and between the Burmese government and the UN, in 1993 the Secretary-General was asked to use his good offices to assist in the implementation of the General Assembly resolution. However, contact with the government by the Secretary General's office has been only sporadic at best, with the Burmese government several times denying or postponing planned missions. More recently, the Secretary-General's office has attempted to form an informal consultative group of governments concerned about the situation to try and ensure greater international coordination in policies towards Burma.

In addition, in the early 1990s, the government-in-exile and support groups discussed with friendly governments the idea of trying to remove the military government from its seat at the UN, on the grounds that, after the 1990 election, it no longer had any national or international legitimacy. There was not enough support even among Western governments for this plan and it was dropped. There have also been some initiatives to bring Burma before the Security Council (as in early 1992 after the exodus of 265,000 Rohingya Muslims from Burma's Arakan state), but none were followed through.

With the crisis in East Timor, a crisis for the UN as much as for East Timor and Indonesia, it was difficult to see where further action at the UN should be directed. Clearly, continuing the annual passing of resolutions is not enough; it may also be actually having a negative impact, as the government continues to ignore them as mere rhetoric. The failure of the UN and the international community more generally (including companies, NGOs and UN agencies) to ensure the implementation of the resolutions has negative consequences in Burma. The people of Burma, aware

opportunities for business, contracts to Japanese companies for infrastructure construction, interest in the exploitation of Burmese natural resources, strong emotional attachments and the strategic concern to counter the growing Chinese presence in Burma. The informal ongoing dialogue between Daw Aung San Suu Kyi and the military junta and the easing, even if only temporarily, of tensions between the two groups provide a good excuse." Steinberg D, "Burma Has Done Nothing to Deserve Japan's Aid Reward", *International Herald Tribune*, 28 April 2001.

²¹⁶ The Special Rapporteur of the Commission on Human Rights on the situation in Myanmar, Paulo Sergio Pinheiro, has just concluded his first fact-finding mission to that country. According to a UN press release of 18 October 2001: the Special Rapporteur said he had received full and unhindered cooperation on the part of the Myanmar Government during this mission.

of the resolutions through the international media, realise the weakness of the UN, the hollowness of Western statements about rights in Burma, and the robustness of the military government in resisting these calls for change.

The visit by the United Nations envoy for Burma, Ismail Razali, to Rangoon during June and July 2000, after a long delay, was expected to have a positive impact on the national reconciliation process because Razali's government, Malaysia, was instrumental in supporting Burma's admission to ASEAN. Razali met with the junta leaders and Aung San Suu Kyi and he reiterated the importance of holding political dialogue in the near future. Razali also conveyed a message from Malaysian Prime Minister Mahathir Mohamad urging the junta leaders to change so that the country could join the mainstream development.

Some modest improvements were summed up in a UN resolution in April 2001, which at the same time expressed grave concern over continuing abuse of human rights (see the section on UN Commission on Human Rights, below).

The UN Commission on Human Rights

Burma first came under scrutiny at the United Nations under the confidential 1503 procedure of the UN Commission on Human Rights in 1989 (Burma had previously been investigated under this procedure after complaints were received in 1979 and 1980). Under this procedure, an Independent Expert was appointed in 1990, Sagato Ogata, who visited Burma with limited governmental cooperation, in November 1990. Her report (which remains confidential) and further complaints against Burma the following year, lead to another mission by new independent expert, Prof. Yozo Yokota (appointed after Ogata was appointed UN High Commissioner for Refugees) in 1991. The nationality of the independent expert was no accident: Japan had mediated between Burma and the UN to ensure that Burma accepted visits by the expert, the kind of bargaining which is ostensibly outlawed in the UN system, but nevertheless is the backbone of its *modus operandi*.

Later in 1991, in December, the UN General Assembly passed the first resolution criticising the human rights situation and calling for a transfer of power to a civilian government (see below). When the Commission next met, in March 1992, the seriousness of the human rights situation, and the potential for it to cause regional instability was apparent following the exodus of some 265,000 Rohingya Muslims from Burma's Arakan State to Bangladesh. The refugees arrived within a four-month period, from November 1991 to March 1992 and reported a pattern of gross violations specifically intended to force this ethnic group to flee, violations that today would be called "ethnic cleansing".²¹⁷ During the period of this flight, the Tatmadaw significantly increased its presence along its border with Bangladesh, and there were several clashes between Burmese and Bangladesh forces, leading Bangladesh to discuss the possibility of bringing the matter to the UN Security Council in New York.²¹⁸ At the same time, the presence of a US naval vessel in the Bay of Bengal lead some members of the Tatmadaw to believe that a US invasion might be imminent (this was not long after the Kuwait war).

In response to these events, the Commission resolved to take consideration of Burma's human rights situation out of the confidential procedures and into a public domain. Thus, a resolution (1992/58) was passed which expressed concern at the situation in Burma and decided,

to nominate a special rapporteur for the purpose of establishing direct contacts with the Government of Myanmar and with the people of Myanmar, including political leaders deprived of their liberty, their families

²¹⁷ See Amnesty International, Human Rights Watch, etc.,

²¹⁸ The Bangladesh Government actually brought a draft resolution to the Security Council but failed to get support for it.

and lawyers, with a view to examining the situation of human rights in Myanmar and following any progress made towards the transfer of power to a civilian government and the drafting of a new constitution, the lifting of restrictions on personal freedoms and the restoration of human rights in Myanmar, and to report to the General Assembly at its forty-seventh session and to the Commission on Human Rights at its forty-ninth session;

This resolution was drafted by France and co-sponsored not only by all EC countries, Australia, Canada, and the USA, but also by India (the first and last time India sponsored a resolution on Burma), as well as Chile and Senegal. The resolution was adopted without a vote.

It is important to note that the rapporteur's mandate refers explicitly to access to political leaders in detention and to monitoring progress towards a transfer of power. In response, in statements to the Commission, the SLORC denied *any* human rights violations in Burma, and stated that "these allegations invariably originate from armed terrorists groups, their supporters and sympathizers, both within and without the country. Their sole purpose in spreading these lies is to vilify the Myanmar Government."²¹⁹ The statement went on to say that,

Commission resolution No. 1992/58 is not a human rights resolution, but a political resolution through and through – political in its motivation and thrust, political in its object, political in its tone and language. As such it is totally one-sided and unjust, highly intrusive and interventionist. It makes short shrift of the basic principles underlying the United Nations human rights mechanism, namely, objectivity, fair-play, good faith and goodwill. In a word, it is irrelevant.

This response is quoted in full here because it is an example of the responses made by the government over the following years and established a pattern of denial and counter-allegations. It also touches upon the non-intervention argument which was to have increasing importance in subsequent years. In 1993 and subsequently, a further element was added to the simple denials – that the rapporteur and all those who reported human rights violations in Burma, failed to understand the culture of Burma. Being a Buddhist country, it could not countenance the kinds of abuse reported, and therefore they simply could not have occurred. This argument went hand in hand with the developing economic confidence among Asian, notably ASEAN countries. This in turn fuelled the "Asian human rights debate", a posture taken by governments, but notably not taken by many sectors of Asian civil society, that notions of universal human rights were an entirely Western invention, designed to give a moral *raison d'être* to aggressive intervention.

The independent expert, Yokota, became the Special Rapporteur, and he visited Burma under the mandate of this resolution in December 1992. For the next three years, Yokota undertook annual visits to Burma, and reported both to the General Assembly (a preliminary report) and the Commission (the full report based on his visits to Burma and neighbouring countries). The extent of governmental cooperation during the visits of the rapporteur was always in doubt. Although the SLORC wanted to be seen as somewhat responsive to the UN's concerns, it nevertheless attempted to control every movement of the rapporteur, attend every meeting he had, and intimidate or harass those who attempted to give him truly independent information.²²⁰

In addition to these reports, reports on Burma were also issued by the following: the Special Rapporteur on Religious Intolerance and Discrimination; the Special Rapporteur Concerning Extrajudicial, Summary, or Arbitrary Executions; the Special Rapporteur on Torture and other Cruel,

²¹⁹ Statement by U Kyaw Win, Permanent Representative Of Myanmar To The UN In The Social Committee Of The Substantive Session Of The Economic And Social Council of 1992 (Geneva, July 17, 1992).

²²⁰ See for example, Professor Yokota, " Report on the Situation of Human Rights in Myanmar", E/CN.4/1995/65 (New York: United Nations), January 12, 1995, pp.28-29 in which he complains of the harassment of some individuals.

Inhuman and Degrading Treatment or Punishment; the Special Rapporteur Concerning Persons Subjected to any Form of Detention or Imprisonment; and the Working Groups on Arbitrary Detention and Fundamental Freedoms.

In April 1995, however, Yokota resigned, citing a lack of institutional and financial support for his work and that of the Centre for Human Rights. He was replaced by Rajsoomer Lallah, a former Chief Justice of Mauritius. Apparently, unlike the appointment of Yokota, the nomination of Lallah did not have the prior approval of the SLORC, who had backed a candidate from the Philippines. The SLORC used the opportunity of this change in rapporteur to reject the appointment and have never allowed Lallah to fulfil his mandate and visit Burma. In March 1998, the SPDC justified the continued exclusion of Lallah, saying that because the “situation in Myanmar was unjustly and negatively portrayed” by the former Special Rapporteur who was able to visit the country on four occasions, it was considering “whether such visits are really beneficial to the country at this juncture”.²²¹ Thus, while continuing to report to both the Commission and the General Assembly, Lallah has had to write these on the basis of information gained in refugee camps on the Thai border, and reports forwarded to him by governmental, non-governmental, UN and other sources.

The reports by both Yokota and Lallah set the tone, and often established the language, for all subsequent resolutions by the Commission. Each year, the resolution became a description of events of the previous year in Burma, and gave increasing detail of the kinds of abuses perpetrated in Burma, and the kinds of remedies the international community sought. Once language has passed into a resolution, it tends to be reproduced in subsequent resolutions, unless there is a change in the situation. In a situation such as Burma where the government does nothing to implement the resolution, if the language in resolutions does change, it is to make it stronger.

All Commission resolutions on Burma have passed without a vote. Initially, the desire for a consensus resolution tended to mean that tough language was ruled out, in order to ensure that Burma’s allies (Japan, ASEAN – especially Singapore, China and Pakistan) did not back a possible call by Burma for a vote. Once an initial draft was written (by France until 1996, and after that by the EU presidency) it would be circulated among friendly governments, and then to Burma’s allies before finally being tabled. During this process government delegations of all persuasions would be pursued by concerned advocates, NGOs, the NCGUB, and representatives of ethnic minority groups sponsored to attend the sessions by Western NGOs, to ensure that the resolution would be as tough as possible. The final draft was always a compromise, and very much dependent not only on the international mood towards Burma, but also on matters which had nothing to do with Burma, such as what other pressing resolutions were tabled at the Commission, which governments were prepared to play off what in order to give support to which resolutions, the skill of the officials charged by the drafting government with tackling the negotiations, the tenacity of advocacy groups and so on.

In 1997, however, following Burma’s entry into ASEAN, this usual process was curtailed by the total lack of support among any of the SPDC’s erstwhile allies, and the resolution passed through by consensus with scarcely any changes to the original EU draft, except one proposed by Denmark, which toughened the resolution.²²² This may have been the result of several factors, high among which was the general sense of frustration at the continued violations in Burma and the political stasis, exemplified in 1997 by the re-arrest of an NLD MP, Daw San San, for an interview she gave to the BBC.

²²¹ Statement by the Permanent Mission of Burma to the U.N. in Geneva at the Commission on Human Rights, 27 March 1998.

²²² For a detailed (and amusing) account of the 1997 Commission deliberations, see David Arnott, “Junta’s Triumph: the Department of Shooting Itself in the Foot Triumphs in Geneva”, BurmaNet, <apc.reg.burma>, 28 April 1997.

The resolutions have been longer and stronger each year, but the SLORC/SPDC government has learnt that there is little sanction for ignoring the recommendations, and therefore it does. By the time the 55th Commission met, in 1999, the resolution was five pages long and “called upon”, “urged” and “strongly urged” the government to implement a total of no less than 17 operative paragraphs. Thus, while UN resolutions retain their importance as indicators of international consensus on Burma and maintain a degree of pressure on the SPDC, they have to an extent become an annual exercise in which no one has much faith any longer. The isolationist policy of Western governments has removed whatever levers they might have had, while ASEAN was prepared to accept Burma as a full member even while signing the resolutions passed against Burma at the UN.

In November 2000, Lallah resigned, and was replaced in February 2001 by Paulo Sergio Pinheiro. It was a sign of the changes within Burma since talks with Aung San Suu Kyi that Pinheiro was allowed to visit Burma in March and again in October. His subsequent verbal report to the UN General Assembly included praise of “positive initiatives” taken by the government, including the release of political prisoners, talks with Aung San Suu Kyi and the establishment of the Human Rights Committee, and was welcomed by the Burmese government. The Burmese ambassador to the UK, Dr Kyaw Win, said that “For the first time in several years there was no need to make a rebuttal of the human rights report on Myanmar.” Thus, a process which had somewhat stalled for five years may have a new lease of life, and perhaps some genuine progress can be achieved if Pinheiro continues to be granted access. At the very least, confidence and trust between some members of the SPDC and the UN mechanisms may be established.

Some modest improvements were summed up in a resolution in April 2001, which at the same time expressed grave concern over abuse of human rights, including,

the systematic policy of the Government of Myanmar of persecuting the democratic opposition, National League for Democracy members and their families, as well as ethnic opposition parties, and at the use by the Government of intimidatory methods such as arbitrary arrest and detention, abuse of the legal system, including harsh long-term prison sentences, which has forced many to refrain from exercising their legitimate political rights; continuing human rights abuses, including torture, rape, extrajudicial arrests and executions and forced relocation of ethnic minorities.²²³

On the positive side, the Commission welcomed:

- (a) The interim report of the former Special Rapporteur on the situation of human rights in Myanmar (A/55/359), the observations on the situation and the recommendations contained therein;
- (b) The initial observations presented to the Commission by the newly appointed Special Rapporteur on the situation of human rights in Myanmar;
- (c) The assistance of the Government of Myanmar in facilitating the recent exploratory visit by the newly appointed Special Rapporteur to Myanmar, and hopes that the Special Rapporteur soon will be able to return to Myanmar in order to discharge his mandate fully;
- (d) The report of the Secretary-General on the visit of his Special Envoy to Myanmar (A/55/509), and endorses the appeal of the Special Envoy for the initiation of a process of dialogue that would lead to national reconciliation and supports his efforts to achieve such a dialogue;
- (e) The initiation of contacts between the Government and Aung San Suu Kyi, Secretary-General of the National League for Democracy, and hopes that such talks will be extended at an appropriate time to include, among others, representatives of ethnic minorities and thereby will facilitate broad-based and inclusive national reconciliation and the restoration of democracy;

²²³ United Nations Economic and Social Council, E/CN.4/2001/L.20, 12 April 2001, Commission on Human Rights, Fifty-seventh session, Agenda item 9.

- (f) The release from detention of a number of democratic political activists;
 - (g) The continued cooperation with the International Committee of the Red Cross, allowing the Committee to communicate with and visit detainees in accordance with its modalities of work, and hopes that the programme will be pursued further;
 - (h) The reopening of some university courses, but remains concerned that the right to education continues to be a right that is exercised only by those willing to refrain from exercising their civil and political rights and concerned at the reduction in the length of the academic year, the division and separation of the student population to distant campuses, and inadequate allocation of resources;
2. Notes the establishment by the Government of Myanmar of a preparatory process for a human rights committee and encourages it to continue this process in conformity with the principles relating to the status of national institutions for the promotion and protection of human rights annexed to General Assembly resolution 48/134 of 28 December 1993...

The UN General Assembly

The first General Assembly resolution on Burma was passed, without a vote, in December 1991. It was a mild resolution, with just four operative paragraphs:

1. Notes the assurances of the Government of Myanmar to take firm steps towards the establishment of a democratic State and looks forward to the early implementation of this commitment;
2. Expresses its concern at the information on the grave human rights situation and stresses the need for an early improvement in this situation;
3. Urges the government of Myanmar to allow citizens to participate freely in the political process in accordance with the principles of the Universal Declaration of Human Rights;
4. Decides to continue its consideration of this question at its 47th session.²²⁴

As this shows, it was the elections of 1990, and the governments' failure to transfer power to the victors, which brought Burma to the General Assembly's attention. By coincidence, in the same year, the General Assembly was actively considering new measures to enhance "the effectiveness of the principle of periodic and genuine elections". In a resolution (46/137) the General Assembly stressed that

periodic and genuine elections are a necessary and indispensable element of sustained efforts to protect the rights and interests of the governed and that...the right of everyone to take part in the government of his or her country is a crucial factor in the effective enjoyment by all of a wide range of other human rights and fundamental freedoms.

The following year, deliberations at the General Assembly were started with the preliminary report of the special rapporteur, who had yet to visit Burma under his new mandate. He had nevertheless received copious amounts of information from NGOs, governments and individuals, which was reflected in his preliminary report. Much of this concerned a pattern of systematic gross human rights abuses of the Rohingya minority group by Burmese authorities.

The 1992 resolution (47/144) set the tone for all subsequent General Assembly resolutions. It called for the release of Daw Aung San Suu Kyi by name, and also urged the government to cooperate with UN organs in respect of the repatriation of the Rohingya refugees. However, while the resolution passed without a vote, it was not sponsored by any regional or developing countries, a problem which

²²⁴ UN General Assembly resolution 46/132, 17 December 1991.

continued throughout the 1990s. The government's response was equally emblematic of what it would say for the next few years. The SLORC ambassador to the UN said,

The overall *rationale* of the draft resolution...is fallacious. The *rationale* assumes that the recent measures taken by the Myanmar government, some of which the paragraph notes grudgingly and without a hint of commendation, are the result of external pressure and that therefore such measures must be maintained or even increased. This reveals a singular lack of understanding of the Myanmar mind and the Myanmar national character. Never in our long and proud history have our people given in to outside pressure.

And as a conclusion he added;

Let me add that this resolution will in no way influence the measures which my government is committed to implementing with a view to establishing a strong and constitutional democracy in Myanmar. Others may make distracting noises, but the caravan of Myanmar's political and constitutional process will roll along its set course and at its pace until it reaches its goal.²²⁵

Time has shown that the only thing he got wrong in this statement is the alleged commitment of the government to establishing democracy.

In response to events in Burma, the Commission resolutions and Special Rapporteur's reports, General Assembly resolutions became progressively tougher. Lobbying for resolutions was given a major boost in 1994 when the opposition government in exile, the NCGUB, was enabled through funding from donor foundations to open an office in New York. This office, run by former student Thaung Htun, has very successfully run lobbying campaigns and hosted visits by Burman and ethnic opposition leaders to assist in the final run-up to the General Assembly's third committee deliberations each year. The work of this office has improved greatly over the years, with Thaung Htun and his colleagues becoming skilled diplomats and negotiators. Combined with the lobbying efforts of international human rights organizations and others, there have been significant breakthroughs with the language of the resolutions each year, although key wording on the role of the national convention, for example, remains weak.²²⁶

In December 1994, the resolution called for the first time for the government to "engage in substantive political dialogue with Daw Aung San Suu Kyi and other political leaders, including representatives of ethnic groups, as the best means of promoting national reconciliation and the full and early restoration of democracy". Coming as it did shortly after the SLORC held its first contact meetings with Daw Aung San Suu Kyi (in November 1994, while Suu Kyi was still under house arrest), the clause was intended to both welcome this contact, and serve as encouragement for future meetings. However, it goes further than that, in calling for tripartite dialogue, and as such is perhaps the single most important clause in the resolution, acknowledging for the first time the need to resolve the long-standing state of ethnic conflict and opposition in Burma. This clause has been included in all subsequent resolutions, as well as in virtually every statement on Burma by Western governments.

The UN resolutions on Burma thus represent the only international consensus there is: an agreement at least on the problems in Burma, and some of the steps the government needs to take to remedy the situation.

²²⁵ "Statement by the Representative of Myanmar", Third Committee, New York: UN General Assembly, 4 December 1992.

²²⁶ Since the National Convention first met in 1993, there have been attempts to include wording in resolutions which would condemn it as not being part of a process towards democracy.

The UN Secretary-General's Office

The 1993 General Assembly resolution called on the Secretary-General to “assist in the implementation of the present resolution” and report to the General Assembly the following year. In that report (A/49/716, 25 November 1994), the Secretary-General stated that since the Commission on Human Rights had already appointed a special rapporteur to Burma, “I have interpreted my role as being not one of fact-finding, but rather one of good offices in assisting the government of Myanmar to respond to the concerns of other member states”. The Secretary General’s envoy, initially Marrack Goulding and then after 1995, Alvaro de Soto, has made several missions to Burma and held dozens of meetings with Burmese Ministers in New York and elsewhere. In the reports to the General Assembly and Commission on Human Rights, however, the general tone is of increasing frustration at the lack of genuine cooperation from the government, let alone any commitment to the process of political reform through the tripartite dialogue called for by the UN. In the report to the Commission on Human Rights in April 1998, the Secretary-General concluded with the following observations,

I welcome the opportunity I had to discuss the situation in Myanmar with the Chairman of the State Peace and Development Council and the reception accorded to my envoy during his visit in January. It is important that contacts with the Government of Myanmar and with other political personalities continue, which it is my wish to do. I regret however, that I am not in a position to report substantive progress on any of the matters on which the Commission has repeatedly raised concern and that the contacts I have had directly and through my envoy with the Myanmar authorities have yet to produce progress towards meeting these concerns.

That the Secretary-General’s representative is not given due respect by the SPDC is clear in the number of times promised meetings with the governmental representatives or missions to Burma have been cancelled or refused. A visit by de Soto to Burma due to take place in early September 1999 was cancelled at the last minute by the SPDC, who used the excuse that internal security was jeopardised by the 9.9.99 protest movement.

Only after the appointment in 2000 of Ismail Razali as a special envoy of the Secretary-General was it possible for real progress to be made in engaging both the SPDC and the opposition. Razali is an advisor to the Malaysian government on foreign affairs, and a former president of the UN General Assembly. As such, he has the weight not only of the UN but crucially of Malaysia, a key partner in ASEAN and one of the main supporters of Burma’s entry to the association. It was first requested by the Secretary-General that he visit Burma in August 1998, as the stand-off between the SPDC and Aung San Suu Kyi reached its height and she began her second hunger strike locked in a car while trying to visit NLD members outside Rangoon. Though he was denied entry at that time, the Secretary-General continued to request access, and Razali was accepted in early 2000. His first visit was in June 2000, when he met with Aung San Suu Kyi as well as the military and ethnic military leaders. He has also met with neighbouring countries, notably China. Razali embarked on his role as special envoy with the intention of establishing whether positive change were possible in a short time; if he had discovered that all sides were too entrenched in their positions for movement to be impossible, he would have quit. Thus, when it was announced in October 2000, that the SPDC has resumed talks with Aung San Suu Kyi, there were great expectations both in Burma and internationally that perhaps a breakthrough would come about. In November 2001, as Razali prepared to make yet another trip to Rangoon, those expectations were rather more cautious, and Razali’s continued involvement is perhaps more important than ever.

Given the initial refusal to co-operate with the Secretary General’s office by the SLORC, de Soto and his team worked to influence and co-ordinate international governmental and UN agencies’ policies toward Burma. In 1994 an informal “contact group” was established at the UN in New York which was focused mainly on trying to bring together the governments of western and Asian countries to enable more effective and stronger UN resolutions. It was hoped that the resolutions would thus be

strengthened by having implementation of key clauses become a central focus of government policies. Since then the contact group has met regularly in New York and at various conferences organized by governments and NGOs.²²⁷

The International Labour Organisation (ILO)

Burma joined the ILO in 1948 and has ratified 21 Conventions, of which 19 are still in force, including the Forced Labour Convention (1930) No. 29, and the Freedom of Association and Protection of the Right to Organise Convention (1948), No. 87 (both of which it ratified in 1955).

Burma was consistently criticized by the ILO Committee of Experts, the body which monitors adherence by member states of conventions they have ratified, for persistent failure over many years to meet its obligations under both Convention No. 29 and Convention No. 87. Following a series of complaints by member governments, notably the USA and UK, and by Trade Unions represented by the International Confederation of Free Trade Unions (ICFTU), in 1997 a Commission of Inquiry was established to look into forced labour in Burma. This is the strongest mechanism available to the ILO, and this was only the tenth time it had been resorted to in the history of the organization. The Commission's report, based on the testimony of scores of NGOs, trade unions and individuals as well as a month-long visit to Bangladesh, India and Thailand, was published in July 1998. The Commission expressed regret that it had not been permitted to visit Burma, but found that forced labour was carried out "in a widespread and systematic manner, with total disregard for the human dignity, safety and health and basic needs of the people". It concluded that the actions of the Burmese authorities "gravely offend human dignity". The Commission also made a number of recommendations to the Government of Burma on the steps it should take to bring its legislation and practice into line with the Convention.

In June 1999, having failed to secure compliance with these recommendations within the time-frame specified by the Commission, the International Labour Conference (ILC) resolved:

- a) that the attitude and behaviour of the Government of Myanmar are grossly incompatible with the conditions and principles governing membership of the Organisation;
- b) that the Government of Myanmar should cease to benefit from any technical co-operation or assistance from the ILO, except for the purpose of direct assistance to implement immediately the recommendations of the Commission of Inquiry, until such time as it has implemented the said recommendations;
- c) that the Government of Myanmar should henceforth not receive any invitation to attend meetings, symposia and seminars organised by the ILO, except such meetings that have the sole purpose of securing immediate and full compliance with the said recommendations, until such time as it has implemented the recommendations of the Commission of Inquiry.

Effectively, this resolution meant that Burma was expelled from the ILO, the first time ever that such a step had been taken. That the ILO should have taken such a strong measure was recognition not only of the seriousness of the forced labour situation in Burma, but also of the governments' complete refusal to accept any responsibility for the problem, or undertake any measures to remedy the situation. However, the governments' response to this step was almost disdainful. Just a month before the ILO meeting, SPDC Secretary-1, Lt. Gen. Khin Nyunt, in an opening address to an ASEAN Labour Ministers meeting in Rangoon, stated,

²²⁷ For example, the Chilton Park conference hosted by the UK government in 1998, a conference hosted by the International Peace Association in New York in January 2000, a conference hosted by the Korean government in Seoul in February 2000 and a second UK-based conference held in November 2001.

If one is to believe some of the allegations found in the Western media, the picture will be rather somber indeed. We feel very strongly that these allegations were largely a result of misperception and misunderstanding of the situation and the mentality of our people... International organizations should not be used as a forum to put pressure on member states by the powerful and influential quarters to fit their own political agenda.²²⁸

In June 2000 the Conference adopted a further resolution with a view to implementation of the Commission of Inquiry's recommendations which requested ILO members (workers, employers and governments) to review their relations with Burma and take appropriate measures to ensure these did not contribute to forced labour – a clear endorsement of sanctions. Following this, a Technical Mission of the ILO visited Rangoon, and sought an agreement by the SPDC for a visit by the High Level Team to the country, as a sign of increased cooperation by the government and a recognition of the need to work with the ILO to show that the use of forced labour was or would be outlawed in paper and in practice. While the SPDC did agree to such a visit, this alone was not considered sufficient to have the measures lifted, and indeed the ILO generally felt that the measures should not be lifted until all three of the main recommendations of the Inquiry were met. In September 2001 the High Level Team visited Burma and were given good access – unusually, and a clear sign of the commitment of the ILO to the process – while in Burma the Team hired airplanes to transport them to difficult areas. The Team concluded in its report that while some progress had been made, forced labour continued to be practiced, especially in areas under direct military control. It also recommended that the ILO be given long-term access to Burma, in the form of representatives based in Rangoon. On 20 November, the SPDC issued a statement saying that this would not be possible, but that they would continue to cooperate with the ILO.²²⁹

The willingness of the SPDC to cooperate with the ILO at all is a measure not only of the weight it attaches to ILO resolutions, but also of the concerted effort of the ILO to engage with the military since 1997. It is to be hoped that the ILO will not take “no” for an answer, and will continue to seek measures by which it can monitor compliance with what is a fundamental Convention and human right.

UN development agencies

It is generally agreed that the seriousness of the humanitarian situation in Burma cannot be ignored. However, as with Iraq, attempts to use aid as a bargaining chip or “carrot” have largely failed because, as many observers have noted, the prime consideration for the Tatmadaw is always its own survival. This view extends to the health sector, where over 15,000 doctors were sacked in the first two years of the SLORC's term of office for having “incorrectly” answered questionnaires about their political opinions.²³⁰ In education too, demonstrations by students led to the closure of schools and universities for long periods: all high schools and universities were closed for most of 1988, all of 1989–90 and again in December 1991 for three months. When they reopened the university academic year was reduced to three months, and students completed three-year courses in only one year. In December 1996, demonstrations again led to the closure of all universities, colleges and high schools, with only the high schools and some technical colleges open again by August 1999.

²²⁸ Quoted in www.myanmar.com, Information Sheet N0. A-0909(1), 15 May 1999.

²²⁹ Reported by *Reuters* “Myanmar rejects ILO call for permanent presence” November 20, 2001.

²³⁰ All civil servants were ordered to fill in a series of questionnaires between 1989 and 1991, see Martin Smith *State of Fear*, London: Article 19, December 1991, and *Fatal Silence? Freedom of Expression and the Right to Health in Burma*, London: Article 19, July 1996.

There is another argument in favour of withdrawing aid, despite its lack of success in driving the government to the negotiating table. Any aid given to the government or spent in Burma to alleviate the humanitarian crisis is money which the government would otherwise have to spend out of its own budget: thus it frees up money for spending on the military. At the same time, by not providing aid, the international community may drive the people of Burma into such desperation that they once again take to the streets. However, the fact is that, even without international aid, it is unlikely that the government would spend more on education, health and social welfare. Since 1988 the government has spent an average of just under 2% of GDP on the social sector, while military expenditure has topped 40% over the same period.²³¹

Fortunately, there are grey areas within the aid debate, and the past 10 years have shown that it is possible to give aid to Burma in ways which maximize the positive impact on Burmese people and communities, and minimize the benefits which the government might accrue. This has only been possible because people have not forgotten the very real needs of the Burmese people, and the urgent desire of many for international assistance. UN staff, IDO workers and even casual visitors to Burma have long noted how many talented and selfless people there are in Burma, especially in the social service sectors, desperate for a chance to do more. The real obstacle to effective aid programmes in Burma is the political culture, which is essentially military and authoritarian, a top-down approach inimical to modern notions of development. However, as a former UNICEF resident representative noted, “humanitarian relief and development assistance can improve the lives of Myanmar’s people, but it requires a resident presence, pragmatism, persistent advocacy, social vision and, above all, patience.”

Despite being classified a Least Developed Country in 1987, there were few UN agencies operating in Burma in 1988. While UNICEF, UNDP, WHO, UNESCO and FAO all had offices in Rangoon, they had only small programmes and their work was confined to “white” areas, that is areas fully under government control. Indeed, most of these agencies only had projects in Rangoon and central Burma; little effort was made to extend programmes to the neediest in the ethnic minority states. During the “democracy summer” most expatriate staff were evacuated, and with the withdrawal of bilateral and multilateral funding for aid work in Burma following the Tatmadaw resumption of power, only skeletal staff returned in 1988/89.

From the beginning, and especially after the general election in Burma in 1990, UN agencies resuming work in Burma were put under close scrutiny by Burmese exiles²³² and NGOs. Their main objections to UN operations were:

- Given the withdrawal of international support for the newly-created SLORC, UN agencies, which are constitutionally obliged to work with governments rather than NGOs or other sectors of civil society, would give the Tatmadaw recognition and international legitimacy, which was being denied elsewhere. This concern was made all the more pressing by the Tatmadaw’s use of any visit by expatriate UN staff, who were always shown on the front pages of the government-controlled newspapers and television news.²³³

²³¹ The SLORC’s own 1996 “Myanmar Health Facts” (Department of Planning and Statistics, Rangoon, 1996) states that in 1992 health expenditure was 0.83% of GDP, whereas in 1995 it was 0.45%. It is also important to note that since 1962 the government had refused to allocate ANY of its foreign exchange earnings to the social sector.

²³² See for example, “Position on Humanitarian Assistance to Burma”, National Coalition Government of the Union of Burma (NCGUB), May 1995.

²³³ For example, a UNCDF consultant, Doug J. Porter noted that “SLORC squeezes the UN commitment to the Border Areas for every ounce of legitimacy it can gain”. Doug J. Porter, “A Note on UN involvement in the Border Areas Development Program” *Thai-Yunnan Project Newsletter*, (ANU, Canberra) September 1992.

- Because they have to work through the government, UN agencies would directly support the Tatmadaw financially at all levels of their operations, through having to use the official exchange rate,²³⁴ to having money and equipment “procured” by Tatmadaw where there were no expatriate staff to ensure protection. All financial grants for work in Burma were seen as relieving the SLORC of its social responsibilities, and freeing up those funds for further military spending.
- Because UN agencies tend to work with long-term, large-scale programmes (usually five-year plans), new programmes agreed with the Tatmadaw gave it a sense of legitimacy and longevity that undermined the results of the 1990 elections. In this, the UN agencies were considered to also undermine the work of the UN system, which since November 1990 had called for the results of the election to be honoured.
- Following the 1989 cease-fire agreements with the former Communist Party of Burma ethnic groups,²³⁵ UN agencies, especially UNDP, sought to work with the newly created Central Committee for the Development of Border Areas (later upgraded to the Ministry for the Development of Border Areas and National Races in 1993). This work was criticized as being supportive of what was seen as a divide and rule policy by the Tatmadaw, enabling the infiltration and “Burmanization” of areas where the Burmese army had previously had no access.
- Where UN agencies targeted capacity building of local NGOs, and had partnerships with local NGOs to implement some projects, it was noted that these NGOs, initially the Myanmar Maternal & Child Welfare Association and the Myanmar Red Cross, were semi-official agencies of the regime.²³⁶

Following the May 1990 election in Burma, and subsequent UN General Assembly resolutions, there was renewed demand by the exiled opposition to ensure that UN agencies in Burma did not undermine or contradict the work of the UN system. In addition, UN agencies working in Burma were handicapped by the dire lack of reliable information about all areas of the country, including those areas which had always been under Tatmadaw control. Access by expatriate and local UN staff alike was, and remains, severely curtailed by what the Tatmadaw term security considerations. Thus, when refugees brought stories of tens of thousands of people being forcibly relocated in Karenni (Kayah) state in 1992, and Shan state in 1996/7, no UN agencies were permitted access to the affected areas. Even when natural disasters occurred, such as flooding in the Irrawaddy delta in 1992, and severe floods in northeast Burma in 1998, access was only won after protracted negotiations. By 1999 the situation has improved somewhat, but remains largely as it was in 1995, when a UN consultant berated the “acute shortage of information for designing and targeting programmes”.²³⁷

UN agencies have as a result been caught in a dilemma: wanting to assist the neediest people of Burma, but at times being prevented by the Tatmadaw; and at all times not wanting to (be seen to) assist an abusive and illegitimate military government. In the first years of SLORC rule, as the attention of solidarity groups was focused on their work, the resident representatives of UNICEF and

²³⁴ The official exchange rate in Burma has remained at a rate of 6 Kyat = \$1 since the 1970s. In 1988, the unofficial rate was around 150 Kyats = \$1; in 1999 it runs at around 300 – 350 Kyats. Thus, any payments in the official rate, such as for telephones and electricity, are hugely profitable for the government.

²³⁵ These included the United Wa State Army and Myanmar National Democratic Alliance Army. For a full discussion of the cease-fires and UN involvement see Porter, 1992 op cit., and Porter DJ, “Prospects for International Aid to Myanmar: Lessons from the Shan state Border Areas Development Program”, paper delivered at the *State, Order and Prospects for Change in Burma* conference in Australia, December 1992. See also Smith M, *Burma: Insurgency and the Politics of Ethnicity*, London: Zed Press, 1999.

²³⁶ NCGUB, 1995, op. cit.

²³⁷ Serrato CA, “Targeting Development Assistance to the Lowest-Income Populations of Myanmar”, UNDP, Rangoon 1995.

UNDP were active in attending conferences and NGO forums to discuss their positions and share information about the situation in Burma as they found it. This dialogue produced positive results, and with advocacy campaigns directed at the Governing Council of the UN Development Programme in particular, a framework was established under which UN agencies could operate in ways which would be least beneficial to the SLORC and most beneficial to the joint aims of development assistance and supporting the development of civil society organizations in Burma. However, the attention of solidarity groups has somewhat been deflected away from the work of UN agencies, and in 1999 there was much less contact with UN resident representatives, consultants and policy-makers. At the same time, since the release of Daw Aung San Suu Kyi, the political opposition has voiced its disquiet at UN programmes, even calling for all UN funding to be withdrawn. Solidarity groups have failed to closely monitor and maintain a dialogue with UN agencies working in Burma. As a result, the debate has become more ideological and less based on an informed position.

In the meantime, the humanitarian situation in Burma has continued to worsen. So much so that in June 2001 all the UN agencies in Rangoon sent out an urgent appeal to governments to give increased assistance to Burma immediately, warning that “The cost of neglecting assistance will be substantially higher if delayed, as the magnitude of problems escalates (e.g., HIV/AIDS), human capital disintegrates (e.g., increasing illiteracy, low completion rates in primary school), natural resources diminish and disparities widen (e.g., among geographical regions and among ethnic minorities).” The appeal also notes that current development assistance to Burma is only about \$1 per capita, whereas Cambodia receives US\$ 35 and Laos US\$ 68.

The United Nations Development Programme

The UNDP has itself undergone some fairly dramatic changes in the past 10 years, especially under James Gustav Speth and the current Administrator, Mark Malloch Brown. Along with many other international bodies, such as the World Bank, the UNDP has recognized the importance of respect for human rights as a fundamental condition for sustainable development. This is reflected in the 1998 policy document, *Integrating Human Rights with Sustainable Human Development*, in which the UNDP commits itself to the protection and promotion of civil and political as well as social, economic and cultural rights.²³⁸

The resident representative of the UNDP represents the entire UN system, including the office of the Secretary-General and the Commission on Human Rights. As such, it is the most important UN agency on the ground. This has meant that the UNDP was also the main focus for scrutiny and attack by solidarity groups and the internal opposition. In addition to the general concerns about UN agencies listed above, there was also a concern that the UNDP’s operations in Burma lacked transparency, and were not continually monitored and assessed as to their impact. There were stories, for example, of agricultural projects funded by the UNDP to assist the farmers in improving their yields, where the Tatmadaw appropriated the land as soon as the project had ended. Over and above these considerations, however, was the general perception that, unlike UNICEF (in the early years at least), civil and political rights were very low on UNDP’s agenda. Abuses such as forced relocations, forced labour and the lack of rule of law, especially pertaining to such things as land ownership, were never addressed directly by UNDP programmes, or mentioned as aggravating problems in documents about specific UNDP projects.

²³⁸ “Integrating human rights with sustainable human development”, United Nations Development Programme January 1998.

In 1988, the UNDP was in the second year of a five-year programme, of which only US\$ 52.8 million was finally spent. In 1989, after the SLORC signed cease-fire agreements with the ethnic breakaway CPB armies in northern Shan state, UNDP was one of seven agencies approached by the SLORC to give support to the new Border Areas Development Programme. All the agencies announced a commitment to work with the government to secure the peace by a host of development initiatives, all of which had been proposed by the Tatmadaw.²³⁹ On paper, without any background information on the political situation in the country, the planned projects seemed undeniably necessary and well thought out. In its report of 1991, UN System Agencies in Burma noted that,

The grave predicaments for the area go well beyond the national impact, reflecting vital concerns of the international community at large, with respect to eradication of poppy cultivation, salvaging and preservation of the environment and creation of peaceful conditions along national frontiers.²⁴⁰

The report also included operational prerequisites, which had already been agreed with the SLORC, among which were,

- Project areas are secure to enable project staff to work without military escort. (This will not preclude assigning military escort when travelling from one destination to another destination).
- Necessary access to local communities, village leaders, farmers etc.,
- Community participation in project design and implementation
- Access to project sites for UNDP to observe and collect necessary information on extent and progress in reduction of poppy cultivation...

However, despite the evident and undeniable need for development in these areas, the political implications of such aid were far reaching. Development projects in ethnic minority areas that for years had been off-limits to the government were inevitably controversial, bringing with them Burmese staff and an increased military presence. Where opium is the main source of income, and where the military cease-fires had permitted the ethnic armies to retain their arms and a blind eye was turned to continued drug trafficking, UN agencies were perhaps being politically naïve.²⁴¹ Some of the ethnic armies were still supporting students and other exiles. Immediately Burmese exiles and solidarity groups who considered the cease-fires to be a betrayal of the democratic movement and a ploy to divide the ethnic minority armies, began campaigning against the UNDP projects. These groups lobbied Western governments, and in 1991, when the next five year plan was to be drawn up by the UNDP's Governing Council, Canada, Britain and the USA called for a halt to the funding of new projects, and a review of all UNDP programmes in Burma. Specific points raised included: the use of UNDP funds in a road building scheme in the Shan State which was reported to have been undertaken with forced labour; and reported corruption and collusion with the Tatmadaw offices by UN personnel Rangoon.²⁴² The review took place at the end of 1992.²⁴³

²³⁹ See Porter, op. cit.,

²⁴⁰ "Border Areas Needs Assessment and Preliminary Programming Mission Report", UN System Agencies, Myanmar, June 1991.

²⁴¹ For a full discussion of the political context of the cease fires, see Lintner B, *Burma in Revolt: Opium and Insurgency Since 1948*, Colorado: Westview Press, 1995.

²⁴² Corruption and collusion charges focused on the Food and Agriculture Organisation, but more general concerns were expressed over the use of the Burmese military or other government agents as implementing partners in some programmes. This was especially true of the road building projects, where the army had been reportedly using UNDP money to build roads, and then using forcing civilians to do the work for no pay.

²⁴³ Kapur SS and Priestly M, "Myanmar Fifth Country Programme: A Review", New York: UNDP. n.d. The review was conducted during October – December 1992.

At the next UNDP Governing Council meeting in June 1993, a resolution (Resolution 93/21) was passed which stated that future assistance must be “clearly targeted towards programmes having grassroots-level impact in a sustainable manner, particularly in the areas of primary health care, the environment, HIV/AIDS, training and education and food security”. The Governing Council allowed the release of only US\$ 25.5 million (a tiny amount for a country acknowledged as an LDC) for a 1.5-year UNDP programme, called a Human Development Initiative (HDI). Any additional UNDP projects were to be assessed on a project-by-project basis. For now, there would be no more five-year plans.

In 1995, a second assessment was undertaken to see whether resolution 93/21 had been followed on the ground, and what progress had been made in achieving the objectives of the projects. However, in Burma, the devil definitely lies in the detail, and the report lacked basic information about the reality of how projects were implemented, who actually received the help, and what the wider economic and political implications were. For example, some of the projects were undertaken in ethnic minority areas (Shan State, Arakan State, Chin State and Kachin State) but it was not reported whether the population assisted were ethnic minority or Burman, or whether the political/military representatives of those people were involved in the planning of the programmes with UNDP. There was also no discussion of the nature of the relationship between the “community-based organizations” and the local administrative bodies, whereas activists suspected that in some cases at least, the so-called community-based organizations were actually the local Law and Order Restoration Councils. In addition, the report, and all other reports by the UNDP, failed to establish the rights of the people working on and affected by the projects: for example, land rights, freedom of movement and freedom to remain, the rights of “volunteer labourers”, and so on. For these reasons, solidarity groups and other advocacy NGOs continued to be critical of even these small-scale projects.

In America, the NCGUB and solidarity groups consistently and effectively lobbied Congress to include an amendment to the 1994/5 Foreign Relations Authorization Act which stated that,

(b) Of the funds made available to the UNDP for fiscal year 1994, \$11m may be available only if the President certifies to Congress that the UNDP’s programs and activities in and for Burma promote the enjoyment of internationally guaranteed human rights in Burma and do not benefit the SLORC military regime.

(3) Of the funds made available to the UNDP for fiscal year 1995, \$27.6m may only be payable if the President certifies to the Congress that:

- (A) the UNDP has initiated no new programs and no new funding for existing programs in or for Burma since the UNDP Governing Council meeting of June 1993,
- (B) such programs address unforeseen urgent humanitarian concerns, or
- (C) a democratically elected government in Burma has agreed to such programs.

When the Department of State then issued the necessary certification, on the basis that there had been no new projects *beyond* those contemplated in the June 1993 GC decision, there was a huge row in Washington between the supporters of the amendment (Congressman Ben Gilman), the Department of State and the UNDP. In the end, the Department of State won out, and the money was released.

In January 1996, just before the GC decision on programmes in Burma, the UNDP Administrator, James Gustav Speth and his Executive Board were sent a letter from Aung San Suu Kyi and the NLD which criticized “inadvertent political bias” in the execution of UNDP programmes. In the letter, Aung San Suu Kyi pointed out the need for UN agencies operating in Burma to “assist towards the implementation” of successive resolutions of the UN General Assembly and Commission on Human Rights. To do so, the UN agencies would be obliged to work “in close cooperation with the NLD

which is the only organization which effectively represents the will of the people". The main complaint was that, while the HDIs look great on paper, the reality of how they were executed on the ground was very different and that little information was available for those not involved in the projects themselves to assess such things as "community participation", for example. In the letter, there are examples of how NLD members and supporters were deliberately not chosen to be the beneficiaries of training or other programmes, and of UNDP work in politically sensitive areas, which had the effect of further increasing tension there. In conclusion, the NLD requested that "formal provisions be made for it to be closely and actively engaged in the planning and implementation of UNDP projects, including evaluation and monitoring in the field, to ensure that the aid provided reaches the right people in the right way".

Despite this pressure, the UNDP leaned on the fact that the 1995 review was overwhelmingly positive, and in 1996 and 1998 HDI projects were approved by the Governing Council.²⁴⁴ By now, however, the changes at the UNDP detailed in the 1998 mission statement quoted above had filtered through to its work in Burma. At least on paper, the UNDP was actively pursuing rights-based work and no longer hesitant to be critical of SPDC's policies that directly impeded development. For example, the 1998 UNDP report, *Human Development in Myanmar*, states in the Forward,

Myanmar's recent experience in implementing development tasks to improve the conditions of the poor, and of vulnerable groups, has positive and negative aspects. On the positive side have been the high economic growth rates recorded, and the entry of Myanmar into ASEAN, enabling the country to be incorporated in the mainstream regional economy. Economic growth has, however, not been translated into any significant improvement in the conditions of the poor, and the remote regions. The international community has expressed its concern on the human rights situation, as recently as December 1997 and April 1998, in resolutions respectively adopted by the UN General Assembly and the Commission on Human Rights...Uncertainties created by these problems have resulted in slowing down the pace of national development, and have also discouraged potential external partners, both bilateral and multilateral.²⁴⁵

The United Nations Children's Fund (UNICEF)

UNICEF is undoubtedly the world's favourite UN agency. Having an age group related mandate, rather than a focus of a particular field, such as health, it is uniquely flexible in its approach. With an executive board on which 30 countries are represented, it is also the only UN agency able to work in countries when other governments do not approve of working there, or where the government of the country has not been recognized by the UN.

In Burma, UNICEF took a forceful and creative lead in drawing international attention to the humanitarian needs post-1988 under the direction of the then resident representative, Rolf Carriere. When Carriere joined the UNICEF team in Burma in 1989, he was appalled by the situation in which children were living, and amazed at the lack of international awareness of it. While Burma watchers and analysts talked of political prisoners, the failure of the government to transfer power post the 1990 election and the increasing numbers of ethnic minority refugees in Thailand, Carriere drew their attention to the "silent emergency" occurring in Burma on a daily basis. Putting the rights and needs of children above all other considerations, Carriere persuaded the SLORC to accede to the Convention on the Rights of the Child (CRC) in August 1991: the first UN convention to be signed by the SLORC. The CRC has an in-built mechanism for monitoring compliance, and, with the benefit of hindsight,

²⁴⁴ The 1994-1996 HDI cost \$25.6m and assisted "approximately a million people" through community development interventions such as improved access to basic education, and better drinking water supplies. The 1996-1998 budget was \$52.1m, extending the project areas from 14 to 23 townships – 3 townships in the Irrawaddy delta, 3 in central Burma, 5 in Arakan state, 5 in Chin state, 2 in Kachin state and 5 in Shan state (UNDP, *The Human Development Initiative 1996-1998*, Rangoon n.d.)

²⁴⁵ UNDP Yangon, *Human Development in Myanmar*, July 1998.

this represented a major coup. At the time however, solidarity groups were appalled by the credibility this gave the SLORC, who without having improved the rights of the child a jot, had become one of the growing community of nations allegedly committed to children's rights. However, SLORC shot itself in the foot by entering reservations on Articles 15 and 37 of the CRC, which relate to freedom of association and a child's right not to be tortured.²⁴⁶ By the time the SLORC removed these reservations in October 1993, it had already been labelled the government that reserved the right to torture children.

In December 1991 Carriere attended a conference in Oxford,²⁴⁷ and submitted a paper in which he set out the humanitarian needs in Burma which constitute the "silent emergency". He also berated the embargo on bilateral and multilateral development assistance to Burma, and the drive towards conditions on aid generally, which is a "blunt foreign policy instrument bound to victimize the innocent majority, at least in the short run".²⁴⁸ Instead, he insisted that "the child cannot wait until the 'right' government comes to power". He did not ignore the SLORC's (and the BSPP's) responsibility for the current crisis, rather he was very critical of its "distorted priorities" which not only created many of the problems, but would also ensure they continued without international assistance.²⁴⁹

This paper later became the basis for a 1992 UNICEF initiative on emergency humanitarian intervention that was to have been put to the SLORC. However, the paper in draft form was leaked to a Thai newspaper before it had been signed off by the UNICEF Administrator James Grant.²⁵⁰ This leak effectively scuppered the project, and shortly afterwards reportedly in response to the SLORC's outrage at the press report, Rolf Carriere was moved from his post in Burma. The leak was deliberate sabotage, by opposition forces on the Thai border, and was extremely unfortunate. The interventions Carriere proposed could have had a lasting impact in Burma, not only on the health and wellbeing of children, but also on the political deadlock, prioritizing as it did humanitarian needs over political considerations. It called for:

- The appointment of a UN envoy whose job it would be to oversee and coordinate all UN aid to Burma.
- The development of low-level, unofficial diplomacy to compliment official diplomatic moves, through Foundations using conflict resolution methods to break down the barriers to dialogue.
- Reconvene the Aid Burma Consortium, the international governmental forum on aid to Burma which was disbanded in 1988.
- Establish an international forum of IDOs working on Burma, to coordinate projects and funding.

The leaked report also called for humanitarian cease-fires, short breaks in fighting during which time medical staff could access and immunize children living in the war zone. The idea was that not only would this improve the life chances of millions of children, it would also allow for political space in which discussions on a permanent peace might be entered into.

²⁴⁶ Article 15, recognizes the right "to freedom of association and of peaceful assembly"; and Article 37, states that "No child shall be subjected to torture or other cruel, degrading and inhuman treatment or punishment".

²⁴⁷ "Burma/Myanmar: Challenges and Opportunities for the 1990s" a joint Foreign Office and Asian Studies Centre Conference, Oxford, December 1991. An edited version is published in the Oxford University Press book of the same name, published in 1998.

²⁴⁸ Rolf Carriere, "Responding to Myanmar's Silent Emergency: The Urgent Case of International Humanitarian Relief and Development Assistance, 1991.

²⁴⁹ These he identified as being 1. The government's low allocation for human development; 2. Its reportedly high military spending; 3. Its inadequate efforts on behalf of children; 4. Its curtailment of the activities of NGOs; 5. Its refusal to allocate foreign exchange from its export revenues for social sector development.

²⁵⁰ News of the initiative was reported in *The Nation* under the heading "Burma – a New Test Case for the UN", 30 March 1993.

Following the media report, UNICEF appeared to drop any notion of seeking to influence the situation in Burma beyond their more focused work with the social and economic rights of children. The leak had further repercussions in that no UN senior staff members would ever be as open with the Burmese opposition and solidarity groups again. In Burma, although there appeared to be no specific new restrictions on UNICEF imposed by the government – belying the frequently heard justification for lack of UN agency action on civil and political rights issues: that if they went too far the government would ask them to leave – self-censorship and a new conservatism seeped into the UNICEF office. This was best reflected in UNICEF’s follow-up with the government on the implementation of the Convention on the Rights of the Child (CRC).

The CRC came into force in 1990, and was devised to recognize and protect the economic, civil, cultural, political and social rights of children. Within its articles, the CRC includes a requirement for states to report to the Committee on the Rights of the Child in Geneva, detailing progress towards implementation of the CRC. The committee can then make recommendations directly to the State Party and may invite other specialized agencies, such as UNICEF and NGOs, to provide expert advice. In many countries, UNICEF had assisted governments in writing their report to the committee and assisted NGOs to submit alternative reports on their views of the government’s progress in implementation, which are also submitted to the committee.

When Burma came up for discussion by the Committee, in January 1997, neither UNICEF Rangoon nor any local NGOs or IDOs operating in Burma submitted reports to the committee. UNICEF Rangoon did not even send an observer to the committee’s hearing on Burma. By contrast, the SLORC sent a seven-member delegation, and several European governments and NGOs were also present. Some NGOs and representatives of the Burmese opposition had submitted reports and were present at the hearing.²⁵¹ While some members of the government team showed a willingness to learn and a genuine confusion as to critical remarks made by the Committee, the government’s diplomatic representatives were obdurate. The hearing revealed an apparently unbridgeable cultural gap in the understanding of the fundamentals of the rights of the child. At the end of the hearing, one Committee member stated that,

she had received the impression from the report and the written replies that the whole concept of participation of children was unclear to the Myanmar authorities. For instance, reference had been made to activities being assigned to children. The whole point was that children should have a say in their own associations so that they could express their views both individually and collectively. That was an important preparation for life in a democratic society.²⁵²

Apparently, attempts have been made to try and bridge this cultural gap through increased engagement with government departments on some of the less politically sensitive areas,²⁵³ though there is clearly a long way to go.

²⁵¹ See Human Rights Watch/Asia “Burma: Children’s Rights and the Rule of Law” (HRW, New York, January 1997); Images Asia “Child Soldiers in Burma”, January 1997.

²⁵² Mrs. Badran in Committee of the Rights of the Child, “Summary record of the 358th meeting” (Geneva, CRC/C/SR.358, 15 January 1997).

²⁵³ UNICEF report “Country Programme of Cooperation, 1996-2000: Master Plan of Operation”.

IV. Western NGOs, foundations, IDOs and exiled groups

How Some Western Powers Have Been Aiding and Abetting Terrorism Committed By Certain Organisations Operating Under The Guise Of Democracy and Human Rights By Giving Them Assistance in Both Cash and in Kind.

Lt. Gen. Khin Nyunt, Press Release, 27 June 1997.

Burma-focused NGOs

Prior to 1988 there were few, if any, non-governmental organizations working on Burma. The first report by an international human rights organization was by Amnesty International, the result of a mission to the Thai/Burma border in May 1988. It reported the human rights abuses of ethnic minority groups, mainly the Karen, Kachin and Mon by the Tatmadaw.²⁵⁴ It was indicative of the climate that then surrounded Burma that this report was widely dismissed, and then ignored in diplomatic circles. The prevailing view of Burma was a romantic fiction: a country untouched by Western contact, which, although it had some “problems” with ethnic minority groups and was in sharp decline economically, was nevertheless run by a relatively benign military party. That at least was the view of those few people who took any interest: to most of the world, Burma was a forgotten backwater. Only in 1987 did representative delegations of ethnic minority leaders make a visit to lobby the United Nations Human Rights Commission, sponsored by a UK NGO Anti-Slavery International.²⁵⁵ While many church-based organizations had for many years assisted the Christian minority groups to whom they had access through Thailand, the first non-Christian NGO, Health Unlimited (also UK-based) started a programme to give medical assistance to internally displaced Karens in Burma’s Tenasserim Division that same year. Also in 1987, Burma Peace Foundation (based in the UK), lead by Burmese monk U Rewata Dhamma, commenced tentative plans to encourage ethnic minority-Burman dialogue along the Thai/Burma border.

By 1999, hundreds of NGOs had formed to support Burma’s peoples in the struggle for human rights and democracy. These ranged from small, voluntary university campus-based student bodies in America, to Thai-based groups run mainly by Westerners, exiled Burmese magazine publishers, and large foundations, such as the Open Society Institute’s, Burma Project with annual budgets running to millions of dollars. In all but a few cases, Single Issue NGOs focused on Burma were established by young, idealistic and enthusiastic Westerners fired up by a moral indignation at such a clear injustice, often “discovering” Burma through encounters with Burmese students or ethnic minorities either in Thailand or abroad. Most had little or no training or experience, and most started out as volunteers. Some remained in Thailand, while others returned to their own countries to form solidarity groups there. This burgeoning of NGOs was made possible by a coincidence of several factors among which were: the decreasing cost of intercontinental transport to Thailand; ease of access from Thailand to the “liberated areas” of Burma; the lack of any real restrictions (although legal restrictions did exist, these were rarely enforced) on Western groups operating out of Thailand (the same was not true of Thai groups working on Burma issues); from 1991 onwards, the earmarking of Western government

²⁵⁴ Amnesty International, “Burma: extrajudicial execution and torture of members of ethnic minorities”, London: Amnesty International.

²⁵⁵ The leader of the delegation was Saw Has Ta Nor, a central committee member of the KNU, who also addressed the Foreign Affairs Committee of the British House of Parliament. The same year, another National Democratic Front delegation, headed by the Kachin Independence Organisation President, Brang Seng also visited the UK and Germany, as well as several Asian countries, to discuss their situation with NGOs and policy-makers.

funds (often through secondary donor groups and foundations) to support the Burmese pro-democracy movement; and the arrival of scores of 1988 veterans on campuses in the USA, Australia and Canada.

The NGO world working on Burma has become a minor industry; if it were possible to quantify the amount of time, energy and money spent by these NGOs since 1988, it would run into billions of dollars. The strength of these groups as a network has been important in ensuring that Burma does not slip off the agenda of Western governments. In some cases, such as the US city and state-level selective purchasing campaigns, these activists shook not only companies working in Burma, but, by their success, threatened an international trade war. However, the impact on capacity building among the Burmese opposition has been patchy at best. Despite the presence of many self-styled human rights workers among the armed opposition, human rights abuses by those groups have continued. At the same time, hardly any of the NGOs working on Burma are run by Burmese or have Burmese staff in high positions. The impact on civil society in Burma has been just as mixed: on the one hand, the international campaign has given moral support to the internal opposition, but at the same time opposition groups have been weakened by SLORC/SPDC accusations of links with and funding from Western governments. Finally, NGOs outside the country have an extremely limited circle of influence, which does not extend to the Burmese government at all. They have to find ways of working through other bodies, be they companies, national governments or UN agencies, to try and effect change by the military. But even here, it is doubtful if their campaigns, no matter how successful in their stated objectives, actually have any impact at all on the primary objective: that is, change in Burma.

Information and awareness raising

Exile groups and NGOs

It was the 1988 uprising that saw the birth of a new international band of Burmese and international activists. Burmese exiles had already held demonstrations outside embassies in the UK, Germany and USA following the demonitization in November 1987. As dissidents escaped to Thailand after the September 1988 re-assumption of power by the military, these groups grew and sought to provide assistance to the new arrivals. This movement became the Committee for the Restoration of Democracy in Burma (CRDB). With member organizations in Australia, Germany, Thailand, the UK, the USA, and elsewhere, the CRDB initially appeared to be the main focus of overseas activism and was admitted into the newly-formed Democratic Alliance of Burma (DAB). Formed in November 1988, this was an umbrella group including the majority of ethnic minority-armed groups as well as the All Burma Students' Democratic Front (ABSDF). The history of the CRDB was to precursor that of many other exile organizations, as by 1991, internal divisions and squabbles had split the CRDB in several countries. Some members were accused of being SLORC spies, others of embezzling funds. The new groups created by the splits vied with each other to retain the CRDB name and be known as the DAB representative in their country, a situation that inevitably severely weakened the movement. Even as the CRDB split, it began to be eclipsed by new groups formed by newly exiled veterans of the 1988 movement in Burma, and solidarity NGOs set up by foreign supporters.

Initially, the main aim of most Burma-focused NGOs, both Burmese and non-Burmese groups, was awareness raising and information dissemination. There was at the time a dire shortage of information about the situation in Burma, and it was believed that, with the dawn of the New World Order in international politics, once the world was alerted to the terrible abuses in Burma, policy-makers would find both the will and the means to take effective action. The strength of the internal opposition, which had acted with such courage and tenacity during 1988, combined with the clear moral imperative to remove a government which had killed so many unarmed demonstrators, led most supporters to believe that the SLORC would not be able to retain power for long. At the time, the SLORC seemed

very weak, with a leader famous for his five-hour long rambling lectures on national television, precious little foreign exchange, no international support and no internal legitimacy. If the supporters of Burmese democracy abroad could just maintain the isolation of the SLORC, surely it could not survive! International human rights organizations, Amnesty International, Human Rights Watch, Article 19, US Committee for Refugees, International Lawyers Committee for Human Rights, International Commission of Jurists, among others, all produced damning reports from 1988 onwards. In 1990 Amnesty launched an international campaign on Burma, which successfully introduced many people, most of whom had never even heard of “Burma/Myanmar”, to the human rights situation there. The campaign led to the formation of a number of new single-issue NGOs in Europe and the US, such as the Burma Action Group (UK), who determined to continue the campaign further and make policy recommendations beyond Amnesty’s remit.

Academics

While dozens of human rights reports were produced every year by these international organizations and some of the newly-formed NGOs published their own newsletters, other sources of information on Burma remained few and far between. There were very few academics and journalists with any Burma specialization, still less with knowledge of contemporary Burmese politics and/or contacts with the new government. In the West, only a couple of Universities taught the Burmese language – London University’s School of Oriental and African Studies, the University of Paris, La Trobe University in Australia and Illinois and Cornell Universities in America – and only one University, Cornell, had a Burmese Studies programme. In political science, scholars like Robert Taylor (SOAS), David Steinberg and Josef Silverstein, all of whom had studied in Burma in the 1950s, were the only experts around. The isolationism of the 1960s–1980s which stopped all access by scholars to Burma, had all but wiped out academic interest in Burma and the only scholars to gain permission to do research from 1984 onwards were all confined by the government to the study of archaeology or religion.

Journalists and authors

Among journalists and authors, Martin Smith and Bertil Lintner were alone in having extensively travelled in ethnic minority areas in the years prior to 1988, and for several years after 1988 their articles and books were the only reliable sources of information on post-independence and contemporary events.²⁵⁶ Both wrote accessible, informative and compelling stories, and it was largely due to their efforts, in combination with the spate of human rights reports, that brought ethnic minority rights to the international stage, which until then had been monopolized by a Rangoon-centred diplomatic perspective.

While much of the information produced by NGOs is intended for use in particular campaigns, or to address international forums,²⁵⁷ analysis of actors and events in Burma itself are often ignored. For these reasons, the above authors have retained their almost exclusive roles as Burma specialists.²⁵⁸ In

²⁵⁶ Smith M, *Ethnic Groups in Burma: Development, Democracy and Human Rights* (London, Anti-Slavery International), 1994, *Burma: Insurgency and the Politics of Ethnicity*, London: Zed Press, 1991, updated 1999. Lintner B, *Land of Jade: A Journey Through Insurgent Burma*, Bangkok: Kiscadale Publications, 1990, *Outrage: Burma’s Struggle for Democracy*, London: White Lotus Press, 1990; *Burma in Revolt: Opium and Insurgency Since 1948*, Colorado: Westview Press, 1994. Lintner was also a correspondent for the *Far Eastern Economic Review*. Martin Smith was also involved in the production of several TV documentaries, notably BBC TV’s *40 Million Hostages* in 1989 and Channel 4’s *Dispatches* in 1991 that were very influential in the UK. He has also written several reports for NGOs, including Article 19, Anti-Slavery International and World University Service.

²⁵⁷ E.g. the Beijing UN Women’s Conference in 1995, the UN report on child soldiers in 1997.

²⁵⁸ But it is still Steinberg, Silverstein, Smith and Lintner – none of whom are Burmese speakers – who top the invitation lists for most international conferences on Burma. As such they are unusually influential despite the fact that each maintains an academic distance and tries to describe rather than proscribe.

the USA, Japan and Europe, a few academics and others have emerged, such as Mary Callahan, Kei Nemoto and Gustaaf Houtmann (all of whom speak Burmese and conducted their research in Burma in the 1980s and 1990s).

Daw Aung San Suu Kyi

Given this dearth of information, both popular and academic, the publication in 1991 by Penguin Books of Daw Aung San Suu Kyi's essays *Freedom from Fear*, timed to coincide with the award of the Nobel Peace Prize, was instantly successful and quickly became the most well-known book on Burma. Some of the quotes in the book, notably "freedom from fear" itself, and "fear is a habit", entered into the daily phraseology of newscasters and politicians, launching Aung San Suu Kyi as a respected political figure beyond Burma and Asia.

The Nobel Prize, the writings of Aung San Suu Kyi and the image created of a beautiful, charismatic woman who voluntarily sacrificed her life in England with her husband and teenage sons in order to "save" Burma were a powerful boost to the awareness campaigns in the West. Both exiled Burmese and foreign organizations capitalized on Aung San Suu Kyi's growing international popularity. The arrival of Burmese student exiles who, from 1989 onwards took up government-sponsored scholarships and refugee programmes in America, Australia and Canada in increasing numbers, and others who were involuntarily exiled in Europe, gave further fuel to the growing international movement. Finding themselves among a sympathetic student body, these exiles formed the core of new solidarity groups and campaigns across northern America and Australia. By the time Daw Aung San Suu Kyi was released from house arrest in July 1995, the general public in most countries already knew where Burma was, and that it was ruled by a military dictatorship. However, it was her release, and access to her by the international media, that really set alight the international media attention and reinvigorated NGOs and solidarity groups.

The internet

On the information front, Burmese activists and supporters had in the early 1990s found a new ally in the rapidly developing communication system, the internet. In 1994, the Soros Foundation funded the development of BurmaNet, a news and information listserver providing the BurmaNet News (started in 1997), an electronic newsletter available to subscribers and members of the APC network. The BurmaNet News carries articles on Burma in the Thai and international press as well as information from opposition groups, human rights organizations and campaigning groups. Currently there are in excess of 100 internet sites on Burma, including websites for the NLD and the recently-convened Committee to Represent the People's Parliament as well as the government in exile, the NCGUB. The number of Burma-related sites are testimony not only to the importance of the Internet to the democracy movement but also indicate how much it is relied upon as a tool by activists. Increasingly journalists reporting on Burma as well as Western diplomats and UN agency staff also use internet sources on Burma.

The SLORC/SPDC quickly caught on to the importance of the internet and has developed an increasingly sophisticated website www.myanmar.com. This is mainly intended to promote business and tourism to Burma, but also carries the daily Information Sheets of the Information Committee, as well as newspapers and magazines.

As a tool for activists the Internet has many advantages – it is relatively inexpensive and accessible, and information distribution is almost instant. For organizations that have limited staff and/or limited funding, this has meant both time and cost efficiency. For campaign groups it has resulted in increased effectiveness by improving coordination of campaign efforts but also by gaining a whole new audience. Sites vary from providing extremely detailed information of the current political situation to

more general information. For example, the Free Burma Coalition provides examples of legislation related to selective purchasing, updates of states or cities who have adopted investment laws, lists of companies investing in Burma and so on.

Unfortunately, but not surprisingly, the Internet remains inaccessible for most Burmese. Even for those with access to computers, the possession of an unregistered modem can entail a penalty of up to 15 years imprisonment under the 1996 Computer Science Development Law (chapter XX, paras 31 and 32). However, news from the Internet is frequently picked up by radio stations such as VOA, the BBC and Democratic Voice of Burma (an exile radio station in Oslo part-funded by the Norwegian government) and broadcast back into Burma. This makes the internet, as one analyst puts it, “a critical, if indirect link in channelling information from remote areas of Burma back into the rest of the country”.²⁵⁹

While the internet has given access to and created a wealth of resources on Burma, the reliability and credibility of some of the news stories presented on the various websites in question. With no way of checking sources, stories often circulate on the net which are no more than often repeated and re-circulated rumours. The internet has not replaced the need for accurate on the ground reporting by established journalists and analysts, although it has increased the speed and spread of news on Burma.

Advocacy campaigns and sanctions

Already by 1991, when the National Coalition Government of the Union of Burma (NCGUB) found its political feet, political advocacy had begun to be of increasing concern to Burma-focused NGOs. In part, this arose naturally out of the growing capacity of the new Burmese-focused NGOs, and in part out of the growing realization that positive change in Burma was going to take longer than was first considered. This was especially true of the ABSDF and other Burman political dissidents who arrived in Thailand from 1988 onwards. As the first and second anniversaries of the uprising came and went, some became disillusioned and returned to Burma, while others had to re-evaluate their ability to effect change from Burma’s borders. For these exiles, the decision as to whether to take up arms against the government, whether to go into exile abroad, or whether to seek UN assistance as refugees in Bangkok, had to be constantly re-appraised over the following years.

For those Burmese who were already in third countries, there remained irreconcilable splits and in-fighting was rife. While the overall objective – to “get rid” of the SLORC and ensure a transfer of power to the victors of the 1990 election – remained the same for all exile and foreign NGOs, arguments arose over campaign strategies: whether or not to call for full economic sanctions; whether sanctions should also include sanctions on humanitarian aid; whether to focus instead/as well on boycotts of national companies investing in Burma; how to support the Burmese opposition in Burma without compromising them; how to solicit support among Asian countries and so on. In part this was because of the near silence from the National League for Democracy and ethnic minority groups in Burma as to what they would like to see happen, and in part because of internal differences between the opposition in exile and NGOs and in the ranks. Even among international human rights organizations, beyond the obvious recommendations to the Burmese government, there were considerable differences in focus and objectives.

During this period, there were a whole range of strategies and campaigns used by different NGOs to try to influence the situation in Burma in every possible way. Information and awareness raising remained for some groups the cornerstone of their work, and increasingly big and extravagant media-seeking demonstrations and exhibitions were organized throughout the West. While there was no consensus on sanctions, for example, it meant that NGOs could approach UN agencies, IDOs,

²⁵⁹ Fink C, “Burma: Constructive Engagement in Cyberspace?”, *Burma Debate*, Winter 1997.

governments and even companies to exchange information and views in a fairly non-confrontational way. Conferences organized by NGOs were attended not just by the converted, but sometimes also by diplomats, Burmese and non-Burmese supporters of the military, and even in one case, in Malaysia in 1990, by SLORC representatives.²⁶⁰ In the UK, it was possible for the Burma Action Group to write a paper calling for a reconsideration not just of constructive engagement, but also of blind isolationism in international policies.²⁶¹ In the USA, President Jimmy Carter had become involved through his foundation (the Carter Center) and was looking at “confidence-building measures” which could draw the SLORC out of their shell and have them attend international meetings. Although this initiative was not followed through, it was only one of many attempts to find ways of making contact with the government, which at the time was showing a degree of response to international pressure, not least in allowing the UN special rapporteur continued access (see below).

In 1993, a Canadian foundation, the International Centre for Human Rights and Democratic Development (ICHRDD), organized a campaign by several Nobel Laureates who were to try and travel to Burma to visit Aung San Suu Kyi, then still under house arrest. Denied entry to Burma, the laureates, among whom were Archbishop Desmond Tutu, Rigoberta Menchu and Oscar Arias, made international headlines when they visited refugee camps in Thailand and held a press conference in Geneva demanding Aung San Suu Kyi’s release and that of all other political prisoners. Most of the laureates called also for international sanctions against Burma, lead especially by Archbishop Tutu who called Burma “the South Africa of the 1990s”.

Once Aung San Suu Kyi was released, and journalists and activists were allowed to meet her freely, the opposition suddenly had a forthright and clear spokesperson. Her authority, as the leader of the victorious party in the 1990 election, was unquestionable. Initially Daw Aung San Suu Kyi was equivocal about sanctions, but even as she and the NLD took time to evaluate what might be best for the country, she was constantly pressed by reporters and activists who visited her at her home in Rangoon for a one line answer. Finally, in August 1996 she gave an interview to a reporter from the Thai newspaper, *The Nation* in which she said,

(W)e now endorse the idea of international sanctions because we have come to the conclusion that investments in Burma have not in any way helped the people in general nor has it helped the course of democracy... There are few people who have benefited from these investments. In fact, it has only made the privileged elite even wealthier. So we do not think that sanctions will hurt the people and that is why we support the idea of sanctions.²⁶²

Thus, those NGOs abroad already working on disinvestment campaigns were boosted by this support for their work and from 1996 onwards the focus of solidarity groups, exiles and Burma-specific NGOs shifted to advocating economic sanctions. Given recent events in South Africa, where a real transition was taking place with the release in 1990 of Nelson Mandela and the first truly general election in 1994, the timing was dramatic.

In the USA, there was already a major campaign, emulating the success of a similar campaign against businesses operating in South Africa in the 1970s and 1980s. Spurred on by articles by Archbishop Tutu, it urged “selective purchasing” legislation in US cities and states. This legislation would make it impossible for the state or city council to purchase goods or services from any American or foreign owned company that was working in Burma. At the same time, other groups launched campaigns

²⁶⁰ This was a conference held in Kuala Lumpur and organised by German political foundations aimed at fostering dialogue not only between the SLORC and opposition leaders, but also among Western and Asian governments.

²⁶¹ Burma Action Group, “Burma and the United Nations: A Proposal for Constructive Involvement” (London) November 1992.

²⁶² *The Nation* (Bangkok), 14 August 1996.

against individual companies which sourced their products in Burma, or otherwise had investments there. Both of these campaigns were remarkably successful.

The first selective purchasing law in the USA was passed by the state of Massachusetts in 1996. By 1999, a further 22 local authorities in New York City and San Francisco had passed similar laws prohibiting the purchasing of goods from companies trading with Burma. However, the legislation directly affected European and Japanese companies working in Burma and trading in Massachusetts, and these countries brought a complaint to the World Trade Organisation, arguing the legislation was a barrier to free trade. At the same time, US companies called for a review of the legislation, and in June 1999 a federal appeals court – upholding an earlier ruling – declared that the Massachusetts legislation interfered with the central government's right to decide foreign policy. The Massachusetts attorney general announced his intention to take the case to the US Supreme Court.²⁶³

Corporate withdrawal of investment in Burma has indeed been significant. Levi Strauss was one of the earliest companies to withdraw from Burma citing concerns over human rights issues. By 1995 Eddie Bauer had withdrawn from Burma and the following year in 1996 at least a dozen companies had withdrawn from Burma, some citing human rights concerns although the majority cited unfavourable conditions, 'general uncertainties' or 'potential threats' to future business operations. Some of these companies include J Crew Clothing, Motorola, Hewlett Packard, Phillips Electronics, Wente Vineyards, Apple Computers, Carlsberg, OshKosh B'Gosh Inc, Liz Clairbourne and Amoco, amongst others. In Europe, Heineken and British Home Stores were among companies targeted by highly successful publicity campaigns, and as result withdrew from Burma.

Results from a survey conducted by Control Risks amongst European businessmen in 1997 indicated that some 57% expected the risks posed by pressure groups to increase within the next five years.²⁶⁴ In 1996 a group of lawyers in the USA started a law suit against Unocal on behalf of a dozen Burmese villagers who had allegedly been made to work as forced labourers on that company's gas pipeline in southeastern Burma. This raised the stakes for investing in Burma from bad publicity and consumer boycotts, to the possibility of being embroiled in expensive and protracted legal battles.

Following the imposition of unilateral sanctions on all new investment in Burma in the USA in April 1997 (see below), the campaign for international sanctions gained new momentum. However, it has always been acknowledged that truly international, UN-sponsored sanctions would never be possible against Burma (without Western consensus on the effectiveness of sanctions in this case, and with the strong likelihood that China would use its veto).

In addition, it has been recognized that Western sanctions would only ever have a moral, symbolic effect, to signal to the SLORC/SPDC that their behaviour is repugnant and show solidarity with the democratic opposition. Asian businesses would be more than willing to take the place of Western companies in Burma's economy.²⁶⁵

²⁶³ The Associated Press on 19 June 2000 reported that "The court on Monday threw out a Massachusetts law that limits state purchases from companies doing business with Myanmar, also known as Burma. The law is pre-empted by the federal government's own sanctions against Myanmar, the justices said... Several months after the Massachusetts law was enacted, Congress imposed its own sanctions on Myanmar. Under the law, President Clinton in 1997 barred new U.S. investments in that country...": <http://www.globalexchange.org/economy/rulemakers/ap061900.html>.

²⁶⁴ Northedge R, Inter Press Service, "Pressure Groups Squeeze Companies", 13 January 1997.

²⁶⁵ In September 1999, ASEAN was reported to be the largest investor in Burma. While major financial assistance (from the World Bank or IMF, for example) is necessary for Burma's long term development, denial of it does not appear to be as economically devastating as predicted. At the same time, China (and Thailand) has given millions of dollars of assistance in cash and kind.

In addition, a major failure of those groups calling for sanctions the absence of any detailed analysis of what *kind* of sanctions would be required to have maximum impact on the Tatmadaw, while at the same time minimizing the impact on the poor. Sanctions, if they are to work at all, must have a clearly defined purpose and explicit criteria for determining when they should be lifted. As UN Secretary-General Boutros Boutros Ghali said in his *Agenda for Peace* (1995),

If general support for the use of sanctions is to be maintained, care should be taken to avoid the impression that the purpose of imposing sanctions is punishment rather than the modification of political behaviour or that criteria are being changed in order to serve purposes other than those which motivated the original decision to impose sanctions.

The economic sanctions imposed thus far, the withdrawal of Western companies and the denial of international financial assistance, has certainly had an impact on the economy. The government decided not to release economic statistics for the 1998/99 financial year.²⁶⁶ However, there was still no sign that the SPDC would make the required changes. The NLD's continued calls for sanctions were beginning to cause dissent within its ranks, further weakening a party already under severe pressure from constant attacks and arrests by the government.²⁶⁷ Although not publicly expressed, the opinion among some Burmese exiles and foreign NGOs alike is that further isolation of the SPDC might not be the ultimate means of supporting a transition.

Capacity building and support for the Burmese opposition

Then there is also that small group of national traitors who for their livelihood report to their masters abroad. They shed tears and give false information about things happening in Myanmar and beg for dollars. They are using politics to earn their living. I do not even dare to think what will happen if Myanmar accidentally gets into their hands. I shudder with fear for harboring that thought.

New Light of Myanmar, Burmese official newspaper, 12 July 1999.

In 1987, the ethnic Karen and Mon refugees in Thailand, who then numbered around 9,000, received humanitarian assistance from a consortium of aid agencies in Bangkok.²⁶⁸ Other than this assistance, some funds were granted by a German foundation to engender discussion of a federal solution to Burma's political crisis and the drafting of a federal constitution by ethnic minority leaders. Soon after the students fleeing the military crackdown in Burma in September 1988 arrived in Thailand, Burmese political dissidents and others who had long been exiles took steps to create a support network for them.

Initially, humanitarian needs were paramount, but as the months went by, the students asked for assistance in education and training. A "federal university" network was founded with its headquarters at Manerplaw, where the students could learn English and other skills. Initially the university and other such centres were funded by donations from the Burmese community abroad, although these funds were quickly surpassed by grants from international development organizations and foundations. The scale rocketed in the 1990s and by 1999, Burmese political dissidents and other Burmese activists received US\$ 5 million in from the US State Department's Bureau of Democracy, Human Rights and Labor alone.²⁶⁹ The European Union, Australia, Canada and Norway also had government budgets for

²⁶⁶ "Go Figure", article in the *Far Eastern Economic Review*, 16 September 1999.

²⁶⁷ See Smith M, *Burma*, 1999, pp.434-440, and Ma Thanegi, "Fifth Column", *Far Eastern Economic Review*, 19 February 1998.

²⁶⁸ For details of the history of Burmese refugees in Thailand, see Human Rights Watch/Asia, "Unwanted and Unprotected, Burmese Refugees in Thailand", New York: Human Rights Watch, September 1998.

²⁶⁹ This money is mainly dispersed by the National Endowment for Democracy (NED). According to the NED's literature, it mainly funds: *information and documentation*, (including radio and print media) such as those carried out by the Democratic Voice of Burma, Burma Information Group, Karen Information Center, NCGUB Human Rights Documentation Unit, the New Era Journal and several others; *political activities* (including labour

the “empowerment” of Burma’s democratic forces (see below). Additional funds were also available from major foundations, such as the Open Society Institute’s Burma Project which in 1997 had a budget of US\$ 1.5 million.²⁷⁰ Smaller grants for further education were also made by Western governments, the UK charity Prospect Burma and some international development organizations which funded travel by Burmese activists to UN meetings or training seminars. Other key groups were the Norway Burma Council and the International Centre for Human Rights and Democratic Development in Canada, both of which were mainly funded by their respective governments.

As a result of these funds, the exiled opposition has developed hugely its capacity to lobby Western governments and inform the world of the situation in Burma. Grants have also enabled many Burmese students to continue their education and start new lives abroad, while continuing to work in whatever ways they can to support the democracy movement.

However, there have also been negative consequences, the most important of which is the dependence of these groups on their Western donors and the advent of donor-led agendas which meant many groups lost contact with the people inside Burma who should be their main supporters. Once it became clear that money was available from these agencies, the dilemma facing many opposition groups, including the ethnic minorities on the Thai border, was whether to apply for grants and abide by the restrictions of the funders, or to continue with their own political agendas, relying on whatever monies they could secure from supporters inside Burma. As the SLORC gradually succeeded in removing all means of financial support from the ethnic minority armies by, for example, legalizing border trade and taking military bases on former trade routes,²⁷¹ the opposition was left with little choice. For those groups, such as the NCGUB and NLD-Liberated Areas, which had not taken up arms, it was not possible to remain as “guests” of the ethnic minority armies, and they had no option but to seek Western support. As a result, the members of the NCGUB are today able to make great speeches at international conferences abroad where the audience may pledge its support for the cause of democracy in Burma; but can they still make equally convincing speeches to people on the streets of Rangoon or in Burma’s villages?

International support to the opposition was intended to develop the capacity of the opposition to conduct advocacy campaigns abroad, and to try to maintain and strengthen anti-government activities within Burma. In the first instance, the money has been well spent. There are now many Burmese and ethnic minorities with good English, able to operate in the complex and challenging world of international diplomacy. However, even here there are inevitably caveats.

- The focus on UN and Western advocacy meant that very few Burmese dissidents developed relationships with Thai or other Asian NGOs, indeed, despite living there for 10 years, few if any of the Burmese speak Thai. The impact of this failure was felt when Burma was able to join ASEAN.
- The manner in which aid was given inadvertently exacerbated the factionalism and in-fighting among the opposition. When the ABSDF split in 1991, it was in part due to pressure from their international supporters to renounce the armed struggle so that they could give financial and humanitarian assistance. The (often very deliberate) lack of transparency about the amounts of assistance given by some groups, and the lack of monitoring of how it was spent, generated

rights issues, Burmese law, political defiance); and *promotion of ethnic equality* such as those carried out by: Human Rights Foundation of Monland, Lahu National Development Organisation, Karen Information Center.

²⁷⁰ The Burma Project funds individuals and organizations which undertake such activities as humanitarian aid to refugees; providing opportunities for refugees for education, job training and communication; radio, print media, internet and television; supplementary educational grants for Burmese students; an internship programme for Burmese students in the US in workplaces including the US Senate and NGOs.

²⁷¹ See Human Rights Watch/Asia, “Unwanted and Unprotected...”

distrust among some dissidents, as well as the ugly rumours about misappropriation of funds and the character assassinations that appear all too regularly on the apc.reg.burma listserve and other internet sites.

- Many of the rights and concepts which the donors sought to foster in Burma were not adopted by the opposition groups that were to be the main vehicles for their transportation to Burma. In particular, although there was discussion in 1993 of the KNU and other DAB members becoming a party to the UN Geneva Conventions, human rights abuses by those organizations frequently occurred, although they were usually unreported.²⁷² Equally, while groups campaigned for democracy, they showed little evidence of developing an understanding of the democratic principles of toleration of dissent, and open discussion, but rather tended to coalesce around strong, charismatic leaders whose word could not be challenged. This failure to tolerate an open discussion of different viewpoints frequently led to splits and the creation of new groups, and the ossification of those groups that remained.²⁷³

More contentious however are the efforts to support the ongoing struggle for democracy and human rights within Burma. Much of the funding given to groups is explicitly for this type of work.²⁷⁴ It must therefore be assumed that there are still existent underground networks in contact with the external opposition. But it is hard to imagine them being very strong, given the pressures on those dissidents who remain in Burma, and on the families of those who have fled. Every recent demonstration has been met with renewed crackdowns by the military, and mass arrests. Demonstrations by students in December 1996 resulted in nearly 900 people being rounded up, nearly 100 of whom were later sentenced to long prison terms. In 1998, over 1,000 supporters of the NLD were detained for trying to attend NLD meetings. In March the same year, six students were given life sentences for alleged plots involving explosives, while 33 others also received long jail terms. In this climate, fear reigns and the NLD has been severely weakened by resignations (often forced) and new opposition movements, especially among students, are nipped in the bud.

9.9.99

The events of 9.9.99 can be examined as an indicator of the current state of the Burmese opposition externally and internally. For months beforehand, external opposition groups, notably the NCUB and ABSDF, had let it be known that 9 being an auspicious number in Burmese numerology, 9.9.99 would see demonstrations in Rangoon and elsewhere by students and others opposed to the SPDC. In Burma, the NLD took great pains to distance themselves from the so-called 9.9.99 movement, with Aung San Suu Kyi in a video-taped message to The Burma Campaign's 9.9.99 event saying, "I myself am not aware why the 9th of September should be a special day for democracy. For us, every day is a special day for democracy."²⁷⁵ Nevertheless, internationally Burma solidarity groups around the world took up the "9.9.99" day of action, and successfully raised media expectations of what might happen.

²⁷² The most notorious was the 1992 killing by the ABSDF (northern command) of 15 of its own members, after torturing 60 accused of being government spies.

²⁷³ For example, the ABSDF split in 1992, and the continued authoritarian rule of Gen. Bo Mya of the KNU.

²⁷⁴ For example, some of the US\$ 300,000 given to the Federation of Trade Unions Burma (FTUB) in 1998 from the National Endowment for Democracy (US state department funds) was to "support the activities of the FTUB as it works inside Burma to educate, organize, and strengthen Burmese workers and other pro-democracy groups to assert their rights and push the State Law and Order Restoration Council (SLORC) to enter substantive tripartite negotiations with the National League for Democracy and the leaders of Burma's ethnic peoples". Moe@interport.net (quoting NED), apc.reg.burma newserver, 8 March 1999.

²⁷⁵ NLD, "For Us Every Day is a Day for Democracy", released by TBC and World Voices Campaign and reported in *BurmaNet News*, 13 September 1999.

In Burma, from July onwards, there were reports of the arrest of students and others with leaflets about the symbolism of 9.9.99 or kyat notes with 9.9.99 printed on them. By August the NCUB was saying that some 500 people had been arrested, whereas the SPDC admitted the arrests of 43 people in connection with attempts to create unrest. In Rangoon prices of basic commodities soared as people hoarded food in anticipation of civil unrest. The military were reported to have increased their presence in Rangoon and other cities as tension rose, and rumours that plastic rice had been mixed into rice supplies in Rangoon echoed the many conspiracy rumours which had circulated during 1988. On the day itself, there were small scale “hit and run” demonstrations in some areas of Rangoon, but otherwise the city remained quiet. The NCUB reported demonstrations by school children in Ye, Mergui and Tavoy, towns in Mon State and Tenasserim division close to the Thai border.

Whatever the internal opposition did on 9.9.99, it went largely unreported by the international media, as attention was fixed on the arrest of two Britons, James Mawdsley and Rachel Goldwyn. Mawdsley was arrested in early September as he crossed into Burma from Thailand carrying stacks of leaflets calling for an uprising. As it was the third time he had been arrested for similar offenses, he was sentenced to 14 years’ imprisonment. Goldwyn was arrested on 7 September in Rangoon as she tied herself to a post and sang pro-democracy songs in Burmese, and she was sentenced to seven years. She had learned some Burmese while working in Karenni refugee camps in Thailand.²⁷⁶

It is not hard to understand why 9.9.99 did not produce a major uprising in Burma – 8.8.88 was not so long ago, and since then the ability of the Tatmadaw and all-pervasive Military Intelligence Service to pluck out anyone even thinking of demonstrating against the government has only improved. But it is hard also not to agree with the government view, as expressed in the Burmese language newspaper, Myanmar Alin, that the exiled opposition is clutching at straws:

They may spread rumors by radio transmitters, through satellites, via the Internet, or by fax but very few people in this world will believe them...Yes, my friend, if rumors are being spread by political organizations or by individuals, it only goes to show that those organizations and individuals no longer have the ability to do politics and have to resort to lowly rumor spreading as a means to conduct politics.²⁷⁷

The fact is that the exiled opposition has very little influence over events in Burma. It is naïve in the extreme for groups outside the country to signal to the international community the “spontaneous uprisings” which will take place on a certain date, and very dangerous for those in Burma who supported this movement. That it was only the arrest of the two foreigners that gave 9.9.99 any international impact, also shows the extent to which the external opposition has failed to take root in international consciousness. Despite the millions that have been spent on capacity building, lack of unity among the external opposition and absence of charismatic leaders has meant that, unlike the PLO (Palestine Liberation Organisation) or the ANC (African National Congress), there is no public recognition of any of the many Burmese acronyms. However, the negative consequences of the assistance provided for underground work is not just the arrests of Burmese and now even foreigners. It also plays into the hands of those within the Tatmadaw who see Western conspiracies everywhere.

The SLORC/SPDC perspective

From 1989 when the Lt. Gen. Khin Nyunt gave his famous press conferences denouncing the “treasonous minions within...and traitorous cohorts abroad” who were, he alleged, responsible for the

²⁷⁶ The Burmese Ambassador to the UK was reported on 27 September 1999 on BBC Radio as saying that it was likely that she would be released after an appeal, as it was a first offense, but that Mawdsley, as a persistent offender, would not be released soon.

²⁷⁷ Sein Gyi Tu, “Jokes By Dim-Witted Rumormongers” *Myanmar Alin* 14-15 August, 1999 as quoted in *BurmaNet News*, 16 September 1999.

1988 uprising,²⁷⁸ the SLORC/SPDC has denounced all internal opposition as either puppets of the “Western neo-imperialists” or as (sometimes unwitting) communists. Appealing to the deeply ingrained xenophobia of the military in particular and national pride in general, the SLORC/SPDC regularly condemned Aung San Suu Kyi personally as a “stooge” or “lackey” of the USA or UK, and denounced her late (British) husband Michael Aris denounced as a CIA spy. They also sought to reveal alleged links between Aung San Suu Kyi herself or her party and the armed opposition groups on the Thai border, links which could lead to long jail sentences under the frequently used 1957 Unlawful Associations Act and possibly treason charges in the Penal Code.

In a press briefing on 27 June 1997, Lt. Gen. Khin Nyunt gave a detailed denunciation of the support given by the West to the opposition, reporting the uncovering of an alleged conspiracy to overthrow the government involving the ABSDF, KNU, NLD and “Western powers”.²⁷⁹ In the briefing Khin Nyunt gave details, much of which was publicly available, of funding from the National Endowment for Democracy and International Republican Institute, including the names and addresses of some of the staff of these organizations. More seriously, he alleged that they had funded terrorists “for the purpose of launching terrorist attacks, causing disturbances and exploding bombs”. The SLORC had arrested two members of the illegal Free Trade Union of Burma who were alleged to have brought in bomb making equipment to Burma in a rice cooker, as well as satellite telephones (transcripts of intercepted calls from these were displayed at the press conference). They and several others, including a cousin of Aung San Suu Kyi, were later sentenced to long prison terms. At the end of a 15-page statement, Khin Nyunt charged that America had broken national and international laws in funding terrorist organizations.

The speech was the usual SLORC/SPDC mix of truth and lies, with no way of distinguishing between them, but the accusation that foreign funding had been used to buy bomb-making equipment was made the more convincing by the fact that in December 1996 a bomb had exploded at a pagoda near the Ministry of Religious Affairs, narrowly missing SLORC Secretary-2, and Commander-in-Chief of the army, Gen. Tin Oo, but killing five others. This was followed on 7 April 1997 by a parcel bomb which exploded in Gen. Tin Oo’s house, killing his daughter. At the time the SLORC blamed both attacks on the ABSDF and the KNU, and implicated the NLD as an “above-ground destructive element” with whom these groups were alleged to have contact, although no arrests were made. These groups all denied the charges.

In anticipation of 9.9.99, the SPDC held three press conferences, on 13, 19 and 30 August, in each of which great detail is given of the manner in which leaflets or other materials (badges, magazines, videos) entered Burma from the NCUB in Thailand. Who had handled the materials, who had used them and in which towns (Mandalay, Pegu and Moulmein), and so on. It can be assumed that all of those named, and who lived in Burma, were arrested. In conclusion, Col. Than Tun of the Office of Strategic Studies, said,

It is found that every time the acts of expatriate destructive elements resident abroad conspiring to cause destruction to the country in violation of the law occurs, there is the linkage between the incident and the National League for Democracy inside the country... They are acting in a synchronized manner. They are

²⁷⁸ These press conferences in September 1989 were later published as *The Conspiracy of Treasonous Minions Within the Myanmar Naing-Ngan and Traitorous Cohorts Abroad*. They have retained their importance to the SPDC, and are currently available on the government website www.myanmar.com.

²⁷⁹ Lt. Gen. Khin Nyunt How Some Western Powers Have Been Aiding and Abetting Terrorism Committed By Certain Organisations Operating Under The Guise Of Democracy and Human Rights By Giving Them Assistance in Both Cash and in Kind. June 27, 1997. See also Lt. Col. Hla Min, Clarification On How The NLD Party In The Country Has Been Conspiring With Myanmar Expatriate Groups And Some International Organizations To Destabilize The Situation And Incite Anarchy And Uprising in Myanmar, Press statement, October 7, 1998.

heading for internal riots. Most obviously, they are doing so after accepting material and moral support from outside.²⁸⁰

Over the years, the SLORC/SPDC has repeatedly claimed links between the NLD and the ethnic minority and Burman insurgents on the Thai border. In particular, as in these press briefings, they have made the allegation that Aung San Suu Kyi herself is in regular contact with such groups, all of whom are illegal organizations. In recent years and months these allegations have occurred more regularly and in more detail. The SPDC have also indicated that in doing so, and in working with them to undermine state security, she is guilty of treason. For these offences, Aung San Suu Kyi could be charged under the 1908 Unlawful Associations Act and the Penal Code, carrying sentences of up to 38 years' imprisonment. A clear warning to her that, as they see it, their tolerance will only stretch so far, and she could be arrested at any time.

Western funding of Burmese opposition groups, as well as Western sponsorship of UN resolutions and the denial of international aid, has enabled the Tatmadaw to identify a new enemy on which all its failings can be blamed. Through the direct connections between Daw Aung San Suu Kyi and Western policy, it also has another tool with which to try and weaken and split the internal opposition. A recent article in the *New Light of Myanmar* defended the failure of the government to hand over power in these terms,

The Tatmadaw, which is a responsible force for the national cause, cannot ignore the fact that the godmother of NLD is going to govern the nation under the advises, orders and directives of the Western group. The Tatmadaw cannot transfer the power to her.²⁸¹

Thus, for example, when discussing the economic situation, while always giving unrealistically upbeat descriptions of economic growth, all failures, such as the failure of the 1996 Tourism Year, are blamed on Western pressure. The failure to eradicate drugs is likewise blamed on a lack of support by the West, and a lack of recognition of efforts undertaken by the government so far.

International development organizations

All of the arguments in respect of UN agencies working in Burma have been cited in the debate about whether international development organizations (IDOs)²⁸² should operate there. In general, there was an acknowledgement that IDOs give less credibility to the SLORC, have more opportunity and capacity to work with non-governmental actors in Burma, and could be effective in not only delivering assistance, but also supporting fledgling civil society groups in Burma. In relative terms, there has been somewhat less opposition to IDOs working in Burma, but this is only in relative terms. For example, the NCGUB in their statement on humanitarian aid to Burma, wrote that,

In general, NGOs that can implement projects directly with well-informed and trained foreign staff are preferable to NGOs that need national NGOs as implementing partners or have only national staff.²⁸³

However, these organizations strongly urged IDOs to work instead with Burmese student and ethnic minority refugees in Thailand, and the refugees who in 1991/2 arrived in Bangladesh.

Prior to 1988, few aid agencies were able to work in Burma. Some church-based organizations having partners in Burma had supported pastoral and educational work for decades, on a small scale, but generally the BSPP discouraged international development organizations from working in the country,

²⁸⁰ "Internal and external anti-government groups' conspiracy to cause unrest in September 1999", Yangon: Myanmar Information Committee, 19 August 1999. Reported on www.myanmar.com.

²⁸¹ Maung Tin Aye, "Reasons for Not Transferring Power", *New Light of Myanmar*, 1 September 1999.

²⁸² Also known as INGOs, international NGOs.

²⁸³ NCGUB, May 1995, op. cit.,

despite the great needs already apparent from the late 1970s onwards. Even after being classified as a “Least Developed Country” by the UN, a status which brings with it an opportunity for greater international assistance on favourable terms, the government was still reluctant to allow IDOs to operate. Following 1988, with increasing evidence of the dire humanitarian situation in the country, IDOs found themselves caught between wanting to assist the people of Burma, and not wanting to legitimize or give succour to the Tatmadaw. Ten years on, despite the ever-worsening situation in the country,²⁸⁴ only 17 IDOs were working there among a population of 47 million. Each of them operate under their own *ethical* guidelines, although they generally share similar criteria, and are designed to make it possible to work in Burma without undermining their operational integrity. This compares to the 50-plus IDOs and NGOs working to assist 100,000 Burmese refugees in Thailand.

The consequences of the presence of many IDOs and local but usually foreign-staffed NGOs assisting refugees in Thailand has had repercussions on the Burmese political scene. In Thailand, there was little debate on the long-term consequences of supporting ethnic minority and student armies, or their families and supporters. For Western NGOs, these groups were the “good guys”, opposing an illegitimate and brutal Tatmadaw. Now, however, an assessment of the effectiveness and political results of that support is long overdue.²⁸⁵

In the past, the refugees’ presence in Thailand has been crucial to those IDOs and NGOs seeking to support change in Burma. Human rights groups, such as Amnesty International and Human Rights Watch, were denied access to Burma, and found the only way to document abuses in Burma was through interviews with newly arrived refugees. Likewise, the UN Special Rapporteur to Burma regularly made trips to the refugee camps, where he could interview without hindrance, victims of Tatmadaw abuses. In addition, educational and training programmes, and other capacity-building initiatives could be conducted among the exiled student and ethnic minority community. The role of the camps was exemplified in 1993 when a group of Nobel Laureates that had been denied permission to enter Burma visited the refugees. In a sense, the camps became an international window into the sufferings of Burma.

However, there were drawbacks. As already examined above, ironically “empowerment” of the exiled community created a dependency culture often witnessed in refugee situations. This was not just dependency on humanitarian aid, but also a dependency for political direction. This culture grew in correlation with the amount of money available. The need for secrecy in some areas also lead to a

²⁸⁴ For an overview of the health situation in Burma, see Martin Smith *Fatal Silence? Freedom of Expression and the Right to Health in Burma* (Article 19, London, 1996)

²⁸⁵ When the ethnic minority refugees first began to arrive in Thailand in 1984, the Thai Government allowed them to stay in temporary camps. The government also allowed the refugees to organize their own Relief Committees, which could receive humanitarian assistance from a consortium of NGOs. At the time, the ethnic minority armies were considered by Thailand to provide a useful “buffer zone” between Thailand and the Burmese government. They held significant territory inside Burma adjacent to the border and controlled valuable logging concessions there as well as all cross-border trade in the region. From an economic and strategic point of view, then, the Thai military had an interest to support or accept the ethnic minority armies. After years of playing reluctant host to thousands of Cambodian, Laotian and Vietnamese refugees, Thailand was also wary of internationalizing the situation along another difficult frontier. Thailand hoped that the Burmese refugees would return if they did not get too much international aid, and if the armies which protected them from Tatmadaw excesses continued to control territory.

After 1988, when the ethnic minority refugees were joined by 10,000 students and other political dissidents from Burma’s towns and cities, the Thai attitude towards Burmese refugees began to change. From 1992 onwards, when economic relations between Bangkok and Rangoon, lucrative for Thai companies, were jeopardized by Thai support of the refugees, the refugees and ethnic minority armies had become an impediment to trade, rather than a useful buffer. For a full discussion of the history of Thai/Burma relations and refugees, see *Human Rights Watch/Asia*, “Unwanted and Unprotected: Burmese refugees in Thailand”, New York: HRW, 1998.

general lack of transparency in the operation of NGOs and political groups, and rumours over how much money each group or individual received created deep splits in the movement. In addition, the failure of the donor NGOs and foundations to have in-built project assessments – such as they had demanded for UN projects in Burma – resulted in many proposed projects for which funding had been dispersed being abandoned, or in some cases never started.

While aid to refugees went unmonitored and unquestioned, the question of whether or not IDOs should seek to work in Burma became deeply politicized. On the one hand, solidarity groups and exiled Burmese groups considered any development assistance work in Burma to be supporting the SLORC. On the other hand, IDOs who had visited Burma were alarmed by the humanitarian situation there and took the view that working to give assistance was a moral imperative.

For two years following the events of 1988, IDOs held off from applying to assist a country in such political turmoil and where human rights abuses were so appalling. Many were waiting to see what would happen after the 1990 elections. In the UK, a roundtable of NGOs and IDOs was formed, called the Burma Briefing, as a forum where information about the humanitarian situation in Burma and for Burmese refugees could be exchanged.²⁸⁶ The Burma Briefing also frequently discussed the difficult issue of whether aid should be delivered through Rangoon, and if so, how. In November 1991, a draft set of Guidelines for NGOs in Burma was produced which became the basis for further discussion internationally. These were followed by guidelines produced by the Burma Peace Foundation and the Australian Council for Burma.²⁸⁷ All of these guidelines agreed on the main points, that IDOs working in Burma should,

- Open a local office, staffed by an expatriate, and monitor all programmes closely;
- Provide assistance in goods and services, not cash;
- Negotiate a realistic exchange rate for the payment of all services and other bills;
- Focus on health, social welfare, water supply and education;
- Always work with local staff, at the lowest community or official level, and this support grass-roots empowerment;
- In any project involving HIV/AIDS, IDOs must ensure that exhaustive efforts are undertaken to ensure complete confidentiality;
- No local governmental organization should be involved in the implementation of projects.

After the UNICEF initiative (see section on UN agencies) to raise the alarm over the “silent emergency” in Burma, in January 1992 Médecins Sans Frontières, Holland (MSF-H) appointed a Dutch national to work in Rangoon to negotiate a Memorandum of Understanding with the Health Ministry.²⁸⁸ It was 13 months of long and difficult negotiations before this MoU was finally signed. Those 13 months were crucial for the future of IDOs in Burma. MSF-H liaised closely with other NGOs, including Burma solidarity groups to establish its own bottom line for working in Burma. In doing so it paved the way for other IDOs in seeing through an MoU which permitted them to have expatriate staff with direct access to the populations to be assisted and open access to monitor and

²⁸⁶ Similar Burma “roundtables” and discussion groups also later emerged in the US and Australia.

²⁸⁷ Australian Burma Council, “Operational Strategies for Australian NGOs in Burma”, draft October 1994, and June 1995; Burma Peace Foundation, “Caveats, Cautions and Stringent Conditions (On the Suggestion that NGOs Should Go Into Burma)”, October 1995.

²⁸⁸ MSF-H had first undertaken an exploratory mission to Burma in late 1989.

evaluate programmes. MSF-H first worked in new towns outside of Rangoon, places to which vast numbers of urban poor had been moved, often forcibly, in an effort to clean up the city's image.

In 1993, in response mainly to the UNICEF paper on the "silent emergency" the International Council of Voluntary Agencies (an umbrella organization of IDOs, based in Geneva) decided to send a mission to Burma. The intention was to assess the humanitarian needs and make recommendations to IDOs who had not yet sought to work in Burma or with Burmese refugees in Thailand and Bangladesh. The mission was led by Russell Rollason, head of the Australian Council for Overseas Aid, and returned with a clear call to IDOs to respond to the emergency in Burma. The report, however, also established some guidelines for IDOs to work in Burma in ways which would give least benefit to the Tatmadaw, and maximize the capacity of IDOs.²⁸⁹

In Australia and elsewhere the report caused a storm: solidarity groups widely denounced Rollason for white-washing the political and human rights situation in Burma in order to attract IDOs to work there. However, the die was cast: it was no longer possible to protest outright that NGOs should not work in Burma, the only question was *how* they should work there. Thus, the Australia Burma Council drafted its own "Operational Strategies" for NGOs in Burma. In part, organizations that had previously objected to IDOs being in Burma at all were swayed by lack of political progress and the worsening humanitarian situation, especially in the field of HIV/AIDS. World Vision UK, for example, which had once opposed World Vision Australia's involvement in Burma, decided in 1993 that,

the Burma situation was likely to be prolonged and intractable problem. The ability of any form of boycott to affect local realities seemed to be diminishing just as social and economic needs within Burma were becoming better understood by those agencies operating in Burma.²⁹⁰

During 1994 and 1996 an unprecedented number of IDOs began to explore the possibility of working in Burma, encouraged and assisted by UNICEF and UNDP. This was also the period when Western governments had announced their new strategies towards Burma, with the USA, Australia and the EU each offering some form of limited engagement.

From 1996, onwards however, IDOs were again under attack, this time both from the government and the opposition. Two NGOs were summarily refused permission to extend their MoUs.²⁹¹ Some four or five IDOs who applied to work in Burma were refused MoUs. One IDO worker was refused permission to work in Burma because he had the same name, "Alan Smith", as someone working in Thailand with Karen political organizations. Others were refused because they had programmes to assist refugees in Thailand. NGOs working in Thailand were roundly pilloried in the Burmese media. It seemed that the government had realised and objected to the role which IDOs could play in supporting the development of local NGOs and thus, engendering civil society in Burma. Certainly even those IDOs who had worked there for some time reported a tightening of the net around their projects, and monitoring of their daily movements was increased.

Another problem for IDOs in Burma is the lack of truly independent indigenous NGOs. Many Western development agencies prefer to work with local partners, or develop the capacity of local groups, in order to ensure the sustainability of projects. In Burma, such groups are sorely lacking after decades of military-dominated government. The SLORC/SPDC has sought to severely restrict the ability of civil society organizations to have any role beyond the strictly local level or for ephemeral events – such as temple festivals, or emergency relief work. All other organizations with a national

²⁸⁹ Russell Rollason ed., "Mission to Burma Report" (ICVA, Canberra) 1993. See also "Burma: The Silent Emergency – Report of a Conference held in Sydney on May 28, 1993", Sydney: ACFOA and Australian Burma Council, 1993).

²⁹⁰ *The Role of NGOs in Burma*, World Vision UK, June 1995.

²⁹¹ One of the two was later able to negotiate a new MoU, but the other left.

remit are either founded by the state, or co-opted by the military. Thus, the Myanmar Maternal and Child Welfare Association (MMCWA) which is the largest indigenous NGO in Burma, has the wife of the SPDC Secretary-1 on its board, and at the local level the secretary of each village MMCWA must be the wife of the village Council leader (Village Peace and Development Council).²⁹² Every other “NGO” in Burma, from the Myanmar Red Cross to the Myanmar Medial Association are largely GONGOs, that is, government-organized non-governmental organizations. In addition, some IDOs found that representatives of the SPDC’s mass political organization, the Union Solidarity Development Association (USDA) would turn up in uniform and without invitation to local consultations.²⁹³

International Financial Institutions

All assistance from the International Monetary Fund and the World Bank was cut off in 1988, and there have been no new loans since then. In large part this has been the result of international pressure, notably from the USA where legislation prohibits the administration from agreeing to any such loans. The USA has used its influence with other governments, including the EU and Japan, to maintain this position. In addition, a recognition of the importance of “good governance” conditions to the success of development programmes – especially since the Asian economic collapse and criticism levelled at the IMF for its part in propping up unrepresentative governments – made it difficult to pass any new projects in Burma. Furthermore, loans were blocked on account of the total failure of the SLORC/SPDC to show any willingness to cooperate with either institution in the collection of data and with recommendations made in a series of reports.

Both the World Bank and IMF continued shadow programmes on Burma since 1988. The World Bank undertook research for country reports in 1988, 1993/4 and 1999. The IMF has had annual discussions with the government under Article 4 of its institution, and provided technical assistance, especially in the field of data collection. But there has been no consensus by the governing board to allow anything more than that. Nevertheless, the IMF report of May 1998 noted that, “economic and financial statistics suffer from serious deficiencies that hinder the ability of the staff and the authorities to monitor and assess economic developments”.²⁹⁴

In September 1998, the World Bank announced that, under its own rules, it would not be giving any future loans to Burma because it had failed to pay back loans of around US\$ 14 million. Subsequently, the WB sent a team to investigate further the situation in Burma in mid-1999, which resulted in a detailed report the Bank presented in October of that year. In the usual course of events, the report would have to be agreed on by the government before it could be made public, but in this case its main findings were widely leaked. The Bank found that major policy and insitutional reform would be necessary for Burma to achieve its potential in five main areas: the exchange rate; rice procurement, distribution and export; development of the private sector; reform of state economic enterprises; and allocation of state spending where currently military expenditure per capita is nine times that spent on the health sector. Significantly the Bank emphasized a need to work in partnership with the UN, especially the Secretary-Generals office, to help promote social justice and poverty alleviation.

The Banks report was welcomed by all, barring the SPDC. Despite being desperate for international development assistance, the SPDC declined to respond to the report, preventing the Bank from making it public, and likewise declined the advice and thus the financial assistance which might have been

²⁹² For more on restrictions on NGOs and GONGOs in Burma see BCN and TNI *Strengthening Civil Society in Burma: Possibilities and Dilemmas for International NGOs*, Bangkok: Silkworm books, 1999.

²⁹³ The USDA was founded in 1993 – just weeks after the National Convention began – by the SLORC with the explicit aim to support the activities and policies of the Tatmadaw.

²⁹⁴ IMF, “Staff Report for the 1998 Article IV Consultation”, May 1998.

forthcoming. By 2001, there had apparently been no further communication on the matter, suggesting that perhaps the World Bank had given up trying to persuade the SPDC to accept their help.

V. Conclusions

That human rights reform and political change in Burma are urgently needed is strikingly evident. It is also evident that each of the three protagonists in Burma's drama over the past 10 years – the Tatmadaw, the political opposition represented by the NLD and the ethnic minorities – has publicly expressed their desire for such changes. What this report has shown is that thus far, the efforts of the international community have failed to assist in a transition from military rule, and may even have prolonged military rule by giving the government a much-needed external enemy on which all its failings can be blamed. Western policies, encouraged by NGOs and the external and internal opposition, have had a short-term aim of getting rid of the military government as fast as possible. While this is a laudable aim, and perhaps realistic in the late 1980s and early 1990s, with the military still in power and with no signs of changes, there has to be a rethink of this position. Neither sticks, nor carrots, will be able to move them.

Sanctions against the Tatmadaw are important and necessary, but they must be well defined, both in kind and in intention. They should signal that the behaviour of the Tatmadaw in perpetrating human rights abuses, the failure to allow democratic processes and refusal to comply with UN resolutions, is totally unacceptable, and that such behaviour will have negative consequences. Once sanctions are imposed, this should not be the end of the policy. Rather, governments must take active measures to make the sanctions effective, at the same time avoiding ossification of positions. As Margaret P. Doxey notes,

The danger with all high-profile negative sanctions is that they will produce defiance rather than compliance. Regimes already pursuing isolationist policies will not be worried about further isolation, whether cultural, political or economic, and will view external pressure as confirmation of the hostility of the outside world while leaders are not disposed to lose face by succumbing to external pressure. Sanctions also introduce rigidities which make accommodation of differences and peaceful settlement more difficult.²⁹⁵

In Burma, the sanctions imposed thus far have indeed had these effects. The polarization between the Tatmadaw and the opposition is reflected also in the rhetoric of Western governments and NGOs. A further consequence is that all sides politicize every aspect of international contact in order to score points, in the process avoiding the reality of daily human rights abuses. When Australia encouraged the establishment of a human rights commission in Burma, for example, the SPDC tried to get as much political kudos from the move as possible, while at the same time failing to take any real steps toward implementation of the idea. The NLD quickly condemned the plan as simply conferring legitimacy on the government, and did not appear to consider what positive results might accrue in the long term. Similarly, the NLD initially condemned the ICRC after just one prison visit brokered after four years of negotiations, while prison conditions remain appalling.

Yet another example is provided by the efforts of UN agencies and IDOs to maximize the positive impact on communities in Burma, while minimizing the political and financial gains to the government.

The long-term approach would include a big increase in humanitarian assistance (carefully targeted and planned), not only to alleviate poverty and support the development of human resources, but also

²⁹⁵ Doxey MP, *International Sanctions in Contemporary Perspective*, London: Macmillan Press, Second edition 1996.

as a means of engaging the generals. In addition, increased assistance would also be effective in alleviating the historical obstacles to democracy and respect for human rights in Burma, which are complex but can be summarized as:

- the difficulty of establishing a federal political system that could serve as the basis of an integrated Burma by granting concrete concessions and rights to minority ethnic populations
- the weakness of national-level institutions across a socially-fragmented society
- historical intolerance toward dissenting opinions.²⁹⁶

This can only be achieved incrementally, increasing the number of small-scale projects aimed at supporting the education sector and slowly building civil society and pluralism. Training and assistance programmes should be aimed at all sectors of society, including the NLD, ethnic minorities and the military and their families, in the hope that a new generation of trained technocrats would in the long term opt for a more liberal and diverse Burma, run by a democratic government. In particular, more Asian NGOs could start to work in Burma, especially from Japan and ASEAN countries. This would not only support the failing health and education sectors, but also kindle greater political understanding and mutual respect for diverse cultures.

Since the start of the new millenium there have been many positive signs that the international community is ready to work in a more cohesive way directed toward a common set of goals in Burma for the first time. The 1999 World Bank report, the moves by the ILO to engage the generals, and most particularly the efforts of Special Envoy Razali are indicative of this.

VI. Recommendations

Research and information

Despite the advances made in the past 10 years, we still know very little about Burma. There are vast areas where we know nothing at all, and others where all we have are projections of anecdotal evidence. Lack of access to archive information but most especially to regions of Burma considered sensitive by the government is a major reason for this lack. Another part of the problem is the unwillingness of NGOs opposed to the military regime to see, let alone acknowledge or praise, areas where the Tatmadaw has made positive changes. In addition, there simply are not enough people in Burma able to undertake the required research. Nor are there enough Burmese abroad with an interest in long-term academic research, and not enough Western academics willing to risk their careers on such a difficult country.

The following are among key areas which need more research in order to help create policies which stand a chance of having an impact in Burma:

The humanitarian situation in areas of the country where access on a regular basis is still denied. It is especially important that UN agencies take a lead in trying to gain access to those areas such as northeastern Shan State, east Karenni (Kayah) State, southern Mon State and Tenasserim Division where forced relocations on a massive scale have been reported. If the situation is so bad in these areas, how are people surviving? What will push them over the edge? How can they be supported?

The historical and cultural factors which prevent the establishment of democracy, as outlined above. Research is especially required among ethnic minority and Burman populations to foster greater mutual understanding and acceptance.²⁹⁷

²⁹⁶ Callahan MP, "Democracy in Burma," 1998, op. cit.

The background and present positions of the leadership in the SPDC, from the cabinet to the DDSI. It is imperative that the West get rid of the old idea that Burma's generals are just stubborn and stupid, as was the common view when Sen. Gen. Saw Maung was in power. If there really are splits and divisions within the SPDC between the hardliners represented by Maung Maung and Tin Oo, and the "reformers" in the shape of Khin Nyunt, then the West has to try to build bridges to the reformers and see how far they are willing, and able, to go.

The reality of the "China card". To what extent are mainland Chinese "taking over" parts of Mandalay and northern Burma; what are the tensions created by this; what are the likely consequences? China is a key supporter of the SPDC, yet we know little about the impact this has had on the overall political situation in Burma.

Neutral Discussion Groups

There is also a need to try to bring the discussions of Burma in the West back to the actual situation in Burma, and away from the rhetoric and vacuous debate which marks so many international conferences. Discussion groups, run along the lines of the British Angola Forum²⁹⁸ and other such groupings, need to be established, with a reputable institutional backing and thoroughly neutral. government representatives, business, NGO and UN representatives should be encouraged to attend to hear new papers and information from academics and others. These groups would be important places to network and hear the views of opposing theorists or actors in a non-threatening, neutral setting. A recent example of such a meeting is that which took place at the Asia Society in New York where David Steinberg and the SPDC Foreign Minister U Win Aung shared the podium.²⁹⁹

Humanitarian aid

While the SPDC continues to refuse to shift politically, the country is dying on its feet. Most humanitarian aid is directed towards the health sector, where needs are pressing. In the field of AIDS, it has only been concerted international efforts to monitor, assist and educate those groups most vulnerable to infection that has forced government departments to recognize the seriousness of the situation. These efforts need to be extended also to other fields, such as areas of forced displacement, but even if the government continues to deny access to some areas of the country, it should not prevent the important work already underway.

At the same time, while these efforts must continue, more focus needs to be given to education, a key problem in a country where universities have been closed for the best part of 11 years. This is not to suggest that IDOs or UN agencies should relieve the government of the burden of educating its people. Even if state universities and institutes of higher education were up and running, there would still be a need to radically change the educational system in Burma, and if done through the government it would take years. Assistance in the educational sector is necessary not just to produce a future generation of leaders and technocrats, but also to employ educational methods which encourage students, even infants, to participate in their learning. If democracy and democratic principles are to flourish in Burma, the authoritarian and rigid educational methods practiced there have to be overhauled.

²⁹⁷ As one obvious measure, steps should be taken to encourage Rangoon University to re-open the anthropology department, which up until encouraged MA students to conduct research among ethnic minority populations.

²⁹⁸ The British-Angola Forum (founded 1998) is based at Chatham House in London and aims to bring "together organisations, companies and individuals concerned with affairs in Angola, its regional and international context... the Forum offers members a unique opportunity to share knowledge and ideas across the social, cultural and commercial spectrum".

²⁹⁹ Asia Society meeting, 29 September 1999.