
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.