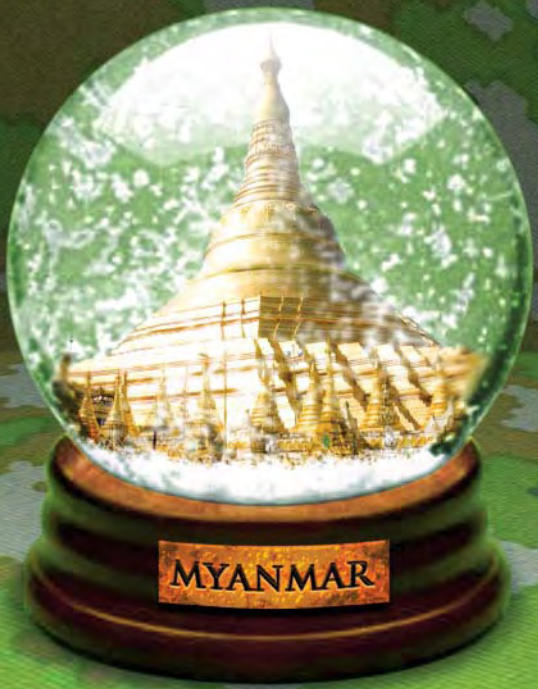
Back to the Old Habits

Isolationism or the self-preservation of Burma's military regime



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& Larry Jagan

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BACK TO THE OLD HABITS
Isolationism or the self-preservation of Burma's military regime

By Renaud Egreteau & Larry Jagan [1]

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The Research Institute on Contemporary Southeast Asia (USR 3142 – UMIFRE 22) is one of the research centres of the French Foreign Ministry that is under a joint tutelage with the Centre National de la Recherche Scientifique (CNRS), the prestigious French national research agency whose research evaluation corresponds to the highest standards of international academics. Based in in Bangkok, Thailand, IRASEC calls on specialists from all academic fields to study the important social, political, economic and environmental developments that affect, together or separately, the eleven countries of the region (Brunei, Burma, Cambodia, Indonesia, Lao, Malaysia, The Philippines, Singapore, Thailand, Timor Leste and Viet Nam).

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Introduction [2]

For many observers, the Burmese junta's (or *State Peace and Development Council* - SPDC [3]) xenophobic response to the humanitarian crisis caused by the devastating impact of Cyclone Nargis in May 2008, clearly reflected the paroxysm of the paranoid and isolationist tendencies of a military regime which has been cleverly clinging on to power since 1962. By shunning international (or more specifically Western) aid, the Burmese Army (*Tatmadaw*) intended to prove it was the sole saviour of the country and its people, while protecting them at the same time from a potential foreign military invasion or at least from foreign influence. From the reclusive, political and administrative new capital of *Naypyidaw* (or "Royal City" in Burmese), to which the centre of power was transferred from Rangoon in November 2005, the Burmese military government has developed a skilfully calculated isolationism which enables it to consolidate its power while protecting itself from both internal and external potential threats.

Every political and diplomatic step taken by the junta in the past two decades has indeed illustrated this isolationist policy that is well suited to the geo-strategic position of the country. Since the third

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[2] For ease of linguistic simplicity and without any political connotation, the common English terms of "*Burma*", "*Rangoon*" or "*Irrawaddy*" will be hereafter preferred to the vernacular terms of "*Myanmar*", "*Yangon*" or "*Ayeyarwaddy*", just as "*India*" will be preferred to "*Bharat*", or "*Germany*" to "*Deutschland*".

[3] In November 1997, the new Burmese junta, or *State Law and Order Restoration Council* (SLORC), which had taken power through a military coup on September 18th, 1988, changed its named into "SPDC" after another internal purge.

arrest on May 30th, 2003 of the charismatic Aung San Suu Kyi and the crackdown on the pro-democratic civilian opposition she has led since 1988, the Burmese generals have gradually planned their withdrawal from the regional scene. By first sacking its more pragmatic and open-minded elements (especially General Khin Nyunt's *Military Intelligence Services* in 2004), then relinquishing its rights to the ASEAN Chairmanship in 2006, entrenching its centre of power at the heart of the "*Burman*" country in a newly-built capital, and finally surviving two major political crises by resisting the international pressure and condemnation that followed the repression of the so-called "Saffron Revolution" (September 2007) and the devastation caused by Cyclone Nargis (May 2008), the Burmese regime showed that its deliberate isolationist strategy has so far been extremely successful.

However, if the Burmese junta basks in its seeming political isolationism, Burma does not appear as isolated as it is often perceived. While those isolationist tendencies are far from being a new element in Burmese political affairs, as they date back from General Ne Win's and even Prime Minister U Nu's nationalist times, Burma's geopolitical environment has however evolved towards an original strategic configuration based on an "isolationism without isolation". Based on a clever foreign policy, which enables it to enjoy few strategic partnerships with regional states and others powers outside the region, all of them willing to benefit from Burma's natural resources and geographic position (regardless the nature of the Burmese regime), the SPDC has all the means to pursue its own internal political agenda, without the threat of being toppled by external powers, which for instance recently happened in Afghanistan and Iraq.

After a brief overview of the past decades when Independent Burma either chose, endured or broke out of its own political and diplomatic isolation, this discussion paper intends to explore the gradual isolationist entrenchment of the Burmese military, especially

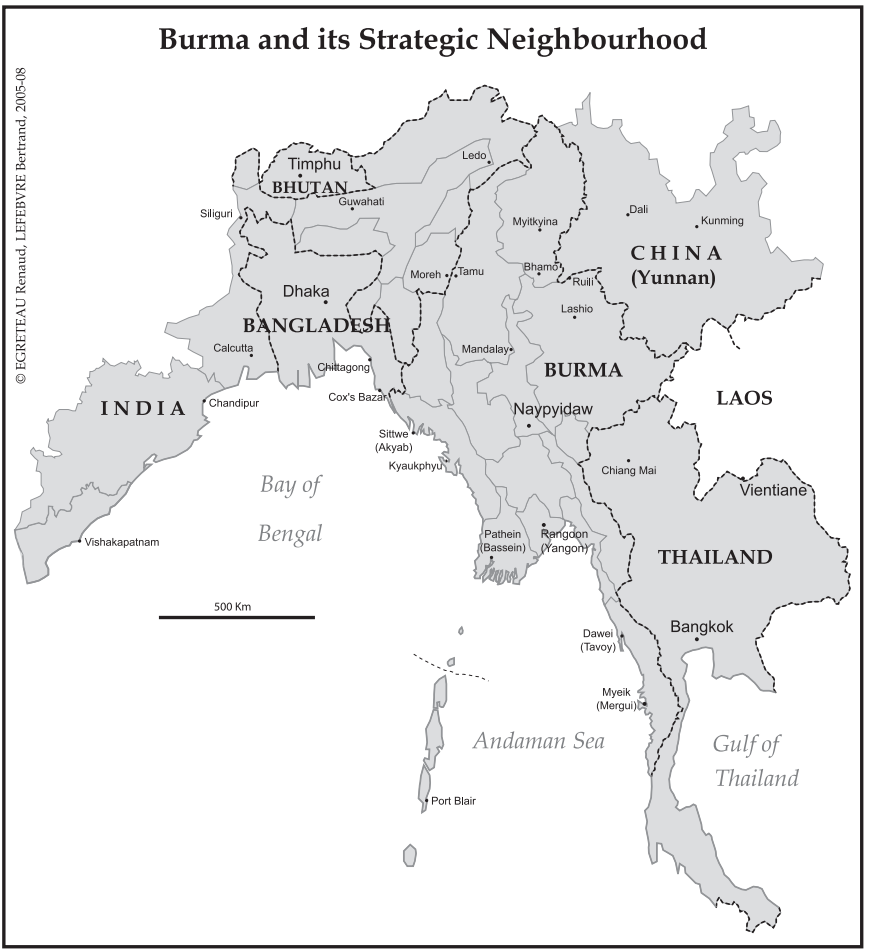
since 2003. By analysing Burma's internal and external retreat, as well as the implications of its geopolitical environment on its own internal political landscape, it will be claimed hereafter that the Burmese military regime has developed the original policy that Burma's geography and recent history commands. This paper will eventually argue that this "isolation tropism" is perfectly suited to a military regime that has developed xenophobic and nationalist tendencies and might indeed help it perpetuate its political grip on Burma in the next few years or even decades unless the international community's global approach of the "Burmese issue" dramatically changes.

Chapter One

Isolation chosen or endured? A Burmese history of isolationist withdrawals since Independence

Like many States throughout History, Burma had since its Independence in 1948 conducted a foreign policy guided by its geography. At the crossroads between the Indian Subcontinent, the Chinese world and the rest of continental Southeast Asia, Burma undoubtedly boasts a profound strategic position. However, it is also suitably encircled by a protective horseshoe of mid-range hills, which are inhabited by ethnic minorities and tribal groups who have always acted as a buffer between the Burman[4] historical centre of the country (which had never been territorially unified as it is today compared to before British colonisation) and the rest of Asia (China, Thailand, India). On the ground, Burma thus appears to be more inward-looking and isolated that its situation on a map could reveal.

[4] Here the English language makes the distinction between the term "*Burman*" (or *Bama'r*), designating the ethnic group which today constitutes two thirds of Burma's 55 million-large population, mainly inhabiting the Irrawaddy valley and delta, and the term "Burmese" which is more inclusive, designating the citizenship, language or any country's aspect as a whole.


Burma and its Strategic Neighbourhood
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Timphu
BHUTAN
Guwahati
Siliguri
Ledo
Myitkyina
Dali
Kunming
CHINA
(Yunnan)
Bhamo
Ruili
Moreh
Tamu
Dhaka
BANGLADESH
Lashio
Calcutta
Mandalay
Chittagong
BURMA
INDIA
Chandipur
Cox's Bazar
Naypyidaw
LAOS
Sittwe
(Akyab)
Kyaukphyu
Chiang Mai
Vientiane
Bay of
Bengal
Vishakapatnam
Pathein
(Bassein)
Rangoon
(Yangon)
THAILAND
500 Km
Bangkok
Dawei
(Tavoy)
Myeik
(Mergui)
Andaman Sea
Gulf of
Thailand
Port Blair

1 - Neutralism, Insurgency and Autarchy: Burma's uneasy relations with the outside world (1948-1988)

Historically, Burma has always feared its neighbours, whether Siamese, Manipuri, Mongols, Chinese or Europeans. A peculiar geography, colonial legacies and a strategic culture that has always given priority to the development of a continental-type power to the detriment of maritime expansion[5], has led successive Burmese kingdoms to consider their immediate neighbours as well as the other great powers (especially the naval ones) quite fearfully and to develop a strong inward-looking nationalism. After the Second Anglo-Burmese war in 1853, the Court of Ava was indeed relatively satisfied with keeping control of the heart of the Burman land around Mandalay, despite losing Lower Burma and all access to the Indian Ocean to the British. As J.S. Thomson already noted in 1957, the "*topography of the country and its isolation from trade routes tended to make the* [Burman] *people look inward rather than outward* (...)"[6].

In the aftermath of Independence in 1948 and the definitive separation from the British Crown, these inward-looking tendencies were reflected in an openly neutralist diplomacy. Given the sensitive position of Burma, between a rising Nehruvian India and the new People's Republic of China born in 1949, and also East Pakistan and Thailand (two strategic pro-US militarized countries by that time), Burma's first Prime Minister U Nu chose the Buddhist-inspired "middle path" of Neutralism, Asian Solidarity and later Non-Alignment. He was very careful however, not to seriously alienate Burma from its immediate neighbours, primarily India and China.

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[5] For an in-depth analysis of Burma's strategic culture, see TIN MAUNG MAUNG THAN, "Myanmar: Myanmar-ness and Realism in Historical Perspective", in BOOTH (Ken), TROOD (Russell) (eds.), *Strategic Cultures in the Asia-Pacific Region*, Basingtoke, MacMillan Press, 1999, p. 165-181.

[6] THOMSON (John S.), "Burmese Neutralism", *Political Science Quarterly*, Vol. 72, No. 2, June 1957, p. 269.

Indeed, the main resource of the country being its rice exports (Burma, partly with Thailand, was then known as the "rice-bowl" of Asia), it had to establish good relations with any power willing to buy and import its main agricultural asset. Half a century later, the same logic still prevails: Burma still needs to maintain good neighbourly relationships to benefit from the commercial dynamism and economic opportunities offered by China, Thailand, and also gradually India, and further south Malaysia and Singapore, in order to sustain its still under-developed economy.

Thus, the first Rangoon governments tried to befriend both India and China through U Nu's personal links with their respective leaders, Jawaharlal Nehru and Zhou En Lai. It managed to solve the "Kuomintang troops" issue[7] and settle the Sino-Burmese border delineation in 1960[8]. It also accommodated India, which nevertheless still remained in the Burmese collective psyche a source of hatred -- the colonial legacies and the enrichment of Indian communities brought into Burma by the British -- had left deep scars. It also tried to pursue a soothing policy with the archrival Thailand, in spite of years of reciprocal distrust and the rise of civil war in French Indochina throughout the 1950s.

The parliamentary periods (1948-1958, 1960-1962) were certainly post-independence periods when Burma was least isolated from the rest of the world. It became a leading voice of the Non-Aligned and Asian Solidarity movements. Rangoon was then one of the most

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[7] A few thousand Chinese troops from the *Kuomintang* (KMT) entered Northern Burma in 1949 fleeing Mao's *People's Liberation Army*. They remained in the Shan States, Eastern Laos and Northern Thailand (the "Golden Triangle" region) to continue their struggle with a welcome American support. See LINTNER (Bertil), *Burma in Revolt: Opium and Insurgency since 1948*, Chiang Mai, Silkworms Book, 1999, p. 111-113.

[8] MAUNG MAUNG, "The Burma-China Border Settlement", *Asian Survey*, Vol. 1, No.1, March 1961, p. 38-43.

respected leading governments in the region, and much appreciated by the Western chanceries. The nomination of U Thant (a former counsellor to U Nu and a deeply revered nationalist scholar) to the prestigious post of Secretary General of the United Nations (1961-1971) illustrated this high regard. However, the country's elite had to deal more carefully with its neighbours both to tackle the ethnic insurgencies rising along its borders since the independence, and to expand its vital maritime trade. The Burmese central authorities indeed gradually found it difficult to control the all of Burma's territory inherited from the British in 1947 in the face of a full-scale civil war, from the late 1950s onwards.

The establishment of military rule in Rangoon in March 1962 brought Burma's non-aligned and neutral ideals into an awkward paroxysm. General Ne Win, chief of the *Tatmadaw* since 1949 -- and one of the *Thirty Comrades* who entered Burma as "liberators" with the Japanese in 1942 -- anchored the country in more than 25 years of self-imposed autarchy. Following an indigenous "*Burmese Way to Socialism*", mixed with a strong xenophobic and nationalistic policy, Ne Win's Burma literally withdrew itself from the international scene[9], shunning most of the diplomatic contacts established during U Nu's period. It even stunningly left the Non-Aligned movement in 1979[10].

The Revolutionary Council that Ne Win formed in 1962 to govern the country and instil this new socialist and autarchic ideology enacted several laws clearly aimed at reducing any foreign influence over Burma's economy and society. The first targets were the foreign minorities that had remained in Burma after the independence despite the first waves of "Burmanization" of the

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[9] VON DER MEHDEN (Fred), "The Burmese Way to Socialism", *Asian Survey*, Vol. 3, No.3, April 1963, p. 129-135.

[10] AUNG KIN, "Burma in 1979: Socialism with Foreign Aid and Strict Neutrality", *Southeast Asian Studies*, 1980, p. 112-114.

country during the Japanese invasion in 1942 and then independence in 1948[11]. The nationalisation programme launched in February 1963 by the military government directly affected the Indian, Chinese, Anglo-Burmese and Western agricultural, trade and banking communities, most of them were forced to flee the country. The English language was even prohibited in educational programs in 1966.

Burma thus swiftly broke away from its two big neighbours: India and China. It opted for "quiet" neutrality during the October 1962 Sino-Indian war. India then watched with some bitterness the rise of a popular "indophobia", cheered by the new Burmese military regime[12]. Rangoon consequently lost a strong economic partner and diplomatic friend. China, whose minorities settled in Burma were violently targeted in 1967 during nation-wide anti-Chinese riots[13], gradually stigmatized Ne Win as a "neo-fascist", despite his strong socialist outlook. At the end of the 1960s, more than a 300,000 Chinese, Indian and Anglo-Burmese "foreigners" had left the country[14].

Moreover, by refusing to be involved in ASEAN (formed in 1967) and staying out of the war-torn Indochina imbroglio, Burma sank deeper and deeper into isolation, as well as into a severe economic recession. Indeed, after a decade of Ne Winism, the

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11 HOLMES (Robert), "Burmese Domestic Policy: the Politics of Burmanization", *Asian Survey*, Vol. 7, No. 3, March 1967, p. 188-197.

12 For a perspective written in the 1970s: SINGH (Uma Shankar), *Burma and India (1948-1962): A Study in the Foreign Policies of Burma and India and Burma's Policy towards India*, New Delhi, Oxford & IBH Publishing Co., 1979.

13 BADGLEY (John), "Burma's China Crisis: the Choices Ahead", *Asian Survey*, Vol. 7, No. 11, November 1967, p. 753-761.

14 SMITH (Martin), *Burma: Insurgency and the Politics of Ethnicity*, Bangkok, White Lotus, 1999, p. 98 and p. 219

country had collapsed into disastrous socio-economic devastation[15]. Realising that foreign assistance from the West (USA, Germany) as well from the Soviet Bloc (USSR, Eastern Europe) could prove to be vital for the country to avoid complete chaos, the Burmese military government began to establish a few calculated diplomatic links with the outside world, though very discreetly[16].

Despite its "go it alone" credo (Josef Silverstein[17]), during the 1970s Burma opted for a tactical opening-up towards any power that could help the country survive, including its Indian and Chinese neighbours, largely through personal visits by General Ne Win. The Burmese Supremo negotiated new economic and strategic cooperation along the Indo-Burmese borders with the Indian Prime Minister Indira Gandhi during his successive official trips to India in 1967, 1969 and 1984, while he paid a landmark visit to Beijing in 1980, meeting the post-Mao leadership under Deng Xiaoping.

These well-thought out compromises with the original autarchic ideology cleverly enabled the Burmese regime to keep a balance between the West and the Soviet Union (avoiding involvement in any of the Cold War conflicts), as well as between the neighbouring rivals India and China: beside Ne Win's refusal to define any clear-cut position on the Sino-Indian rivalry, Burma remained out of the Indochina imbroglio. But despite these irregular contacts, forty years after its Independence Burma was effectively estranged from its immediate neighbourhood, the latter missing out on the opportunity to get a strong foothold into a strategic region by letting Burma slip out of the Asian picture until the end of the 1980s.

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[15] BUTWELL (Richard), "Ne Win's Burma - At the End of the First Decade", *Asian Survey*, Vol. 12, No. 10, October 1972, p. 901-912.
[16] AUNG KIN, "Burma in 1979…", p. 93-117.
[17] SILVERSTEIN (Josef), "The Military and Foreign Policy in Burma and Indonesia", *Asian Survey*, Vol. 22, No. 3, March 1982, p. 285.

2 - Enter the SLORC: a tactical breaking out of isolation throughout the 1990s

The changing of guards within the Burmese Military in 1988 and the "retirement" of General Ne Win after the SLORC's September 18 coup considerably changed the regional geopolitical configuration. After forty years of neutralism or autarchic isolationism, Burma swiftly slid into China's large and growing strategic sphere of influence. This was quite predictable though, following the then new rising Chinese leader Deng Xiaoping's visit to Rangoon in 1978. This strategic shift also marked a policy change, with the SLORC adopting a new economic approach. It was indeed willing to drop the socialist-oriented autarchic political economy established by General Ne Win after 1962, and deliberately chose to embrace a more liberal and open strategy to modernise and develop the country (as well as its military forces) following the Chinese and other Southeast Asian booming models[18].

Already, China had openly unveiled its ambitions in continental Southeast Asia and acknowledged the strategic interests Burma could offer to its landlocked South-western provinces. In September 1985, in an article published in the official *Beijing Review*[19], the Chinese leaders had sketched the role Burma could play in developing the local economies of Yunnan and Sichuan, as well as giving the rising China economic power a greater global reach. The main idea was to open-up south-western China, by creating a trade corridor southwards, towards the Bay of Bengal and the Indian Ocean, primarily through the Irrawaddy River, thus reviving the ancient paths of the Southern Silk Road. Northern Burma could also be a valuable and close economic outlet, especially as a strong Sino-

[18] GUYOT (James), "Burma in 1988: *Perestroika* with a Military Face", *Southeast Asian Affairs, 1989*, p. 107-133.
[19] QI (Pan), "Opening the Southwest: An Expert Opinion", *Beijing Review*, Vol. 28, No. 35, September 2nd, 1985, p. 22-23.

Burmese community was nevertheless still present in the border regions and in Mandalay, despite the violent anti-Chinese riots of the late 1960s in Burma and the residual anti-Rangoon *Communist Party of Burma* (CPB) buffer forces which were stationed along the borders.

China's second objective in Burma (in the very long-run) was to ensure a truly secure gateway and a permanent sea access to the Indian Ocean, next to the one it had gained through an all-weather strategic friendship built-up with Pakistan since the early 1960s. A military rapprochement with Burma, which like Pakistan, shares a long land and sea border with the potential Indian long-term "rival", could also prove to be strategically significant. Even if it was not the primary goal, Chinese thinkers had supported the theory of being potentially able to exercise a stronger influence in South Asia from its Eastern borders and why not, to counterbalance India's domination in the Indian Ocean. After gradually establishing closer cooperation and economic partnerships with India's neighbours (Pakistan, Bangladesh, and to a lesser extent Sri Lanka), an alliance with Burma on the Eastern flank of India would enable Beijing to exert some pressure along India's north-eastern borders as well as in the Bay of Bengal and the Andaman Sea, where there are abundant natural resources. Consequently, it suited Beijing -- and the Kunming provincial authorities -- to take over the modernization of the Burmese infrastructures in order to facilitate their use by Chinese traders and exporters and, if the case arose in the longer-term, by the Chinese Military.

Hence, China promptly seized the opportunity given by the regime change in Rangoon in 1988, and offered the newly-formed SLORC the opportunity of a sole and valuable global partnership, at a time when it was almost completely ostracised by the rest of the International Community after the pro-democracy crackdown of August-September 1988. From 1989, China rapidly undertook the building (or rebuilding) of many roads, bridges, power plants throughout Burma, as well as port facilities along the Burmese

coast[20]. The Chinese strategy in Burma paid off quickly and in just a few years, China became Burma's sole patron in the region, its main commercial partner and its strongest diplomatic and military supporter, enabling the junta to consolidate its control over the country throughout the 1990s[21].

China's thrust into Burma and the *de facto* rejection of the traditional equidistant policy of Burma towards India, China and the rest of Asia therefore increasingly fuelled serious concern among the other regional powers, unenthusiastic at the idea of seeing a rising China entering a region in which it never had a traditional foothold. Singapore, Malaysia, Thailand, and also Japan, Taiwan and gradually India, viewed the sudden Chinese presence in Burma as a potentially threatening geopolitical configuration as the Southeast Asian strategic theatre was witnessing a watershed in the early 1990s with the end of the Cold War and the Indochinese conflicts.

Most of those powers had at first defined a strong opposition policy vis-à-vis the new Burmese junta that took power after the crackdown on the 1988 democratic uprising. with India being then one of the most vocal opponents to the SLORC[22]. Despite a few tentative approaches initiated by Japan and a few foreign companies in 1989[23], the SLORC refusal to honour in 1990 the overwhelming victory of the democratic opposition in the May 27th elections it had

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[20] LINTNER (Bertil), "Rangoon's Rubicon: Infrastructure Aid Tightens Peking's Control", *Far Eastern Economic Review*, February 11th, 1993, p. 28.

[21] See two Indian perspectives on it: GHOSHAL (Baladas), "Trends in China-Burma Relations", *China Report*, Vol. 30, No. 2, April-June 1994, p. 187-202 and SINGH (Udai Bhanu), "Recent Trends in Relations between Myanmar and China", *Strategic Analysis*, Vol. 18, No.1, April 1995, p. 61-72.

[22] LINTNER (Bertil), "Different Strokes - Divergent reactions to Rangoon's instability", *Far Eastern Economic Review*, February 23rd, 1989.

[23] Mainly Oil & Gas multinational firms ; see STEINBERG (David), "International Rivalries in Burma – The Rise of Economic Competition", *Asian Survey*, Vol. 30, No.6, June 1990, p. 587-601.

organised, led to further condemnations of the Burmese junta by the International Community and broke the engagement policy proposed by Tokyo, Bangkok or Singapore as early as February 1989.

In 1992, after four years of authoritarian and undisputed governance, the SLORC and the military system it has inherited from General Ne Win did not show any sign of internal weakening. It remained fully in control of the military and political scene, overcoming internal purges (such as in April 1992 when the junta chief, General Saw Maung, was deposed by his second-in-command General Than Shwe and *his* followers), as well as external pressure. Deeply entrenched, it appeared to many observers that it was in a strong political position; far from being on the verge of collapse or handing over power to the civilian and democratic opposition led by Aung San Suu Kyi, who had been under house arrest since July 1989[24]. Therefore, new diplomatic reactions to this concrete situation arose in the region, especially from India and a few ASEAN countries determined to deal with Rangoon's military government. Steadily, regional powers decided to redraw their position towards the Burmese generals, showing a clear tendency of gradually courting them while the SLORC itself attempted to break out its own isolation[25].

Fearing a new potential Chinese threat on its doorstep -- especially as the SLORC had revived in its official propaganda and some of the old Burmese indophobic sentiments during the 1988-90 crisis -- India began to review its diplomatic approach towards its neighbour. A more pragmatic Indian ambassador, G. Parthasarathy, was posted to Rangoon in 1992. He had been a key advisor on China to the assassinated Indian Prime Minister Rajiv Gandhi and

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[24] STEINBERG (David), "Myanmar 1991: Military Intransigence", *Southeast Asian Studies*, 1992, p. 221-237.

[25] As proposed by the Indian scholar STOBDAN (P.), "Myanmar: Breaking out of Isolation", *Strategic Analysis*, Vol. 17, No. 11, February 1995, p. 1341-1352.

understood the need for a fresh approach[26]. He had indeed replaced the warmongering and openly pro-NLD PMS Malik, India's ambassador from 1990 to 1992[27].

Above all, the revelation in September 1992 of Chinese monitoring activities on the Burmese Coco Islands (a few nautical miles away from India's Andaman Islands) clearly irritated the Indian military authorities[28]. Unwilling to see the Chinese wandering into India's traditional sphere of maritime influence, the Indian security circles proposed a new approach of the Burmese issue. As a consequence, the official visit of the Indian Foreign Secretary, J.N. Dixit, to Rangoon in March 1993, marked a turning point in Indo-Burmese relations; India had decided from now on to cautiously engage the Burmese Military and dropped its isolating policy and open support for the Burmese civilian opposition[29]. As Rangoon wished to gradually break its over-dependency on China with its second biggest neighbour, this policy-shift was welcomed and it paved the way for a new Indo-Burmese strategic partnership. For New Delhi policy makers, who had unveiled new ambitions for India since the 1991-liberalisation reforms and the launch of a *Look East Policy* towards the dynamic Asian economies, India had to take advantage of the geostrategic position of Burma as a continental gateway to Southeast Asia. It also had to benefit from a closer military cooperation with the Burmese Army so as to both gain a foothold in a country where China's strategic thrust became obvious,

[26] Interview, Rangoon, June 1992.
[27] Personal discussion with Preet M.S. Malik, New Delhi, April 19, 2007.
[28] KUMAR, Dinesh, "Sino-Myanmar ties irk Delhi", *The Times of India*, November 20th, 1992.
[29] MANCHANDA (Rita), "Reasons of State", *Far Eastern Economic Review*, May 6th, 1993, p. 12.

and to get a friendly military assistance in the insurrection-torn Northeast of India[30].

On the ASEAN side, the Burma issue also appeared crucial as early as 1992. In a post-Cold War regional context where China slowly flaunted itself as the regional *hegemon*-to-come, the ASEAN countries watched the spread of its influence in Southeast Asia as a source of both concern and profit[31]. If the Chinese commercial dynamism was welcomed by the Asian developing economies, the military and naval threat a rising China could pose to Southeast Asia worried many of them. Reinforcing the ASEAN Club by integrating the three Indochinese states as well as Burma would then potentially enable the Association to contain the Chinese expansion southwards and keep them out of Beijing's orbit. At least, that was the view of the six original ASEAN members.

Troubled by Burma obviously being a major Chinese arms transfer recipient, the ASEAN consequently began tentative negotiations with the SLORC, which on its side agreed on this opportunity. Internal differences had appeared within the Burmese junta regarding the quasi-infeudation of China on Burma, and more specifically the *Tatmadaw* since 1988[32]. Thus, with a respected diplomatic overture from Southeast Asia and at the same time the offer of another opportunity (along with the Indian option) to counterbalance the Chinese influence, was promptly welcomed by the most nationalistic elements of the SLORC.

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[30] For a full analysis of the gradual courting of the Burmese junta by India and its motivations in the 1990s, see EGRETEAU (Renaud), *Wooing the Generals – India's New Burma Policy*, New Delhi, Authorspress, 2003, 234 pages.
[31] MUNRO (Ross), "China's Waxing Spheres of Influence", *Orbis*, Vol. 38, No.4, Fall 1994, p. 585-605.
[32] LINTNER (Bertil), "Murmurs in the Ranks", *Far Eastern Economic Review*, February 18th, 1993, p. 20.

Despite a vigorous debate within the ASEAN members [33], diplomatic self-confidence and a strong economic dynamism led the ASEAN to overlook its concern about the possible exposure to criticism by its Western partners in the 1990s' context, and to embrace the Burmese Generals in July 1997. By that time, the SLORC (which soon after changed its own name into a softer-sounding *State Peace and Development Council*, or SPDC, through another internal purge in November 1997), clearly bet on the ASEAN card to increase its respectability in the region as well as open more windows to economic assistance and investments opportunities in a clear "breaking-out of isolation" process[34].

In the 1990s, the SPDC was willing to be part of the regional diplomatic scene, and enthusiastically responded to the region's powers courting it: first China, then India, ASEAN, and to a lesser extent Japan and South Korea. The regime's leaders were keen to take refuge from the effect of the hostile Western pressure on them, as a result the negative international image it had because of the 1988 and 1990 crackdowns on the country's democratic opposition pampered by the West. By 2000, the SPDC had effectively extended its own strategy of looking for international alliances and allies, and gradually forming a strategic protective umbrella. In this strategy Burma reached out to other regional or global powers, including Russia, Pakistan, Israel and even Saudi Arabia and North Korea.

Moscow in particular became a serious commercial partner through substantial assistance, extensive training programmes and trade deals (including in the nuclear sector). Russia also became a major arms supplier (including the sale of Mig-29 combat aircrafts squadron in 2001 and military transport helicopters in 2005). Pakistan

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[33] Interview with Poksak Nilubol (Ambassador of Thailand to Burma, 1994-98), Bangkok, September 27, 2005.

[34] CRIBB (Robert), "Burma's Entry into ASEAN: Background and Implications", *Asian Perspective*, Vol. 22, No. 3, 1998, p. 49-62.

too -- a close China ally and India's archrival -- rapidly entered into Burma's strategic field. As early as 1989, military connections between Islamabad and Rangoon were revealed in reports of ethnic rebels seizing Pakistan-made weapons along the Thai-Burma borders[35]. But it was only in June 2000, with General Khin Nyunt's first official trip to Islamabad that this relationship began to flourish. It was furthered in May 2001 by the Pakistani President General Musharraf's landmark visit to Burma, an official trip which fully revealed Pakistan's interests in the still ostracized Burmese junta[36]. Although it only had a tiny diplomatic and business community in Burma, Pakistan is one of the non-regional powers that developed cordial relations with the Burmese, as a result of high-level military-to-military contacts[37].

Beside Thailand, Malaysia and Singapore (the three ASEAN members that have invested the most in Burma since the 1990s), Israel[38], North Korea[39], Ukraine, Slovakia or Yugoslavia also became new economic or military partners upon which the SPDC was openly happy to rely on[40]. The SPDC adopted a clever policy of courting powers that usually dissociate politics from business, unlike the

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[35] LINTNER (Bertil), "Burma: the Islamabad link", *India Today*, September 10th, 1989, p. 60-61.

[36] KUPPUSWAMY (C.S.), "China-Pakistan-Myanmar: the Triangular Relationship Needs Careful Watch", *South Asia Analysis Group*, Paper n°401, January 29th, 2002.

[37] Interviews, Embassy of Pakistan in Burma, Rangoon, December 4, 2002 and April 25, 2005.

[38] ASHTON (William), "Myanmar and Israel Develop Military Pact", *Jane's Intelligence Review*, Vol. 12, No. 3, March 1st, 2000.

[39] The International Herald Tribune, *North Korea and Myanmar restore diplomatic ties*, April 26th, 2007.

[40] ASHTON (William), "The arms keep coming - but who pays?", *The Irrawaddy*, Vol. 12, No. 6, June 2004.

moral-oriented Western States[41], which enabled the SLORC-SPDC to maintain a safe security environment around Burma, without seeing international or regional organisations, the West and other potential "destructive elements" (as the official rhetoric presents them) too involved and influential in the region.

[41] A "*reaching out to the World*" strategy for GANESAN (N.), "Myanmar's Foreign Relations: Reaching out to the World", in TAYLOR (Robert) (ed.), *Myanmar: Beyond Politics to Social Imperatives*, Singapore, ISEAS, 2005, p. 30-55, or a "*search for security strategy*" for JAMES (Helen), "Myanmar's International Relations Strategy: the Search for Security", *Contemporary Southeast Asia*, Vol. 26, No. 3, December 2004, p. 530-553.

Chapter Two

The entrenchment of the Burmese junta: the return of nationalist hardliners since 2003

Fifteen years after its 1988 military coup, the Burmese regime seemed confident enough to open its doors to the International Community and released the charismatic Aung San Suu Kyi on May 6, 2002. Yet, without any concrete dialogue afterwards, or any serious intention to establish a credible political agenda to start the much-needed transition process, the second liberation of the pro-democracy opposition leader was seen as a complete failure[42]. The efforts and concessions made by General Khin Nyunt and his *Military Intelligence Services* (or "MI") during the 2000-2002 secret talks with Aung San Suu Kyi, her political party (*National League for Democracy*, or NLD), and the United Nations' Special Envoy for Myanmar, Ambassador Dato Ismail Razali (April 2000 – January 2006) soon became a burden for the Burmese military top leaders[43].

In retrospect, the rupture sparked by the Depayin crackdown of May 30th, 2003 is no surprise. After a year of uncertainty caused by Aung San Suu Kyi's numerous trips throughout the country and the audiences she attracted after her release, compounded by the attention of the international media that idealizes her, the SPDC

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[42] JAGAN (Larry), "A year after Suu Kyi's release, little has changed", *Inter Press Service*, May 5, 2003.

[43] Interview with Ambassador Dato Ismail Razali, Kuala Lumpur, September 20, 2005.

chose to return to its old habits. Now that the strategic partnerships with its Indian, Chinese or ASEAN neighbours were in place and the ethnic insurgencies seriously weakened since the mid-1990s[44], the Burmese junta was now in position to truly keep control of its internal affairs and the SPDC gradually opted for a tactical "entrenchment" from the outside world. The marginalization of a civilian opposition, often stigmatized by the official press as a "minion" of the international community – especially the US, was then a crucial part of this policy.

1 - Depayin crackdown and its regional implications (2003)

On May 30th, 2003, barely a year after Aung San Suu Kyi's second release from house arrest, the Depayin incident marked a brutal return to Burma's policy of intransigence that had characterized the regime's conduct in the early 1990s. Travelling in North-western Burma, Aung San Suu Kyi and her convoy largely made of NLD members and pro-democracy supporters was attacked by an orchestrated mob of the military regime's sympathizers near the town of Depayin, in Monywa's Township. While official statements announced a death toll of four people, exiled activists and Human Rights organisations put the toll much higher, between 50 and 80 killed[45]. Later a regime's spokesman however admitted that the death toll was probably around 20 and three times as many

[44] Three factors contributed to the weakening of the ethnic threat by the Burmese Military throughout the 1990s: (1) a skilfully bargained cease-fire policy with 17 groups initiated by the MI, (2) a strengthened *Tatmadaw* able to contain the military force of any ethnic guerrilla along the border areas, (3) a "divide and rule" strategy applied to the strongest rebels groups, especially the Shans and the Karens.

[45] See for instance the *Preliminary Report of the Ad hoc Commission on Depayin Massacre (Burma)*, Bangkok, July 4, 2003.

injured[46]. Aung San Suu Kyi, U Tin Oo (Vice-president of the NLD) and dozens of opposition leaders were then taken into "protective custody" by the local military authorities, most of them were eventually brought back to Rangoon. Hundreds of other activists were arrested in the aftermath, as the authorities cracked down throughout the country.

Whether manipulated or not by the Burmese authorities, the Depayin incident and the third time Aung San Suu Kyi's was arrested, provoked a massive international outcry. It was also a serious setback in the reconciliation process initiated by the "secret talks" between Aung San Suu Kyi and General Khin Nyunt's "MI" (2000-2002). Depayin constituted the first stage in the slow renunciation within the *Tatmadaw* of Khin Nyunt's pragmatic political approach. Under the aegis of General Than Shwe, the most nationalistic elements of the junta clearly stopped the process which they saw as a sign of weakness on the part of the Burmese Military. For many observers, all potential political compromise between the junta and the civilian opposition in the past two decades has been jeopardized by the inability of each party to find a middle ground as this would imply giving concessions, and in doing so, showing weakness. A military mindset that cannot consider the idea of a win-win situation still prevails on both sides. Even more surprisingly for the opposition, though led by former military officers (U Tin Oo, U Aung Shwe, U Lwin…).

The United Nations and Western powers were the first to robustly react to the SPDC's move and strongly denounced the crackdown at Depayin and the threat to the 1991 Nobel Peace Prize winner's life. A week later, the UN Special Envoy Razali arrived in Rangoon to meet the Burmese government and was allowed to visit Aung San Suu Kyi in her "protective custody" – in Insein Prison.

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[46] E-mail exchanges with Lt-Col Hla Min,, Information Officer, Defence Ministry, June 6th, 2003.

This went some way to reassuring the International Community about her well-being[47]. At the time, Razali detected a serious rift between General Khin Nyunt and his superiors, though hopes of overcoming it had still not vanished[48]. The region was much slower to react, but ASEAN members condemned the Depayin attack two weeks afterwards, while India essentially endorsed the line taken in the Association's official statement on June 18th, 2003[49]. Japan even sent its Vice-Minister for Foreign Affairs, Tetsuro Yano, to Rangoon, on a rare visit to the country by a global power. Tokyo was extremely uncomfortable with the lack of progress in Burma's internal affairs, and the Japanese authorities were ready to "reconsider [their] relations" with Rangoon given this setback[50]. Indeed, two weeks later, Japan announced it had suspended all its assistance programmes to Burma and since then has never really recovered from the Depayin rupture[51].

In the face of the international media coverage and the political outcry Depayin generated throughout the world, in late June and July 2003 the Burmese junta launched a diplomatic offensive of its own aimed at reassuring its most vital partners, notably its Asian allies. Snubbing the Western world and UN organisations, Rangoon sent its Foreign Affairs Minister, U Win Aung, and his Deputy U Khin Maung Win only to "friendly" capitals to explain the crisis

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47 Phone interview with Dato Ismail Razali at the end of his visit on June 10th, 2003. For further official details see The New York Times, *Critic of Burmese Junta Not Hurt, Envoy Says*, June 11th, 2003.

48 Interview, Ambassador Ismail Razali, Kuala Lumpur, September 20th, 2005.

49 The Hindustan Times, *India asks junta to free Suu Kyi,* June 19th, 2003.

50 The New York Times, *Myanmar: Japanese Press Junta*, June 24th, 2003.

51 Interview, Embassy of Japan in Burma, Rangoon, January 24th, 2005. The death of a Japanese photographer during the crackdown on the "Saffron Revolution" on September 27th, 2007 furthered the estrangement between two countries that had though enjoyed friendly relations since the end of the Second World War. During the past five years, Tokyo had all the difficulties in getting back a foothold in Burma; interview, Embassy of Japan, Rangoon, February 29th, 2008.

Burma had faced and pledged to stabilize the internal situation and revive the reconciliation process[52]. Bangkok, Singapore, Beijing, New Delhi, Kuala Lumpur and Tokyo were consulted in a broad charm overture. In the letter from General Than Shwe to his regional counterparts, he told them that the Burmese opposition movement had planned an "assignation campaign" to coincide with Aung San Suu Kyi's birthday (on June 19th). The foreign ministers in these Asia countries were also presented with an embossed bound album containing a series of pictures of Aung San Suu Kyi meeting senior representatives of the junta – meant to prove their goodwill to the opposition leader and blame her for the collapse of the reconciliation process[53].

However, as soon as international pressure gradually subsided, the Burmese military leadership recovered the initiative in August 2003. What happened within the junta during this month remains unclear. Obviously, after the Depayin setback, which was a clear signal of the top leadership's disapproval of Suu Kyi's release in 2002, Khin Nyunt tried to play his last political card. By proposing a well-constructed "*Road Map to Democracy*", inspired by other more or less successful transitions from military rule to a civilian administration (Indonesia, South Korea or even Chile), this political programme was meant to be the Burmese Military vision of the future and the outline of the conditions for the transition. The *Tatmadaw* was to control its path and predict its outcome by leaving the upper hand in the one institution that has dominated Burma's political landscape since Independence. In Khin Nyunt's eyes, if the military leaders wanted to remain involved in the country's political and internal affairs, without being brutally toppled and persecuted

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[52] JAGAN (Larry), "Burma on diplomatic offensive, little effect so far", *Inter Press Service*, July 8th, 2003.

[53] Personal discussions with Thai and Indonesian foreign ministry officials in Bangkok (July and August 2003) and at the ASEAN Bali Summit (November 2003).

afterwards[54], they had to cleverly shape the transitional process, which was essential after the Depayin gridlock.

The eminent British scholar Robert Taylor argues that Khin Nyunt retook the initiative in August 2003[55]. But the fact that he lost the crucial position of SPDC's Secretary 1 and had to be content with being appointed Prime Minister by General Than Shwe, appears with hindsight as a demotion. Moreover, General Maung Aye, Vice-president of the SPDC since 1992, made an official trip to China a week before the announcement of the government reshuffle and Khin Nyunt's Road Map[56]. Apart from the usual financial loans, commercial and military agreements, what Maung Aye was told and said to his Chinese hosts at this crucial time remain vague. The diplomatic and commercial leverage Beijing had on the Burmese leaders might have convinced them to accelerate the internal political reforms and follow Khin Nyunt's transition-agenda[57].

But with Khin Nyunt in charge of government, the military junta then found the necessary tool to shape and control the future of Burma's political landscape. With this 7-point Road Map towards a "*flourishing disciplined democracy*" (as officially depicted), the SPDC drew up an agenda that outlined its own political transition and would be based on the global principles and objectives it has pursued since the May 1990's electoral failure[58]. The Road Map sowed confusion among the international community. Most of Burma's

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[54], Burma's military rulers obviously fears Nuremberg-style trials; General Than Shwe told the Timor Leste leader Xanana Gusmao, of his fears when they met. Interview with Xanana Gusmao in Bangkok, October 2004.

[55] In WILSON (Trevor) (Ed.), *Myanmar's Long Road to National Reconciliation*, ISEAS Publications, Singapore, 2006, page 4.

[56] BOYD (Alan), "China's brazen Myanmar move", *Asia Times*, August 21st, 2003.

[57] Interview with Dr Zhai Kun, *Asia-Pacific Centre, China Institute for Contemporary International Relations* (CICIR), Beijing, July 22nd, 2004.

[58] TAYLOR (Robert), "Myanmar: Road Map to Where?", *Southeast Asian Affairs*, 2004, pp.171-184.

Asian partners, including Russia and Pakistan, adopted a "wait and see" attitude, putting their cautious trust in the Burmese regime's initiative. Thailand even proposed an international conference involving regional and global powers that had key-interests in Burma. The "Bangkok Process" proposed by the Thai Foreign Minister Surakiart Sathirithai was first muted in July 2003 at the ASEM foreign ministers summit in Bali, and aimed at supporting and monitoring the evolution of the Burmese model for reform[59].

In December 2003, the first meeting was organized in Bangkok, attended by twelve Asian and European countries, plus Burma and the United Nations Special Envoy[60]. However, the second meeting planned five months later in April 2004 was cancelled when the Burmese refused to attend, insisting that they were too busy with their internal priorities including implementing the first step of the Road Map, the reconvening of the National Convention in May 2004[61]. As the very essence of the "Bangkok Process" (a Thai initiative) meant an external monitoring of Burmese internal affairs, the military regime withdrew its participation preventing its own Prime Minister and Foreign Minister to participate, even though they had been more than willing to defend the Road Map internationally. The SPDC's leadership expressed its reluctance to have external mediation or influence in its own political programme, even if the recommendations or monitoring came from the neutral United Nations[62]. Gradually, the internal process launched the first session of the National Convention which opened on May 17th, 2004, but proved to be totally under the control of the military authorities. And

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[59] Interview of Surakiart Sathirithai, Bali, July 5, 2003.

[60] Interviews with foreign diplomats of various countries involved in the Bangkok Process (France, India, Japan, China and Singapore), Rangoon, between April and May 2004.

[61] The Nation, *Bangkok Process just a sideshow for junta*, April 25th, 2004.

[62] Whose Special Envoy Ambassador I. Razali had not been allowed to re-enter Burma since March 2004.

at the same time the regime leaders began a concerted clean-up of the elements within the Army that were most connected to the influence of the outside world, starting with Khin Nyunt's *Military Intelligence Services*.

2 - Khin Nyunt's sacking and the purge of the "MI" (2004)

For some, the nomination of Khin Nyunt as Prime Minister in August 2003 was the first steps of his slow descent, as he soon lost the crucial post of Secretary 1 of the SPDC (he was replaced by General Soe Win). After Burma's refusal to participate in the second meeting of the "Bangkok Process", the sacking of the Burmese Foreign Minister U Win Aung by the SPDC leadership in September 2004 clearly illustrated the first cracks in the edifice[63]. Since his nomination in 1998, Win Aung was well-known and appreciated in Asian diplomatic circles. A close associate of Khin Nyunt, under whom he rose as a military intelligence officer, he was a former Burmese Ambassador in Bonn and London, fluent in English, always smiling and jovial. But he was gradually regarded as too outspoken and open to the outside, too frank in talks with his counterparts during ASEAN meetings, especially when he repeatedly promised the release of Aung San Suu Kyi after Depayin[64].

Then came the watershed: Khin Nyunt's own demise on October 19th, 2004. This was followed by a wholesale purge of his intelligence structure, the Military Intelligence Services he had (re)built under

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[63] JAGAN (Larry), "Burma's generals now have the upper hand", *Inter-Press Services*, September 22nd, 2004.

[64] HHe even admitted that Khin Nyunt feared for his future in 2004, and had thought of fleeing Burma; personal discussions with ASEAN foreign ministers and the UN envoy Razali who met the Burmese foreign minister in Jakarta. See JAGAN, (Larry), "Junta prepares to hold on to power", the Bangkok Post, September 18th, 2004.

General Ne Win's orders in 1984. This process was tantamount to the Burmese Army turning on its self: it was a form of "cannibalism" according to many senior military officers, the "*Army eating its own flesh*"[65]. The purges that lasted over several weeks were seen as necessary for the regime to survive by getting rid of the internal elements threatening the cohesion, the integrity, and somehow the purity of the Burmese military elite. Khin Nyunt was perceived as too influenced by the outside; himself ethnic Chinese, fluent in English and willing to travel to explain his political views, he was aided in its daily tasks by dozens of intelligence officers and political counsellors with the same background. Rumours were rife in Rangoon that he was following his own political agenda for Burma, that included becoming the country's top civilian leader after the transition to "controlled and disciplined" democracy.

Perhaps the "kiss of death" for him was when the Chinese leaders playfully dubbed him the "Deng Xiaoping of Burma". On his final visit to China in June 2004 he reportedly told the Chinese politicians he met that he planned to be Burma's first President under the new constitution that was being drawn up at the time[66]. That may have been the last straw for General Than Shwe when he heard about it from Khin Nyunt's deputy (Major General Kyaw Win) who accompanied him on the June 2004 trip[67]. At the same time as the junta top leader became increasingly disillusioned with Khin Nyunt and doubted his loyalty, many senior officers within the *Tatmadaw* began to resent the privileged position of the Military Intelligence wing and their growing economic wealth. It was seen as a threat to

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[65] JAGAN (Larry), "Power Struggle Intensifies Uncertainty", *The Bangkok Post*, January 31st, 2005.

[66] Various discussions with former Burmese MI officers and Chinese diplomats, Bangkok and Beijing, 2005-2006.

[67] Conversation with a relative of Maj-Gen Kyaw Win (who might have been appointed Deputy Intelligence chief by Senior-General Than Shwe to monitor Khin Nyunt's work and ambitions), Bangkok, 2005.

the rest of the Army, especially the prestigious Infantry led by General Maung Aye and his second General Thura Shwe Mann, who might have convinced the Senior General to move against Khin Nyunt.

Strongman of the junta since 1992, Than Shwe thus followed the same successful policy that Ne Win had been famous for during the 1962-88 era. Just like Ne Win sacked in 1983 by its most popular contender General Tin Oo[68], Than Shwe swept out a potential internal threat he had been watching grow suspiciously. The forced resignation and trial of "MI" Tin Oo and the purge of its Intelligence staff in May 1983 indeed presents many parallels with that of Khin Nyunt's[69]. The purges of the potential rival and apparent heir to the supremo were conducted in the same way and, for the same reasons in 1983 and 2004[70]. Both also led to the fatal dismantling of the intelligence apparatus given the fateful consequences witnessed soon afterwards. Just as Rangoon was hit by the North Korea bombings in October 1983, the city was rocked few months after Khin Nyunt's Mis were purged by a series of bombs in May 2005 that officially left 11 dead and four times as many injured[71]. Rumours even spread suggesting the possible involvement of Khin Nyunt's loyal followers[72].

With hindsight, the October 2004 purge appears perfectly logical, though still very surprising. Sacking the head of the powerful

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[68] Or "MI" Tin Oo, not to be confused with U Tin Oo, former Defence Ministry and *Tatmadaw* Chief of Staff (1974-76) who became NLD Vice-president and Aung San Suu Kyi's closest partner in 1988.

[69] For a detailed analysis of the 1983 events: TIN MAUNG MAUNG THAN, "Burma in 1983: From Recovery to Growth?", *Southeast Asian Affairs*, 1984, pp. 116-119.

[70] Interview with Nyo Ohn Myint, grand-nephew of General Tin Oo, Chiang Mai, January 13th, 2005.

[71] The Nation (Bangkok), *Three explosions in Rangoon*, May 8th, 2005.

[72] AFP, *Deadly bomb blasts in Myanmar split military: dissidents*, May 9th, 2005.

Military Intelligence without him moving against or preventing it, was clearly a political feat. It has often been said that Khin Nyunt was a General without an Army. True, as he had no real combat experience, and he was a spook, and not a soldier. The *Tatmadaw* rank-and-file soldiers manifestly despised Khin Nyunt and his intelligence officers and were not unhappy to see him go[73]. Though supporting his political ideas, many senior *Tatmadaw* officers clearly expressed they had no allegiance towards him as a man or army commander.

But the sacking is evidently another illustration of the persistent tradition within the Burmese military regime of purging threatening elements since the formation of the *Tatmadaw*, with the example of General Smith Dun, the first (Karen) Commander-in-Chief deposed by Ne Win in 1949, Brigadier Kyaw Zaw, one of the Thirty Comrades sacked in 1957 for his alleged communist sympathy or Brigadier Aung Gyi, evinced by Ne Win in 1963 for his rightist views. As the Singapore-based Burmese academic Tin Maung Maung Than demonstrates it, suspicion among military leaders helps survival of the regime since it is holding political power[74].

Consequently, the hardliners of the Burmese military elite were back after 2004[75]. But the 2003 "Road Map to Democracy" was interestingly still on schedule, as it had survived its own creator. General Than Shwe's entourage, though less prone to any compromise realised that it was the only political card the SPDC could continue to safely play. The top leader might have indeed been

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[73] Various interviews of Burmese soldiers (retired or in service) and their relatives conducted in Burma between 2002 and 2004.

[74] TIN MAUNG MAUNG THAN, "Neither Inheritance nor Legacy: Leading the Myanmar State since Independence", *Contemporary Southeast Asia*, Vol. 15, No. 1, June 1993, p. 24-63.

[75] JAGAN (Larry), "Gains by hardliners could isolate Burma further", *Inter Press Service*, November 16, 2004.

anxious to exert more direct personal control of the process. It was clearly a return to keeping it all in indigenous hands, as no foreign influence (like the Bangkok Process) or pressure (from UN Special Envoy Razali or Western countries) would be tolerated. While the spirit of the Roadmap was clearly a "MI" initiative – it was senior intelligence officers under Khin Nyunt who thought-out and prepared the plan in the early 2000s -- the Road Map process, with the National Convention and a new Constitution at its pinnacle, was maintained. The hardliners, who then chose to control every internal development, as well as the pace, obviously had the upper hand[76].

Consequently, they were in no hurry to rush the process after the massive internal reshuffle, contrary to the wish of the "pragmatists" (as Khin Nyunt's MI entourage was labelled). "*Because we have a 7-stage Road Map doesn't mean it will take seven years to complete*", the former Burmese Foreign Minister Win Aung said during a bi-lateral meeting with his Thai counterpart in Phuket in February 2004. "*But the first steps are the most difficult and time-consuming*" he conceded[77]. The *Tatmadaw* old-guard, trained under Ne Win's autarchic era then enriched under Than Shwe's nationalistic decade was evidently not prepared to be goaded by the international community or be stampeded into any rapid progress towards political liberalisation or opening-up[78]. Entrenching itself in a newly built and reclusive capital would then be of considerable advantage.

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[76] KYAW YIN HLAING, "Myanmar in 2004: Why Military Rule Continues", *Southeast Asian Affairs*, 2005, pp. 231-256.

[77] Interview with U Win Aung, Phuket, April 2004.

[78] JAGAN (Larry), "Burma's Military: purges and coups prevent progress towards democracy", in WILSON (Trevor) (ed.), *Myanmar's Long Road to National Reconciliation*, Singapore, ISEAS Publications, 2006, p. 29-37.

3 - Naypyidaw's transfer and the isolation within

As the Burmese chairmanship of the ASEAN (planned for the year 2006) was looming, further tensions arose within the military top leadership. Many feared there was still too much involvement of the regional and international community in Burma's internal political affairs. Once Khin Nyunt was out, the issue of the chairmanship had been the key bone of contention the junta had to cope with in the early months of 2005. The strategic option chosen was then to go a step further back into the isolation, by preparing a calculated withdrawal to a new capital. This was clearly seen as Than Shwe's unilateral decision to move the complete political and administrative SPDC's centre of power as well as the *Tatmadaw*'s Headquarters from the old colonial-inherited strategic base of Rangoon to a new reclusive nerve centre in the heart of the "Burman" country[79].

Both ideological and strategic reasons prompted the regime's move. At first, as chauvinistic nationalism and a great deal of idealisation of ancient royal times have been the foremost ideological credo of the *Tatmadaw*, the need to revive the old monarchic traditions of building new centres of power at each renewal of leadership became evident. Mixing karmic Buddhism, historical mysticism and nationalist pride, the Burmese junta needed to reproduce the prestigious *Burman* history in order to fit in it and be the latest incarnation of it[80]. As the ancient capitals surrounding Mandalay prove it (Ava, Amarapura, Sagaing, and Mindon, Mandalay being itself the most prestigious Burman capital, beside Pagan), every new royal power had to erect a new capital to praise its glory. Many Burmese academics have focused their work on these

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[79] JAGAN (Larry), "Fearing invasion, junta plans a new capital in the hills", *Inter Press Service*, July 20, 2005.

[80] JAGAN (Larry), "Uneasy lies the crown in Myanmar", *Asia Times*, April 3, 2006.

socio-cultural and political phenomena[81], demonstrating that those behavioural patterns are not peculiar to the SLORC-SPDC's two decades, but were also observable during Ne Win's time or during the colonial era with the rise of the Burmese nationalism or the Saya San Rebellion (1930-32). Just to illustrate it, the junta named its new capital "*nay-pyi-dtaw*" (*Naypyidaw*) or "Royal City" in Burmese[82].

The decision of the current regime also responded to strategic considerations. Not only did the *Tatmadaw* need new and Burmese-built "bunkerised" headquarters to replace the aging Rangoon/Mingaladon base, but the new capital also had to be at the very heart of the country, far away from the sea (and potentially less vulnerable to foreign invasion) and closer to the strategic peripheral areas, where border trade, underground militias and ethnic insurgency were to be watched. The region of Pyinmana, 370 kms north of Rangoon, was then chosen, especially for the quasi-mystic legendary fame it gained during the Second World War. But the site for the new capital, a few kilometres away from Pyinmana, had to be entirely reclusive, virgin and highly protected unlike Rangoon. By escaping from the "rebel city" – for many current rulers evidently feared future mass protests or uprisings like that in 1988 (and two years after the decision, the September 2007 monk-led demonstrations proved to comfort the regime in its choice), the junta intended to move away from the potential contestation -- students, monks, Burmese elite linked to foreigners through embassies, NGOs and the like. The armed forces

[81] See for instance MYA MAUNG, "The Burma Road to the Past", *Asian Survey*, Vol. 39, No. 2, March-April 1999, p. 265-286, or in French language : DE VIENNE (Marie-Sybille), "La Birmanie en quête de rois », *Outre-Terre*, No. 6, 2003, p. 127-140.

[82] JAGAN (Larry), "Myanmar's generals build their 'Xanadu'", *Asia Times*, July 22, 2005.

and civil servants, who are the core of regime, were thus to be effectively insulated from "contamination" of rebellious civilians[83].

The new government complex and military base swiftly constructed included the most modern equipment, bunkers, airport, and hi-tech telecommunications. It is a truly well-protected army base, where it extremely difficult to get access or information, unless you are invited to do so[84]. It therefore secures the SPDC's greatest objective of entrenching its power[85]. Astrologers had also their say in the process, as the exact date of transfer illustrates (November 7th, 2005, at 6:37 am[86]). Beside the 2007 mass protests which left Naypyidaw unaffected, the devastation of Cyclone Nargis in May 2008 also served to confirm Than Shwe's perceptions of the need to move away from Rangoon, away from the threats of the Burmese coasts, the possible foreign invasion and misfortunes coming from the sea as demonstrated by the Indo-British colonialism in the 19th century.

From the military's point of view, it proved to be quite a smart move. Though many naval bases have been reported as greatly affected by Nargis (Hainggyi, Seikkyi, Coco) as well as Rangoon Air Force and telecommunication equipments, the core of the newly-built

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[83] JAGAN (Larry), "Government on the run - Burma's generals are planning to head for the hills", *The Bangkok Post*, November 8, 2005.

[84] Several discussions with foreign diplomats, UN officials or NGO representatives who were "brought in" by the Burmese authorities for official meetings, between 2005 and 2008.

[85] For a more detail analysis, see MAUNG AUNG MYOE, "The Road to Naypyitaw: Making Sense of the Myanmar Government's Decision to Move its Capital", *Asia Research Institute Working Paper Series No. 79*, Singapore, November 2006.

[86] JAGAN (Larry), "New Capitol comes complete with Generals' mansions", *Inter Press Service*, November 18, 2005.

military structure of Naypyidaw remained untouched[87]. Consequently since 2005, and as far as internal matters are concerned, the control of a few top *Tatmadaw* officers and SPDC leaders over the whole regime and the political-military system is now more secure from Naypyidaw. Every order, decision or initiative either originates or passes through the new centre of power. It is a "perfect entrenchment" that has many implications for the whole internal and external policymaking process.

Even the Chinese were taken aback[88] and within twenty-four hours of the start of the move in November 2005, they sent an envoy from Beijing to see the Burmese top leaders to express their concerns, especially at not having been given prior notice of the move. Many believe their influence and leverage over the Burmese leadership and Army officials dipped significantly after Khin Nyunt's removal. The "MI" had indeed definitely had the best connections and personal relationships with the Chinese establishment, compared to the more nationalistic, and perhaps even sinophobic, new hardliners. At the time, China lost many of its networks within Burma, but since 2005, the Chinese have made a concerted effort to re-establish their position, though successes are limited[89]. Other foreign representations in Rangoon were also greatly surprised at the move. The Thais and Americans, having planned huge and expensive new embassies in Rangoon (the former on Pyay Road, the latter on University Avenue, officially opened in 2007), were especially upset[90]. None of the 30-odd foreign diplomats based in Rangoon has

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[87] According to the Chiang Mai-based dissident Irrawaddy News Group: *The Irrawaddy-On-Line*, Burma's Navy Suffers strategic losses, May 26th, 2008 available at <http://www.irrawaddy.org/article.php?art_id=12285>.

[88] Interview, Embassy of China in Burma, Rangoon, March 7th, 2006.

[89] Various interviews with Chinese diplomats in Rangoon, Bangkok and Beijing (2005 and 2008).

[90] Interviews, American Embassy in Rangoon, November 9th, 2007 and Thai Embassy in Rangoon, February 27th, 2008.

however publicly expressed their intention to move themselves too in Naypyidaw, apparently much to the delight of the Burmese leaders.

Entrenchment has consequently given the SPDC many cards to play. It has given the top leaders greater control over internal rivalries while moving the heart of power to a more controllable centre. Since Khin Nyunt's sacking in October 2004, there has been a spate of articles focusing on the rivalry between General Maung Aye, Deputy Commander-in-Chief of the Army, and the supremo Senior-General Than Shwe[91]. While all these internal rivalries certainly exist, they have been perfectly managed by the top leadership since 2005. The hierarchy prevails, with Than Shwe and Maung Aye (the last two Mohicans of the September 1988 coup d'état) maintaining a flexible equilibrium between their own clan[92]. There is an evident and strict discipline within the *Tatmadaw* – orders are instinctively carried out without question, and this loyalty has been a key element in explaining why the Burmese armed forces were to become the sole structured and organised institution of the country to be able to count, intervene and be present (for better or worse) throughout the country since the independence (and not only since 1962). "*Burmese soldiers do not question their superior officers and obey their orders unquestioning*", once said Major General Kyaw Win[93]. Although senior officers are sacked and their supporters purged on a regular basis (in a vital purification and self-preserving behaviour), there is an undisputed understanding among the *Tatmadaw* chain of

[91] JAGAN (Larry), "Back to chauvinism, xenophobia: Burma's military rulers are opting for isolation amid increasing division", *The Bangkok Post*, June 30, 2005.
[92] JAGAN (Larry), "Power expected to pass to next-generation generals", *Inter Press Service*, June 30, 2006.
[93] Interview with Major Kyaw Win, then Deputy Chief of Burmese Intelligence, Shan State, March 2004.

command that the hierarchy[94] (within the Army or within the junta) helps maintain the country's stability, integrity and unity (as it is one of the motos tirelessly repeated by the official propaganda).

But rivalries over the Road Map initiated by Khin Nyunt in 2003 do persist within the top leadership, as many military officers fear the prospect of a new future where the armed forces will be swept out of Burma's political, and above all, economic landscape[95]. They see it as a "*leap into the Dark*"[96]. What if the whole transitional process slips out of the Army hands? What if a revengeful civil opposition gains power after the parliamentarian elections planned by the fifth point of the Road Map? Many top army officers are indeed very afraid not only of losing the financial backing and economic networks they have built through nepotism and tight control of Burma's state natural resources and formal economy since 1988, but also of a possible "witch hunt" once a powerful opposition of Burman and ethnic "revanchists" access civilian power and got external backing from Western chanceries or hardline exiled groups. They need further assurance both from inside (from the leaders in favour of a gradual withdrawal of the *Tatmadaw* from the political scene) and from outside. Few scholars and diplomats have put the taboo issue of amnesty on the table -- talks of reconciliation by forgiving (but not forgetting) in a truly Buddhist spirit[97]. Escaping

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[94] Within the Army, as within the junta. For instance, Generals Khin Nyunt, Soe Win and Thein Sein followed the same path through hierarchy : from SPDC Secretary 2, to Secretary 1, to Prime Ministership…

[95] JAGAN (Larry), "Power struggle stalls constitutional reforms", *Inter Press Services*, February 16, 2006.

[96] JAGAN (Larry), "Crisis looms for Myanmar's riven junta", *Asia Times*, March 27, 2008.

[97] DAVID (Roman), HOLLIDAY (Ian), "Set the Junta Free: Pre-transitional Justice in Myanmar's Democratisation", *Australian Journal of Political Science*, Vol. 41, No. 1, March 2006, p. 91-105.

avenging justice after transition is indeed a crucial element that needs to be addressed by all parties concerned[98].

Internal rivalries managed, civil and ethnic oppositions marginalized, the entrenchment of the military regime has conferred it a greater control over the Burmese political landscape, as during General Ne Win's time. "*Back to the old habits*", would say the *Tatmadaw* old guard that has been formed under the fanciful dictator who died in December 2002. But the junta obviously does not appear as isolated, autarchic and inward-looking as one could imagine from an outsider perspective. The Burmese military is indeed well aware of the state of the World surrounding it. The consolidation of its power since 2003 enables it to now skilfully play the politics of "isolationism without isolation".

[98] And it is fairly admitted by most of the NLD or NCGUB representatives abroad. They however let the issue remain in Aung San Suu Kyi's hands, the sole icon able to reconciliate every party according to them. Various interviews of Burmese opposition leaders, Thailand or France, 2005-2008.

Chapter Three

The Politics of "Isolationism without Isolation"

There is an interesting parallel with the historical period preceding the Third Anglo-Burmese War (1885) that can be made with the current geopolitical situation in Burma. Since the Second Anglo-Burmese War (1852-53), the Burmese monarchy had been cut off from any access to the sea by the British and withdrawn to the heart of the *Burman* country with Mandalay as its prestigious capital. While the "white foreigners" (*kala phyu*) were dominating Rangoon, Akyab and Moulmein, internal feudal rivalries decimated the royal palace in Mandalay. The British public was indeed extremely fascinated in the early 1880s by the stories of King Thibaw's legendary bloody cleansing of his entourage[99]. Isolated, Thibaw (1878-1885) nonetheless tried to establish cordial, if not tactical, relationships with its neighbours others than the British, starting with the French colonialists in Indochina, but avoiding direct confrontation with others as its predecessors did in Manipur, Arakan or China in the late 18th and early 19th century. For many, the comparison with today's Burma with an internally divided military junta entrenched in Naypyidaw and courted by India and China is obvious.

But General Ne Win too opted for the same policy approach from the late 1960s, once the brutal autarchic decisions of his Revolutionary Council had dramatically damaged the country's economy and society. Though shunning external influence and

[99] See MYA MAUNG, "The Burma Road to the Past…", 1999.

contacts since 1962, he had nevertheless developed discreet, but crucial, partnerships with a few countries willing to give economic and humanitarian assistance (Japan, West Germany…) or to offer direct financial and military relationships (USSR, United States in anti-drug cooperation, Yugoslavia, Poland…) to sustain the rapidly declining Burmese economy[100].

The main argument put forward hereafter is that the current Burmese junta now favours, and even more follows, the same isolationism-type diplomacy that dates back to both the Ne Win era and stems originally from the Burmese royal traditions, but without being completely isolated from the regional scene. This is a smart strategy well-suited to an authoritarian regime that remains insensitive to external condemnation. This skilfully calculated "isolationism without isolation" seems to have been acutely mastered by the Burmese generals since the early 2000s. Like the Burmese kings, the SPDC moved away and hid from the pressure of outsiders by creating a new capital in Naypyidaw, though the current junta strategically chose to move and was not forced to directly flee from Rangoon by external forces. Like Ne Win's regime, it managed to "bunkerize" its centre of power, where access is now reduced to the will and whims of the Military leadership, enabling it to be in a position to choose its vital diplomatic partners by only letting those in who they want to and thereby exert greater control of their influence.

In spite of being conscious of the necessity to get vital support from its immediate neighbours as well as a few other regional powers, the Burmese military seems to be taking greater care not to be too dependent on any of them, including China, as the regime's gradual withdrawal from the international community after 2000 clearly illustrates. The first implication of this policy might be the

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[100] See for instance AUNG KIN, "Burma in 1979: Socialism with Foreign Aid and Strict Neutrality", *Southeast Asian Studies*, 1980, p. 93-117.

temptation for the SPDC to back away from the ASEAN club -- which they believe is too closely linked to the Western powers especially in its economic activities – and move closer to India, Russia and individually Singapore, with the added advantage of counter-balancing Chinese influence. Yet, the nationalist and xenophobic tendencies of both a regime and a society marked by years of colonialism, political instability and Ne winian internal autarchy still constitutes a more powerful tool to effectively resist the outside world, including the immediate Indian or Asian neighbourhood, as the failure of the "Saffron Revolution" (September 2007) and the disastrous impact of Cyclone Nargis (May 2008) recently proved.

1 - Backing away from ASEAN (2006-2007)

The diplomatic option SLORC clearly favoured during the 1990s, integration into the *Association of South-East Asian Nations* (ASEAN), gradually became a burden for the Burmese regime. For its part the regional bloc found Burma's political stalemate obviously more and more embarrassing since Aung San Suu Kyi's third arrest in 2003[101]. Not only did the Burmese issue hinder ASEAN's internal institutional functioning, but it also impeded most of ASEAN's efforts to foster its relationships with partners external to the region, especially the Western powers[102].

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[101] Cambodia's Foreign Minister, Hor Nam Hong, described Burma's relationship with ASEAN as a brother or sister suffering from a serious illness, and while the family doesn't become sick it severely affects it; personal discussion, Phnom Penh, December 2007.

[102] For further academic analysis on the external pressure the ASEAN has faced in its dealing with Burma's regime in recent years, see: GANESAN (N.), "Thai-Myanmar-ASEAN Relations: the Politics of Face and Grace", *Asian Affairs*, Vol. 33, No. 3, Fall 2006, p. 131-149.

When it was originally established in 1967, ASEAN was deliberately rebuffed by General Ne Win who perceived the new regional association as too pro-US and out of sync with Burma's self-isolated diplomatic stance. However, the regional geopolitical watershed of the early 1990s led both the new Burmese leadership and ASEAN's six existing members to reconsider their strategic perceptions in face of the risks posed by a new Burma falling increasingly under the Chinese sphere of influence[103]. Common interests then imposed a tactical rapprochement between the ASEAN and the new Burmese junta. Though often seen as pro-China (he being ethnic Chinese) former Burmese Chief Intelligence General Khin Nyunt was one of the key architects of Rangoon's entry into ASEAN, a policy that was also in ASEAN's eyes supposed to counterbalance China's influence both in Burma and the region. The organization also floated a few other incentives to accelerate Burma's political transition into the region through its policy of "constructive engagement" with the junta. After harsh protracted negotiations[104], Burma joined the ASEAN club in 1997.

But both external and internal events helped undermine the development of a trustful osmosis between the ASEAN and the Burmese regime. By 1997-98, the objective of helping Burma slide away from China and towards Southeast Asia was significantly challenged. Indeed, Southeast Asia was devastated by a dramatic financial crisis in July 1997 at the very same time Rangoon was joining the Association. And China appeared to be the sole credible regional power that could help prevent Burma from being severely affected by the crisis, far from seeing it sliding away from the Burmese strategic field. Since then, Burma's membership has been a

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[103] SEEKINS (Donald M.), "Burma-China Relations: Playing with Fire", *Asian Survey*, Volume 37, n°6, June 1997, p. 525-539.

[104] Interview with Poksak Nilubol (Ambassador of Thailand to Burma, 1994-98), Bangkok, September 27, 2005.

major thorn for every party concerned: Burma itself, ASEAN and its diplomatic and commercial partners, especially the Western ones.

A thorn first in ASEAN's diplomatic spirit, as the policy of "constructive engagement" with the Burmese military proved less than successful in the past decade. ASEAN indeed failed to lead Burma towards a credible path of transition and liberalization, as for instance post-Suharto Indonesia managed to do after 1998 (though the ASEAN role in the Indonesia case is all but minor). Aware of their decreasing political leverage over the Burmese junta compared to the 1990 decade, ASEAN's leaders tended to rely more on bilateral relations to exert low-key pressure, especially Bangkok and Singapore – two of Burma's most involved partners[105]. Yet for many observers, the engagement policy should not be abandoned but be pushed further, in more effective ways. Simply reverting to the sanction-cum-ostracism option prophesied by the Western powers would indeed be much detrimental to what has been built in the past fifteen years according to ASEAN diplomats, as it would increase the Burmese junta's wishful isolation[106].

A thorn too in ASEAN's internal functioning. The nine other members of the Association (since 1999) appear today to be much more divided over the Burmese issue than ten years ago. Malaysia and Singapore, first supporters of Burma's integration into the ASEAN in the 1990s have dropped their rhetoric on the "Asian Values", which seems unsuited to the Burmese appalling internal situation[107]. With Indonesia, they have been more critical of Naypyidaw since 2003, and their outspoken embarrassment contrasts

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[105] Interview, Embassies of Thailand and Singapore in Burma, Rangoon, November 2007 and February 2008.

[106] VATIKIOTIS (Michael), "ASEAN key to Myanmar change", *Asia Times*, October 24th, 2007.

[107] Burma is not exactly a model of combined strong political authoritarianism and successful economic development as Singapore for instance, or even China.

sharply with the discreet positions of Hanoi, Vientiane or even Phnom Penh, which tend to be less prone to condemning the authoritarianism showed by the Burmese generals. The ASEAN Charter drawn up in 2007 (which Burma nevertheless signed in July 2008) and the Human Rights issue linked to one of its chapters, has illustrated those internal dissensions that the Burmese case rekindles at every ASEAN inter-governmental meeting[108].

It has certainly also been a significant thorn in ASEAN's relations with the Western powers, especially the United States and the European Union. Since 2003, every Asia-Europe Meeting (ASEM) has been undermined by the "Burma Question". In September 2005, the ten ASEAN members boycotted the ASEM economic ministers' meeting in Rotterdam after the Dutch hosts had refused to provide visas to the Burmese delegation in accordance with the EU visa-ban policy. This clearly highlighted the diplomatic and moral-oriented gridlock in which the Europe-ASEAN relationship had become stuck[109]. Above all, it also showed that ASEAN was ready to move on without the support of their European partners if the multilateral dialogue was to continue to be trapped by the Burma issue[110].

A thorn finally for the SPDC itself, which finds it more difficult to accept the growing pressure coming from ASEAN as an institution, which had first warmly welcomed it, but gradually offered less and less in return to the regime and tends to focus outspokenly on its "internal affairs". If Burma needs bilateral commercial partnerships with each of the ASEAN members, it does not see the Association itself as a source of crucial interests. As proof, Senior-General Than Shwe himself, though Head of the Burmese

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[108] The International Herald Tribune, *Historic Asean charter reveals divisions*, November 20th, 2007.
[109] Xinhua News Agency, *ASEAN boycott of EU meeting a matter of principle*, September 17th, 2005.
[110] Interview, Singaporean Ambassador to Burma, Rangoon, March 6th, 2006.

State, has missed most of the recent ASEAN meetings. He indeed ordered first Khin Nyunt in October 2003 and then late Prime Minister Soe Win, followed by Prime Minister Thein Sein to represent him at each Summit. Some analysts even believe that Than Shwe created the post of Prime Minister in 2003 specifically to avoid going to ASEAN summits where he would be face-to-face criticised or pressured by his ASEAN counterparts[111]. This is extremely symptomatic of a strategy of gradually backing away from ASEAN, which most of the other ASEAN members are now well aware of[112].

Interestingly, the ASEAN chairmanship issue -- Burma was scheduled to chair the Association for the year 2006 -- was even more illustrative of this tendency. After months of pressure from an international media campaign, led by Burmese exiled groups, Human Rights organisations and few Western chanceries, the Burmese regime decided to relinquish its right to the 2006 ASEAN presidency in July 2005[113]. While the activist community hailed it as a victory, the junta's decision to withdraw itself reflected far more its isolationist tendencies than the effect of external pressure and lobbying. By opting for the easiest solution, Burma avoided being made the centre of constant and media-oriented pressure for a whole year. More crucially, it allowed the regime to transfer its own capital to Naypyidaw without any interference between 2005-2006. Sweeping the problem under the carpet, all ASEAN members informally agreed to wait for another alphabetical round before Burma (or "Myanmar" more precisely) could effectively chair the Association, possibly in 2015.

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111 Various interviews with UN and Asian diplomats, Bangkok and Rangoon, 2003-2004.

112 Interview, Thailand Ambassador to Burma, Rangoon, February 27th, 2008.

113 JAGAN (Larry), "Rangoon lets Asean off the hook", *The Bangkok Post*, July 29th, 2005.

As a consequence, though politically isolated, Burma remains a member of ASEAN. But it is not without its cost. It pays a huge annual fee as a contribution and has to bear the expenses of its officials attending the Organization's numerous meetings every year. Given Burma's "pariah" status on the international scene, there have been suggestions that the group might expel Burma on several occasions since Burma joined it. In principle, all it would take is for the other nine countries to agree[114]. But this is highly unlikely that the ASEAN Club will go that far[115]. Indeed, the risk of setting an institutional precedent is very high, and in so doing would potentially threaten other member states. Why not then expel Laos for its harsh treatment of the H'mong ethnic minority, Singapore for its restrictions on political opposition and freedom of expression, Vietnam for its lack of free and fair elections? Few countries would feel comfortable. Non-interference in each other's affairs remains a crucial settlement on which the ten members have always agreed[116]. So the "*bad boy*", Burma stays in the ASEAN family[117].

Beside, ASEAN's leverage over the Burmese regime should not be overestimated, for is not in Burma's immediate and vital interests to stay in the Association. In the 1990s, it offered the junta important diplomatic contacts, but since then, Prime Minister Khin Nyunt and the two former Foreign Ministers U Win Aung (fired in 2004) and U Ohn Gyaw (previously sacked in 1998) who had been appreciated for their diplomatic overtures and networks are now out of the regional picture. ASEAN offers much less utility to a military regime that tends basks in its own isolationism, as we have demonstrated. The

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114 Interview with Malaysian Foreign Minister Syed Hamid, Bali, July 6, 2003.

115 Various discussions with Indonesian, Cambodian, Malaysian and Singaporean diplomats based in Rangoon, October 2005 and March, 2006.

116 Reuters, *Laos and Cambodia slam Myanmar sanctions*, November 18th, 2007.

117 The Irrawaddy-On-Line, *Burma remains the bad boy in the ASEAN family*, November 16, 2007, available online at <http://www.irrawaddy.org/article.php?art_id=9344>.

new Burmese leaders, most of who came up through the ranks as infantry soldiers, are not versed in diplomatic rhetoric and games (late General Soe Win, General Thein Sein, as well as the new Foreign Affairs Minister since 2004, General Nyan Win illustrate this image of soldiers-turned-"diplomats"). They obviously do not enter with the same diplomatic spirit, taking no individual initiative (especially during informal discussions at these international summits or giving press interviews). After a dinner of ASEAN Foreign Ministers in July 2008, the Singaporean George Yeo revealed what he understood as a confidence offered by his counterpart General Nyan Win: the near liberation of Aung San Suu Kyi[118]. The misunderstanding was swiftly addressed and corrected by Naypyidaw. Nyan Win had no power to announce such a high-stake political decision. All Burmese diplomats answer directly to the junta's top leadership, denying the ASEAN leaders when they meet any direct potential leverage.

Whereas ASEAN, as an Association, offers little directly to the Burmese regime, maintaining close bilateral relationships with its members remains essential for it. The three Indochinese states (Laos, Vietnam and Cambodia) and Brunei undeniably offer Burma tacit support on the strict implementation of "non-interference" in each other's internal affairs (thereby avoiding any possible backlash). Since Dr. Mahathir's retirement in 2003, Malaysia has become much less influential in Burma and dropped its rhetoric on Asian values – especially on the Burmese issue -- thus receiving much less emphatic signs from the Burmese who see a former ally keeping its distance. Indonesia too seems to be in the same position: though willing to push for internal reforms in Burma, since its own transition started in 1998, Jakarta has been facing increasing internal and external difficulties and tends to be left aside by the junta, as the failure of Ali Alatas successive missions showed. The Indonesia Special Envoy while Jakarta was chairing ASEAN in 2004 has gained very few

[118] Reuters, *Myanmar may free Suu Kyi in six months: Singapore minister*, July 20, 2008.

promises from the Burmese leadership[119]. The fact that Indonesia joined the UN Security Council in 2007 had though seen Jakarta pursuing its leading diplomatic activities dealing with the Burmese issue. On their side, the Philippines remain the junta's most vocal opponent, thus having no potential influence within the country. That leaves Thailand and Singapore as the most crucial partners of the Burmese regime. However, frustration remains also in the diplomatic and commercial elite of the two countries.

With India and China, Thailand is Burma's third most important neighbour, but it might be the most economically vital, especially along the dynamic Thai-Burma borders[120]. Despite traditionally estranged bilateral relations, influenced by a historical arch-rivalry, Thailand and Burma actively benefit from each others' political and economic situation[121]. Cross-border trade (both legal and illegal, of licit and illicit products) is essential to the vitality of the whole region. The Thai economy – with more or less no qualms – makes the most of the presence of some 2 million Burmese migrants on its soil and Burma largely takes profit from various formal and informal investments made by Thai investors in the country since 1989. Billions of US$ are traded every year in a larger way than between Burma and China or even India. As a matter of fact, this dynamism is partly due to the Thai and ASEAN opposition to the sanctions policies imposed on Burma by the West, as well as the "frontier" geopolitical configuration of the border areas.

But in spite of this overwhelming economic leverage potential, Bangkok has never been regarded as a critical diplomatic partner by

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[119] Kyodo News, *ASEAN has better way to deal with Myanmar, Indonesian envoy says*, September 15, 2004.

[120] Various fieldwork conducted in the border areas from Tachileik/Mae Sai to Kawthaung/Ranong (2003-2008).

[121] Discussion with Pr. Sunait Chutintaranond, Head of the *Southeast Asian Studies Center*, Chulalongkorn University, Bangkok, November 9, 2005.

the Burmese military regime[122]. There is a traditional distrust of the Thai authorities that have always kept an interested eye on the non-Burman insurgent groups operating at its borders (Karens, Karennis, Mons, Shans…), that welcomed thousands of Burmese exiled activists in Bangkok, Chiang Mai or Mae Sot, and is subject to a strong Western cultural influence. It has consequently always deterred the Burmese junta from getting too close to its eastern neighbour. Rangoon's entry to the ASEAN in the mid-1990s had been rigorously negotiated with Thai diplomats[123], and Burma has since then demonstrated its reluctance to follow any of Thailand's political incentives or initiatives as the failure of the Bangkok Process in 2004 or the difficulties former Prime Minister Thaksin faced clearly demonstrates. Furthermore, the Thai Military has always played a key role in the development of Thailand's Burma policy, regularly bypassing the Thai Foreign Ministry or even the Prime Minister's Office, given the strategic issue involved along the borders.

Bilateral dialogue remains shrouded in secrecy. As an example, five days before the elected Prime Minister Thaksin Shinawatra was overthrown by a military coup in September 19th, 2006, the Royal Thai Army leader, General Sonthi Boonyaratglin, paid an official visit to Burma[124]. But obviously, no change of policy had been planned between the countries, in spite of the regime change in Bangkok. Quite the opposite, military-to-military relations were strengthened. Afterwards, Prime Minister General Surayud Chulanont, leader of the Thai junta since September 2006 was invited to Naypyidaw in

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122 GANESAN (N.), "Thai-Myanmar-ASEAN Relations: the Politics of Face and Grace", *Asian Affairs*, Vol. 33, No. 3, Fall 2006, p. 131-149.

123 Interview with Poksak Nilubol (Ambassador of Thailand to Burma, 1994-98), Bangkok, September 27, 2005.

124 One month after Thaksin's latest visit to Naypyidaw: The Nation [Thailand], *Thaksin's Burma trip a disgrace*, August 5th, 2006 and The New Light of Myanmar, *Goodwill delegation led by Commander-in-Chief of Royal Thai Army General Sonthi Boonyaratglin concludes visit*, September 14th, 2006.

November 2006[125] while the Royal Thai Army Commander-in-Chief General Sonthi paid another visit to Burma in late August 2007[126]. The return of civilian rule in Thailand after the December 2007 elections won by Thaksin's supporters did not alter the pace of bilateral relations either. In March 2008, newly-nominated Prime Minister Samak paid its first official trip to Burma to confirm commercial connections were more crucial than political tensions[127]. As proof, Thailand was able to send medical aid and rescue teams to Burma after the Cyclone Nargis devastated parts of the country in May 2008. However, being able to effectively press the Burmese military regime for smoother liberal decisions or to accelerate the internal transitional process following the most recent model offered by the Thais (in power since the September 2006 coup, the Royal Thai Army went back to its barracks after the December 2007 democratic elections) remains a too utopian way for a yet strategic neighbour[128].

If not Thailand, many observers have thought Singapore might have the most effective leverage over Burma within the ASEAN. Since the early 1990s, this successful city-state has been largely investing in the still state-controlled Burmese economy, bargaining crucial commercial deals (including alleged underground ones[129]) and participating under the influential Lee family to give substantial diplomatic support to the junta in the international and regional arena. By welcoming SLORC's new philosophy modelled on Chinese and Singaporean authoritarian and capitalist systems soon after 1988, Singapore has subsequently enjoyed strong and valuable linkages

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125 AFP, *Thai PM's Myanmar visit invites uncomfortable comparisons*, November 23rd, 2006.

126 AFP, *Thai junta leader arrives in Myanmar*, August 27th, 2007.

127 The Straits Times [Singapore], *Thai PM defends investments in Myanmar*, March 25th, 2008.

128 Interviews, Embassy of Thailand in Burma, Rangoon, November 13th, 2007 and February 27th, 2008.

129 ASHTON (William), "Burma receives advances from its silent suitors in Singapore", *Jane's Intelligence Review*, Vol. 10, No. 3, March 1998, p. 32.

with the whole Burmese economic, military and political structure, which for its part embraced the spirit of the "Asian Values" argued by Lee Kuan Yew and its Malaysian counterpart Dr. Mahathir in the early 1990s.

However, a decade or so afterwards, Burma failed to reach the level of development militarized countries like South Korea or Taiwan (or even Chile or Argentina in Latin America) achieved in the 1980s following the same ideology of accelerated authoritarian liberalization. Obviously disappointed by the lack of progress and the incapacity (or unwillingness) of the new Burmese regime to follow the same path, many Singaporean leaders have gradually expressed their embarrassment in the past few years[130]. A source of concern for the city-state in its dealing with the West, Burma became soon was seen as a diplomatic burden; it also became a hardship posting for Singaporean diplomats as Burma lost its image as a new commercial frontier where myriads of (easy) investments opportunities are to be found[131]. Furthermore, with the purge of General Khin Nyunt's "MI" in 2004 and the "retreat" of the regime to Naypyidaw a year later, Singapore too witnessed the Burmese regime backing away. Nevertheless, most of the leverage the city-state has on Burma is built up through personal connections within Singapore, and not Burma itself. Whether for diplomatic, military, banking or medical reasons, regular visits of Burmese officials to Singapore have eased the bilateral linkages and maintain a dialogue well-sought by Singaporean leaders unenthusiastic at the idea of

[130] Including Lee Kuan Yew himself: The International Herald Tribune, *Report: Singapore leader criticizes Myanmar junta for mismanaging economy*, October 10th, 2007 and Reuters, *Singapore's Lee criticises Myanmar rulers*, January 8th, 2008.

[131] Various discussions with successive Singaporean Ambassadors and diplomats posted in Burma, as well as with Singaporean or Indian businessmen working for Singapore-based companies in Rangoun (2004-2007).

Burma sliding back towards China or even India while withdrawing itself like in the 1980s[132].

As a consequence, Singapore has been giving a tacit support to the Burmese junta's Road Map. At least the SPDC agenda offers a possible way out of the political stalemate think the Singaporean's Burma watchers. If well and carefully implemented, the 7-step political programme of the Burmese regime would satisfy its partner, which had thus been diplomatically discreet and vague in its rhetoric describing (and welcoming) the May 2008 referendum and the announcement of elections for 2010 in Burma. After a couple of years marked by the passionate international debate around Burma's potential chairmanship of the ASEAN, then the failure of the "Saffron Revolution" and more recently the cyclone Nargis, Singapore paid the price of its close partnership with the junta in terms of diplomatic image on the international scene. The city-state is often considered as the Asian "Switzerland" of the Burmese regime, turning a blind eye to the wide fortune the Burmese leaders have accumulated there.

Pressure was exerted on the Singaporean leaders, especially through strong American diplomatic lobbying, in order to get them to participate in more globally effective sanctions against the Burmese regime after the 2007 and 2008 crises in Burma. There were visible consequences, including the difficulties faced by the Burmese tycoon Tay Za, whose links with the Burmese top leadership are well known[133]. However, Singapore's leverage on Burma is limited by its reluctance to both ostracize Burma and at the same time to reveal its own lack of ability to efficiently influence it (thus "losing face"). Also, Singapore might try to influence the junta and achieve concrete results in terms of diplomatic and commercial opening-up but not as

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[132] Discussions with various Burmese academics working in Singapore, September 2005.

[133] Reuters, *Singapore distancing itself from Myanmar – analysts*, October 30th, 2007.

far as Burma's internal affairs are concerned. An acceleration and credible implementation of the Burmese regime's Road Map would suit the small Southeast Asian State, but beside it, could Singapore really be in position to advice the Burmese regime to free Aung San Suu Kyi, liberalize the society, adopt a free and fair democratic system with freedom of expression, gathering or creation of political parties, while itself not fully guarantying those basic civil liberties?

2 - Limits to the Sino-Burmese partnership

If the ASEAN Club appears to be, as a regional institution, much less crucial to the Burmese junta's primary diplomatic interests than bilateral relations with (some of) its members, establishing valuable partnerships with the two other big Asian neighbours that adjoin Burma has become essential for the regime. In the past, each time Burma alienated itself from either India or China, or even both of them, the state was threatened and the economy weakened. Back in the 1950s, Prime Minister U Nu used to describe his country as "*hemmed in like a tender gourd among the cactus*", forced to constantly take into account its geographical position [134] . When the implementation of Ne Win's radical "Burmanization" policies led to the deportation of nearly 300,000 Chinese and Indian traders, shop-keepers, landlords and money-lenders between 1962-1965, both Beijing and New Delhi strongly loathed the new Burmese autarchic regime, which for its part suffered terribly from the harsh economic consequences of such an anti-China and anti-India global approach.

Befriending at least one of its two strongest neighbours remains indeed essential to Burma, regardless of the nature of its regime. In 1967-68, Ne Win managed to overcome the crisis born out of Burma's strong rejection of the Chinese Cultural Revolution's forays into

[134] U Nu, September 5th, 1950, quoted by THOMSON, John S., "Burmese Neutralism", *Political Science Quarterly*, Vol. 72, No. 2, June 1957, p. 266.

Burma, by moving closer to Indira Gandhi's India, which opted for a punctual cooperation, especially against the Naga rebels along the Indo-Burmese border[135]. Two decades later, when New Delhi was at the forefront of the international opposition to the newly installed SLORC during the summer 1988, Rangoon easily turned towards China to find a vital helping hand. But when this Sino-Burmese partnership grew unbalanced, with Beijing getting an overwhelming toehold in Burma, India appeared, like ASEAN, as a credible counterweight for the Burmese regime. Since the early 2000s, Burma has proved to be in position to find in both Beijing and New Delhi, two regional powers willing to engage the regime (each in its own way), establish military cooperation, exploit the country's resources, and if the case arose, checkmate the regional influence of the other rival's, and all this in the interest of the regime[136].

Despite occasional misunderstanding and a growing frustration perceptible in Beijing's higher political spheres, loyalty and fidelity have always been paramount in the strong Sino-Burmese partnership ever since 1988[137]. Yet the most influential and powerful regional power in and around Burma, China has however recently experienced several setbacks in its close relationship with the Burmese military regime. In 2004, the sacking of General Khin Nyunt, Prime Minister and head of the dreadful *Military Intelligence Services* (MI) came as a bombshell for many Chinese officials. With the purge of hundreds of MI officers and agents in October 2004, China lost a critical network within the Burmese regime, a network that had been built up since 1988 through personal relationships, high-rank visits of Burmese Intelligence and Foreign Affairs, Chinese

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135 DESHPANDE (G.P.), "India and Burma: Two More Steps to End Insurgency", *China Report*, Vol. 4, May-June 1968, p. 9 and 17.

136 EGRETEAU (Renaud), "India and China Vying for Influence in Burma: A New Assessment", *India Review*, Vol. 7, No. 1, January-March 2008, p. 38-72.

137 TIN MAUNG MAUNG THAN, "Myanmar and China: A Special Relationship?", *Southeast Asian Affairs*, 2003, p. 189-210.

Communist Party officials, and a deep understanding of each other's needs and interests, both on the regional and internal political scene.

Many Chinese diplomats have already expressed their frustration in front of the gap that had widened between them and the junta's decision-making centre since 2004[138]. Once the nationalist hardliners of the *Tatmadaw* had got the upper hand after the MI purge, China bitterly measured how fundamental were its links with the Burmese Intelligence, more pragmatic and outward-looking, but not with the Burmese Army's power centre. However, although the ousting of Khin Nyunt sent a clear message to Beijing[139], the "China card" has still been very much played by the SPDC since 2004, even if General Than Shwe or Maung Aye had never showed any sinophile tendencies. Many reassurances have been given to the Chinese by the Burmese top leadership, with late Prime Minister Gen. Soe Win visiting China in November 2004, November 2005, and February 2006, his successor Gen. Thein Sein also paid an important/first leading official trip to Beijing in June 2007. Gen. Than Shwe himself had talks with the Chinese President Hu Jintao in Jakarta during a Asia-Africa Summit held in April 2005.

Despite being vital to Burma and its regime, the Chinese partnership had, in the eyes of the Burmese Military, to be balanced and not out of control. The sinophobic propensity of the Burmese society revived by the overwhelming presence of new Yunnanese migrants in Northern Burma and the predatory relationship established by China throughout the 1990s[140] had already sparked a reassessment of the need and patterns of the bilateral relationship in

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138 Interviews, Chinese diplomats, Rangoon (2005-2008).

139 MALIK (Mohan J.), "Regional Reverberations from Regime Shake-up in Rangoon", *Asia Pacific Center for Security Studies*, Vol. 4, No. 1, January 2005, pp. 1-5.

140 MYA MAUNG, "On the Road to Mandalay: A Case Study of the Sinonization of Upper Burma", *Asian Survey*, Vol. 34, No. 5, May 1994, p. 447-459.

the 2000s. After the MI purge, the transfer of the capital from Rangoon to Naypyidaw in November 2005 further participated to this strategy. Like the sacking of Khin Nyunt, it too came as a shock to China, obviously unprepared for this new astounding decision of the Burmese regime[141]. Unwilling to move its Rangoon embassy there, though it is not definitely ruled out, China has witnessed a further alienation of the Burmese regime, whose top leadership clearly opted for a strategic entrenchment that concerned the Chinese too, and not only distrusted UN Agencies, Western embassies and NGOs settled in Rangoon[142]. Access to the leaders of the Burmese junta or the *Tatmadaw* has now been far more complicated for the Chinese, although the Ambassador, Political Counsellors and Military Attaches are regularly brought to Naypyidaw on special aircrafts for regular meetings with the junta's representatives[143].

On January 12th, 2007, China proved to be once more a crucial ally when it vetoed, along with Russia, a US-led resolution aimed at condemning Burma at the United Nations Security Council[144]. For many observers, Burma rewarded the spectacular (though predictable) move of its principal support by letting a Chinese state-controlled Oil company (*China National Petroleum Corp.*) sign an exploration deal involving three offshore blocks off the Arakan coast four days later, while a 1-billion US$ pipeline project linking Western Burma and Yunnan was agreed between Beijing and Naypyidaw in April 2007[145]. Despite frustration and lack of progress in internal Burmese politics, China remains an "all-weather friend" on which

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141 Reuters, *China expresses surprise at Myanmar capital move*, May 23rd, 2007.

142 JAGAN (Larry), "China's uneasy alliance with Myanmar", *Asia Times*, February 24th, 2006.

143 Interviews, Embassy of China in Burma, Rangoon, November 9th, 2007 and February 26th, 2008.

144 "A victory for the Burmese junta", *The Nation*, January 16th, 2007; "UN veto on Myanmar could embolden regime: analysts", *AFP*, January 16th, 2007.

145 Xinhua News Agency, *Construction of China-Myanmar oil pipeline expected to start this year*, April 22nd, 2007.

the SPDC can rely if the latter gives back valuable incentives[146]. But the Chinese embarrassment has become increasingly evident in face of the stagnation of economic and political reforms in Burma. Though having strong interests in following the Chinese model of political authoritarianism mixed with liberal economic opening-ups[147], the Burmese generals have failed to efficiently implement it in the past two decades. Burma remains far behind its neighbours or ASEAN partners in terms of development and economic progress, which hinders Beijing's global ambitions in the region.

China however clearly supports the junta's Road Map, finding in it a political agenda that presents a viable way to overcome the current internal gridlock and ease Burma's relationship with the outside world -- thus taking a huge diplomatic weight off Beijing's shoulder. A Khin Nyunt initiative announced in August 2003, but taken over by General Than Shwe's entourage after the former Prime Minister was sacked, the 7-point Road Map towards a "disciplined democracy" would fulfil China's political interests in Burma, only if the junta's programme was implemented accordingly. The long drawn out process kicked off with the reconvening of the National Convention (from May 2004 to September 2007) and the seemingly endless constitutional drafting appeared to have embarrassed the Chinese authorities[148]. But the speeding up of the process, after the political crisis as a result of the monk-led demonstrations in September 2007 and the organisation of the referendum that approved the new constitution in May 2008 certainly satisfied Beijing.

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146 JAGAN (Larry), "China's thumb in every Burmese pie", *The Bangkok Post*, June 21st, 2007.

147 JAGAN (Larry), "Generals express interest in Chinese-style government", *Inter Press Service*, July 2nd, 2007.

148 Reuters, *China urges Myanmar to pursue 'democracy process'*, September 14th, 2007.

The two crises borne out of the monks demonstrations and the cyclone Nargis highlighted again the peculiar Sino-Burmese relationship, as Beijing was seen by the international community as the sole regional power able to exert any real influence on the Burmese junta, in order to prompt it to moderation. No other country, even Thailand or Singapore, appeared to be in position to influence in 2007 or 2008 the military regime, unwilling to publicly face international pressure on what it considered to be internal matters. China's role proved to be crucial in the very first days following the brutal crackdown of the swiftly-called "Saffron Revolution". It is clear that Beijing facilitated the UN Special Envoy for Burma, Ibrahim Gambari's first visit to Rangoon (between September 29 and October 3, 2007) since November 2006[149]. The appeasement was brought about by the mediation of Chinese diplomats and officials in New York, Beijing and Naypyidaw (to where the Chinese Ambassador in Rangoon had been flown in regularly since the beginning of the crisis[150]). The Chinese were also influential in arranging further official trips to Burma by Mr. Gambari between November 5-10, 2007 and by the UN Special Rapporteur on Human Rights for Burma, Paulo S. Pinheiro (November 11-15, 2007) – his first time since November 2003.

A third trip to Rangoon of Ibrahim Gambari, a visit also facilitated by China was organised between March 7-10, 2008, but without much tangible progress being made. Not only did Mr Gambari not meet the Burmese top leaders during his days in Naypyidaw, but his fifth mission to Burma ended clouded in

[149] As confirmed by I. Gambari himself during a phone interview, November 26, 2007.

[150] Interviews with Chinese diplomats, Bangkok, October 2007, and Rangoon, November 9th, 2007. In the days before I. Gambari was granted a visa, while waiting in Singapore en route to Rangoon, the Burmese ambassador to China was called to the Chinese Ministry of Foreign Affairs several times a day to meet the Deputy Foreign Minister to discuss the visa issue.

suspicion that the United Nations' could not help solve Burma's current political deadlock[151]. Though China gained the assurance of seeing the Sino-Burmese partnership furthered[152], the diplomatic embarrassment caused by the pressure of Western powers, which considered Burma as a Chinese pawn that could be easily manipulated by its "patron" and allowed the ASEAN countries to off-load their responsibility or Burma onto Beijing irritated many Chinese officials[153]. The gradual isolationist withdrawal of the Burmese generals once the immediate problems of the September 2007 crisis vanished -- a policy that has proved very effective over the last two decades, illustrated the limits of China's overall influence on Burma's leaders. The Chinese awareness of the dormant sinophobia inherent to both the Burmese regime and society impedes the development of a stronger stance by China towards the Burmese junta, yet frustrated and annoyed Beijing may be[154]. Despite common ideas that a sinophobic outburst is always on the brink even today[155], anti-China attitudes in Burma had been so far "managed" since the early 1990s as no anti-Chinese pogroms similar to the ones that erupted in 1967 had been witnessed.

3 - Cautiously gentling with India.

India too has proved its willingness to engage Burma whatever the cost may be in terms of international image. Since its policy shift of the early 1990s, when it opted for a gradual "engagement" of the

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151 JAGAN (Larry), "Burma's Stonewall", *The Bangkok Post*, March 6th, 2008 and JAGAN (Larry), "Swansong visit for UN's Myanmar envoy", *Asia Times*, March 7th, 2008.

152 United Press International, *China arms Myanmar Military*, March 14th, 2008.

153 Interview, Embassy of China, Rangoon, February 26th, 2008.

154 Xinhua News Agency, *Chinese Premier expects Myanmar to care about overseas Chinese*, February 15th, 2006.

155 Reuters, *Chinese influx stirs old-age hatred in Myanmar*, March 12th, 2008.

SLORC, India has developed a peculiar relationship with its eastern neighbour. Trying to emulate China's Burmese strategy to gain a sound foothold in a country whose history is intimately linked to the Indian subcontinent, New Delhi has conducted in the past fifteen years a velvet policy towards the Burmese junta, mixed with commercial opportunities, mutual understanding on security issues, and diplomatic mutism on every matter considered as internal affairs[156]. Confirmed throughout the 2000s, India's new Burma Policy has not been merely focusing on the development of bilateral economic relations, with new Indian ambitions in the Burmese energy sector, as well as on a nevertheless awkward military cooperation along the porous Indo-Burmese border[157]. Though having achieved only limited success in the past few years, the bilateral trade has still not reached 1 billion US$ in 2007, with India only dominating the Burmese pharmaceutical and agricultural sectors. Three major Indian Oil companies have however been at the forefront of foreign investments in Burma in 2007 (ONGC-V, GAIL and Essar Oil).

However, the cautious attitude of the Indian authorities towards the Burmese regime as well as the commercial and military incentives India has been offering its neighbours have not facilitated a credible thrust of India's interests throughout/in Burma, as was the case for China in the early 1990s. Even if New Delhi has brought a well-needed balance in Burma's geopolitical landscape, especially in the Western reclusive areas (Sagaing Division, Arakan State), in the eyes of the Burmese regime it remains at a much lower level of strategic importance compared to China. India indeed does not boast a veto power at the UN Security Council. It also suffers from a strong geographical constraint with the Patkai, Naga and Lushai Hills

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156 Egreteau (Renaud), *Wooing the Generals…*, 2003.

157 LALL (Marie-Carine), "Indo-Myanmar Relations in the Era of Pipeline Diplomacy", *Contemporary Southeast Asia*, Vol. 28, No. 3, December 2006, p. 424-446.

offering a much more substantial obstacle to the East-West trade corridor in face of the logical North-South commercial corridor along by the Irrawaddy River running from the Yunnan borders to the Indian Ocean. And finally the Indians have to take into account a strong cultural image deficit in a country bruised by a century of British colonisation during which the Indian community (the "*Kalas*") were perceived as even more predatory than the Europeans colonialists. The new Indo-Burmese partnership wished by New Delhi, though much unbalanced appears thus to be more profitable to Burma than to India[158].

The Burmese junta indeed takes great care to offer the Indian authorities a seductive face, even if China remains the main loyal partner. Burma has continued to play this "India card" ever since the first two landmark visits of General Maung Aye to India in 2000. But Burma has defined its Indian policy according to its own interests, thus not letting India alone delineate the Indo-Burmese partnership on its own terms. For the Burmese regime, it remains crucial to secure much needed investments in the key-sectors (Natural Gas, pharmaceuticals, infrastructure with the construction of roads and ports, where the Chinese or Thai neighbours are not investing), valuable military cooperation from one of the strongest regional armed forces (especially along the Indo-Burmese borders where anti-Indian and anti-Burmese insurgents have established strong underground networks) and a tacit silence on its internal affairs, avoiding disturbing diplomatic criticism from an emerging regional power that had pushed for a further integration of Burma into the regional institutional scene through the BIMST-EC and MGC organisations, and to a lesser extend, the SAARC[159].

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[158] EGRETEAU (Renaud), "India's Ambitions in Burma: Towards an Overpriced Relationship?", *Asian Survey*, Vol. 48, No. 6, *forthcoming November-December 2008*.
[159] The Hindustan Times, *Myanmar requests SAARC membership, India backing it: report*, May 20th, 2008.

As a consequence, Naypyidaw regularly welcomes at the highest possible level every Indian delegation that visits Burma. While usually extremely conscious of protocol, the Burmese top generals and ministers often meet Indian officials, even if they have a lower function or grade. General Than Shwe met the visiting Indian Foreign Affairs Minister Natwar Singh in March 2005, whereas he usually snubs other leading foreign diplomats (apart for the Chinese)[160]. As the SPDC's Vice-Chairman, General Maung Aye saw Singh's successor, Pranab Mukherjee, in January 2007[161]. The Burmese junta appears to know how to cultivate its links with this neighbour, which is nevertheless still considered as a potential threat, politically -- as it was after the 1988 uprising –, culturally and socio-economically. Well aware of India's strategic agenda in the region, with an Indian policy and ideology that differs from those of the political democracies (West, Japan…[162]), Burma has proved it is ready to align itself with its neighbours in few areas of strategic importance, but at its own pace. Sending mixed messages to their Indian interlocutors, the Burmese generals tend to let India come into the Burmese strategic field while balancing the Indian ambitions through a resurgence of traditional "indophobic" sentiments within the Burmese regime and a careful redefining of its other partnerships, especially with China.

In October 2004, General Than Shwe's visit to India just a week after he ousted his own Prime Minister, General Khin Nyunt (who was perceived as one of the most pro-Chinese elements of the junta), was swiftly interpreted by Indian analysts as a positive sign for New

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[160] The New Light of Myanmar, *Senior General Than Shwe receives Indian External Affairs Minister*, March 27th, 2005.

[161] The New Light of Myanmar, *Vice-Senior General Maung Aye receives Minister for External Affairs of the Republic of India*, January 22nd, 2007.

[162] Indo-Asian News Service, *Differing from West, India expands ties with Myanmar*, April 12th, 2007.

Delhi[163]. In retrospect, the previous official trip to Burma of the Indian President Abdul Kalam, (in 2006) and then of General Maung Aye to New Delhi, (in 2008) still fuels perceptions that there is a pro-India faction within the Burmese Army[164]. But most signs are that the Indo-Burmese partnership was fragile and not based on mutual understanding as it was officially pretended, and that pro-Indian circles within the junta were merely nationalist elements willing to back away from the Chinese influence by getting closer to a logical neighbouring counterweight. This was however not the only strategic option open to the SPDC as the rapprochement with Russia and the maintenance of its crucial relationship with Singapore has illustrated in recent years.

If India has been willing to get closer to Burma in terms of military cooperation (maritime collaboration, sales of weapons, training of Burmese officers[165]) and economic assistance while avoiding taking a publicly critical stance on the SPDC's political management of any internal affairs[166], India appears as an emerging regional democratic power in an awkward position since the turmoil in

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[163] See for instance: RAMACHANDRAN (Sudha), "Myanmar power play leaves India smiling", *Asia Times*, October 21st, 2004 and KUPPUSWAMY (C.S.), "Myanmar: the shake-up and the fall out", *South Asia Analysis Group*, Paper No. 1161, November 9th, 2004.

[164] KUPPUSWAMY (C.S.), "Myanmar: Visit of the Indian President", *South Asia Analysis Group*, Paper No. 1732, March 13th, 2006 and LEVESQUE (Julien), "Maung Aye's India Visit", *IPCS Article No. 2549*, April 15th, 2008.

[165] The Indian Express, *Fleet expansion in mind, Myanmar looks to India for expertise*, January 13th, 2006, The Hindu, *India to supply military equipment to Myanmar*, January 22nd, 2007, BEDI (Rahul), "Indian transfers more Defenders to Myanmar", *Jane's Defence Weekly*, May 16th, 2007 and Indian Defence, *India to transfer three Islanders aircrafts to Myanmar; Train Myanmarese Officers at Kochi Naval Base*, June 24th, 2007.

[166] See for instance the declarations of the Indian Defence, then Foreign Minister Pranab Mukherjee: Associated Press, *India won't export democracy to Myanmar*, June 3rd, 2006, and The Hindu, *India not interested in exporting ideology: Pranab*, January 20th, 2007.

Burma in August-September 2007. Indian diplomats and policymakers are usually prickly about the new orientation of New Delhi's Burma approach and tend to suffer criticism badly, especially from the Burmese and pro-democracy activist community or from Western chanceries[167]. The discreet position New Delhi took during the monk-led demonstrations in Burma (September 2007) and the subsequent repression by the military regime illustrated India's difficulties in defining a realist neighbourhood policy without suffering a loss of credibility as a great and responsible power. Nonetheless sensitive to internal forces driven by a vibrant Indian civil society that has embraced Burma's democratic struggle since 1988[168] and to Western pressure, India was quick to isolate itself from the Burmese turmoil, and was obviously embarrassed by the unpredictability of its crucial neighbour.

It too has regularly sent the wrong signals to Burma watchers and the international community when a previously planned official visit to Naypyidaw led the Indian Minister for Petrol and Natural Gas went ahead right in the middle of the "Saffron Revolution" (September 25-26, 2007[169]) or when it refused to openly compel Burma to accelerate its transition process and liberalization, by sheltering behind a sacro-saint diplomatic principle of "non-interference in other's internal affairs"[170]. After all, India has a long history of politically and militarily interfering in the internal affairs of its immediate neighbourhood, from Bangladesh (1971) to Sri Lanka (1987-90), the Maldives (1988) and Nepal in the last few

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[167] Various personal interviews with Indian diplomats working in or on Burma made between 2002 and 2008 in New Delhi, Rangoon, Mandalay, Bangkok, Beijing or Paris.

[168] The Hindu, *Myanmar: Rhetoric and reality of Indian democracy*, August 9th, 2007.

[169] The Indian Express, *Myanmar burning, MEA told Deora: we need to visit but keep it low-key*, September 28th, 2007 and The New Light of Myanmar, *MOGE, Indian oil company sign production sharing contracts*, September 26th, 2007.

[170] AFP, *India on defensive as pressure mounts over Myanmar*, September 14th, 2007.

years[171]. The image of a greedy India rushing into Burma before the Chinese rival get too much of a stronghold, while showing little interest in the Burmese internal upheavals, has been widely diffused (and accepted as such) in international diplomatic, political and economic circles[172].

Though the Indian Foreign Minister has attempted to clarify and revise India's position by asking the Burmese authorities to set up an inquiry into the brutal repression of the "disturbances" of late September 2007[173], India has had very limited leverage over the SPDC's internal strategy. During the crisis, many Western powers and UN officials saw New Delhi as one of the few credible powers, along with China, able to temper and influence the Burmese government given the growing Indo-Burmese economic and military cooperation. The UN Special Envoy Ibrahim Gambari and his team paid several consulting visits to India after September 2007, while Indian diplomats regularly discussed Burma in New York or during other intergovernmental gatherings. But Beijing appeared to have been the sole power in a position to be listened to, though partially and reluctantly, by the Burmese junta[174]. In November 2007, only a few days after the visits of Mr. Gambari and then Paulo S. Pinheiro, UN Rapporteur on Human Rights, to Burma, the Indian representative to the UN General Assembly voted against a resolution

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171 MOHAN (C. Raja), "South Block's Burma Shell", *The Indian Express*, September 28th, 2007.

172 Various interviews with foreign diplomats based in Rangoon, November 2007. See also the Bangkok Post, *Visiting Indian hits storm of Burma critics*, September 14th, 2007.

173 The Hindustan Times, *India tells Myanmar to probe crackdown on protest*, October 2nd, 2007.

174 Various interviews with Western and Asian diplomats based in Rangoon, February 2008. Even Rangoon-based Indian diplomats recognized it (Interviews, Rangoon, November 14th, 2007 and February 26th, 2008).

condemning the repression of the Burmese monks' demonstrations which had been sponsored by Western countries[175].

Internal dissensions in India's political elite have gradually emerged. Sensitive to Indian public opinion, which heavily favours India supporting the rise of democratic ideals in Burma, but aware of the catastrophic consequences of a strategic shift in policy that would discard fifteen years of engagement with a strategic neighbour, India's central policymakers have been increasingly embarrassed to face such a serious quandary. However, the landmark visit to India of the Burmese junta's Vice-president, General Maung Aye in April 2008 proved India had no choice but to further its relationship with a military regime even more firmly entrenched than before the "Saffron Revolution"[176]. The focus was on economic cooperation, with the signature of the Multi-modal project of the Kaladan River, about which the Indians have been extremely enthusiastic since 2004[177].

India's discreet position had somehow paid dividends, according to some Burma watchers after the devastating impact of Cyclone Nargis in Rangoon and the Irrawaddy Delta in early May 2008. By not posing itself as a direct enemy of the Burmese regime unlike the United State or the United Kingdom whose hostile position on the SPDC is well known, India manages not to completely alienate itself from the Burmese top leadership. As the junta shunned most of the humanitarian aid offered by the international community after Nargis, fearing both a military invasion (the French and US "warship" fleets sent near the Burmese coastal waters materialized

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[175] The Hindustan Times, *India votes against UN resolution on Myanmar*, November 21st, 2007.

[176] SRIVASTAVA (Siddharth), "India lays out a red carpet for Myanmar", *Asia Times*, April 5th, 2008.

[177] Interview with Rajiv Bhatia, Ambassador of India to Burma, Rangoon, May 9th, 2004.

this fear) and an uncontrollable wave of foreigners entering the country through NGOs, international medical and rescue teams, assistance from China (though struck by another natural catastrophe at the same time with the earthquake in Sichuan), Thailand and consequently India were cautiously accepted.

Along with the Thais, Indian medical teams were the first to be granted visas and allowed onto Burmese soil. Several tonnes of humanitarian assistance were also sent from India to Rangoon[178]. Even Bangladesh and Laos were able to send vital aid and personnel to Burma in May 2008, while most Western countries were kept at bay by the regime, extremely suspicious of any assistance proposed by the Powers that had always publicly wished its collapse amid vitriolic criticism. Although its diplomatic caution is often interpreted as tacit support, India was able to get aid and medical teams through Burma's tightly controlled doors during the post-cyclone crisis period. But this remains a meagre consolation. India's frustration with the global Indo-Burmese partnership has been too evident. New Delhi has not so far achieved all its expectations in the Burmese field, while the Burmese government has been getting much more than a viable counter-balance to China's overwhelming presence[179]. By letting India in, but controlling nonetheless all the Indian tentative thrusts in various key sectors of Burma's landscape (energy, commerce, military affairs), the junta has mastered a smarter perspective on the way it manages its geopolitical background.

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178 Xinhua News Agency, *Second foreign medics allowed in cyclone-hit Myanmar*, May 17th, 2008.

179 EGRETEAU (Renaud), "India's Ambitions in Burma: Towards an Overpriced Relationship?", *Asian Survey* Vol. 48 *forthcoming* 2008…

4 - Diversifying its partnerships outside its direct neighbourhood

Fostering its strategic agenda based on its capacity of "being isolationist without being isolated", Naypyidaw went even further with a constant attempt at diplomatically diversifying its support and partnerships outside its own neighbourhood. Apart from China, India, and to some extend Thailand and Singapore, the Burmese regime has been carefully developing a valuable network of cordial, if not friendly, relations with Russia, a few Eastern European countries, Pakistan -- but also more peculiarly Saudi Arabia, North Korea, Israel and even Taiwan.

Russia has become in recent years another key partner for the Burmese junta. Although having very little economic presence in Burma, a humanitarian assistance much lower than during the Soviet Union period and military cooperation limited to only a few sectors (notably the Air Force), Moscow has acquired a crucial importance for Naypyidaw as it offers strong support in all international organisations where Russia is still influential[180].

Critically, Moscow became a valuable diplomatic ally in the United Nations' various agencies, where Russian influence is still very strong. In 2005, when a US-led diplomatic coalition first attempted to bring Burma before the UN Security Council, the SPDC swiftly sought Moscow's support to prevent it, beside Beijing unchallenged position. The SPDC sought to further the Russo-Burmese partnership with China's help, to get Moscow to agree to effectively use its veto as a permanent of the Security Council during the Burmese Prime Minister Soe Win's visit to Beijing in February 2006[181]. This resulted in the regime's second strongest military ruler

[180] Interview, Russian Embassy in Burma, Rangoon, November 14th, 2007.
[181] Various discussions with Chinese diplomats, Bangkok and Rangoon, 2006-2007.

Maung Aye travelling to Moscow for further discussions in April 2006[182].

The Russian veto power at the UN Security Council, which was then openly used in January 2007 to block a Western-led resolution condemning Burma, appears to be essential for the Burmese generals. Russia has been courted by the Burmese junta since the early 2000s. The sale of a squadron of MiG-29 fighters (prestigious buying, yet not adequately answering Burma's strategic threat perceptions) and the 5 million US$ contract on a nuclear reactor have thrown light on a partnership that had faded away after the collapse of the USSR[183]. Under Vladimir Putin's presidency, Moscow had been trying to regain the influence it had during Ne Win's era (as the huge Russo-Soviet embassy in Rangoon exemplifies), especially since the Western powers had been completely out of the Burmese field and the Chinese well entrenched there[184].

The rapprochement became more obvious when General Maung Aye visited Moscow in April 2006. Likewise China, Russia was now openly ready to support Burma through a strict non-interference policy, provide an important helping hand at the United Nations, and the offer of commercial, technical and military assistance[185]. Since then, many Russian private or state delegations have been touring Burma. About one thousand Burmese students are enrolled each year in Russian universities or technical institutes, while 400 pupils learn the Russian language in Rangoon, Pyin-U-Lwin, Kalaw

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182 BLAGOV (Sergei), "From Myanmar to Russia with love", *Asia Times*, April 12, 2006, available online at <http://www.atimes.com/atimes/Southeast_Asia/HD12Ae01.html>.

183 Eight MiG-29B and two MiG-29UB according to NOVICHKOV, Nikolai, "Myanmar signs for surplus MiG-29s", *Jane's Defence Weekly*, July 11th, 2001. See also SELTH (Andrew), *Burma and Nuclear Proliferation: Policies and Perceptions*, Griffith Asia Institute, Regional Outlook, Paper No. 12, 2007.

184 Interview, Russian Embassy in Burma, Rangoon, April 25th, 2005.

185 JAGAN (Larry), "Myanmar woos China, Russia", *Asia Times*, April 12th, 2006.

and Meiktila where Russian instructors have been spotted. But a close partnership with the Burmese does not appear that crucial for strategic circles in Russia. Moscow's elite is more influenced by Western views on Burma (and thus react in the exact opposite way) than by credible local linkages, ground analyses and viable inside networks that could offer the Russians a credible leverage over the Burmese regime. But it remains enough for both countries, each of them having interests in developing this partnership more in order to counterbalance a rival or potential threats (in the form of China and the West) than really increase bilateral connections.

Apart from the crucial support of these key players, the Burmese generals have been patiently developing others linkages with a few strategically chosen countries willing to enter Burma's opportunist market, get closer to a little-known country or establish important strategic connections with another authoritarian military regime. Relations with North Korea, Asia's other "pariah state", have gradually been re-cultivated in the past few years. Diplomatic relations were cut-off between Ne Win and Kim Il-Sung's similarly autarchic regime, following the 1983 Rangoon bombings of a South Korean delegation visiting Burma by North Korean agents. However, after two decades, the "retirement" of Ne Win and the death of Kim Il-Sung (1994), many logical incentives led to a gradual underground rapprochement of the two ostracized countries which both benefited from the support of their Chinese patron[186]. Discreet commercial links, agricultural assistance, technical advice, alleged military cooperation and illicit trafficking of legal and illegal products would have been profitable for both the junta and the communist regime[187]. The ousting of General Khin Nyunt accelerated the pace of rapprochement to the point where diplomatic relations were re-

[186] LINTNER (Bertil), CRISPIN (Shawn W.), "Dangerous Bedfellows", *Far Eastern Economic Review*, November 20th, 2003.
[187] AUNG ZAW, "Burma's North Korean connection", *The Bangkok Post*, August 3rd, 2006.

established and official envoys sent to each other's capital in 2007[188]. There have been many reports about the growing military exchanges, the sale of North Korean weaponry to the *Tatmadaw* and a possible nuclear linkage which have embarrassed Western and Asian powers wary at seeing North Korea get a toehold in Southeast Asia[189]. Nonetheless, the nature of the North Korea-Burma partnership is not likely to go past the mere tactical rapprochement, given the wide international focus the two pariah regimes have drawn.

In 2004, Saudi Arabia opened an embassy in Rangoon[190] -- an outlandish move on the part of a Muslim country close to the United States; more notably though in a Buddhist-dominated region, this decision was perfectly comprehensible. Not only has Saudi Arabia been keeping a wary eye on the situation of the Sunni-dominated Burmese Muslim community (around 5% of Burma's total population) since the late 1970s, but the Burmese generals were keen to establish a dialogue with key a non-Asian Muslim country (apart from Pakistan). The construction of a Burmese embassy in Riyadh was agreed in 2007[191]. Recurrent crackdowns on the Rohingya minority, a 800,000-odd Sunni community of Chittagonian origin that inhabits the swampy Bangladesh-Burma borders has consistently drawn the attention of Gulf countries, especially after the two mass exoduses of 1978 and 1991. Saudi Arabia, Bahrain and Qatar have welcomed few refugees on their soil in the last three decades. Many Rohingyas who settled there have since been able to invest back in Burma thanks to their new nationality and created a small thriving commercial community, especially in Rangoon's construction

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[188] Xinhua, *Myanmar names first ambassador to DPRK after resumption of ties*, August 1st, 2007.
[189] SELTH (Andrew), "Pariah Partners in Arms", *The Irrawaddy*, Vol. 12, No. 3, March 2004 and LINTNER (Bertil), "North Korea's burden of crime and terror", *Asia Times*, April 20th, 2007.
[190] Xinhua, *Myanmar forges diplomatic ties with Saudi Arabia*, September 1st, 2004.
[191] Xinhua, *Myanmar to open embassy in Saudi Arabian capital*, July 30th, 2007.

sector[192]. Through these new networks, Riyadh or Doha have been logically trying to enter the region. Besides, the Burmese military authorities allow the right to Burmese Muslims to travel to Mecca for the Haj pilgrimage; they even sponsor every year a select group of 300 Muslims from the Rohingya-dominated areas, as a way to ensure social peace through the local elite[193]. Finally, in the aftermath of Nargis cyclone, Saudi Arabia as a result of its cordial and non-confrontational approach to Burma, was also allowed to provide much-needed humanitarian and technical assistance to the country while the Western countries were kept out of Burma[194].

Other close bilateral relations, inherited from U Nu's period of promoting Asian Solidarity and Non-Alignment, are still cultivated by the current Burmese junta as they were during Ne Win's era in spite of Burma's drastic autarchic system. More interestingly Israel has kept its embassy in Rangoon since it opted for a decisive rapprochement with non-Arab Third World countries in the 1950s. Beside diplomatic "entente", agricultural, technical and educational cooperation were particularly sought[195]. The Burma-Israel collaboration has been maintained ever since, though at a much lower level, 150 Burmese students being trained every year in Israeli universities, technical institutes or even kibbutz[196]. At the same time, a more secretive partnership in military affairs has been reportedly conducted since the late 1980s. Israel has indeed often been accused by activists groups (indifferently Burmese, Israeli or Western…) to have participated in the modernization and strengthening of the

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192 Interview of a Burmese Muslim journalist, Rangoon, October 18th, 2005.

193 Discussions with various workers of international NGOs working in Muslim-dominated areas in Burma (Arakan State), October 2007.

194 Five aircrafts were sent to Rangoon according to the Saudi Ambassador to Burma; The Myanmar Times, *Saudis send machinery*, Vol. 22, No. 421, June 2-8, 2008.

195 KOZICKI (Richard J.), "Burma and Israel, A Study in Friendly Asian Relations", *Middle Eastern Affairs*, Vol. 10, No. 3, March 1959, p. 109-116.

196 Interview, Israeli Ambassador to Burma, Rangoon, March 7th, 2006.

Tatmadaw and its Intelligence Services through various training schemes in Israel as well as the sales of Israeli armament[197].

These accusations resurfaced in September 2007 when the Israeli public opinion got concerned about the possible use of Israeli weapons in the military crackdown on the Burmese monks' demonstrations[198]. They remain though more the result of global negative perceptions of both the Burmese junta and Israelis ambitions outside the Middle Eastern region than an illustration of a credible policy pursued by Israel in Burma or a cleverly bargained assistance sought by the Burmese armed forces from Tel-Aviv. However, Israel offers the Burmese regime an original access to the Western developed world, even an "open door" as publicly declared by the SPDC[199]. Interestingly, Tel-Aviv has always opposed the Western-led sanctions against Burma, refusing to isolate the military regime by imposing a global visa-ban, boycotting the Burmese economy or even meddling in internal affairs. Although in stark contrast to the United States, Israel's "all-weather" friend on the international scene, this engagement approach has produced few tangible gains for Tel-Aviv, for Israeli officials have a complete lack of access to the Burmese leadership nowadays. Yet, a deeper Israeli involvement in the country might prove to be a realistic first step to reconciliation between the West and an execrated Burmese military regime.

Finally, other countries have too been on the Burmese agenda in the past two decades, in order to enable it to diversify its military sources, commercial dependencies and diplomatic support. Ukraine

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[197] ASHTON (William), "Myanmar and Israel develop military pact", *Jane's Intelligence Review*, Vol. 12, No. 3, March 2000.

[198] Although any tangible proof of it hasn't come out: The Jerusalem Post, *Rattling the cage: Shalom, Myanmar*, October 2nd, 2007.

[199] GEE (John), "Israel seen as Burmese regime's 'open door' to the West", *Washington Report on Middle East Affairs*, December 2007, p. 33-34.

has been a non negligible partner[200] as well as Poland or Serbia (the latter having a representative in Rangoon since Tito's period). Egypt, Sri Lanka or Cuba were all important supporters when the newly-installed SLORC decided to return to the Non-Aligned Movement in 1992, after Ne Win belligerently quit it in 1979. Taiwan, though the Burmese generals have always made it clear to Beijing that the "One China Policy" was the only one they supported, is also an important trading and humanitarian partner. Most of the commercial exchanges between the two countries are informal, often inherited from the Kuomintang's presence in the Shan State and along the Thai-Burma borders in the 1950s, but Taipei has been offering welcomed economic assistance in the past years through its NGO and business toehold in Thailand. Taiwan was also part of the Asian solidarity that followed the devastation of Nargis cyclone in May 2008 and generously donated[201].

Eventually, Burma does not appear to be as isolated as it is commonly perceived in the West, or even among Asian regional powers. The Burmese junta has carefully chosen to diversify its partnerships, whether military, commercial or diplomatic, so as to increase its opportunities to benefit from a helping hand when it needed. The crises borne out of the "Saffron Revolution" in September 2007 and then the Cyclone Nargis in May 2008 illustrate perfectly how Naypyidaw managed to make the most of its cordial relationships with a few countries beside China to counter the diplomatic and media-oriented pressure from Western countries. Initiating reconciliation between the West and the Burmese regime would be very difficult as neither the main Western powers, nor the junta would find common grounds from which they can start. As a consequence, neither the European Union, nor the United States or

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[200] ASHTON (William), "The Kiev Connection", *The Irrawaddy*, Vol. 12, No. 4, April 2004.

[201] The Taiwan Journal, *Relief efforts to assist Myanmar get under way*, May 16th, 2008.

even Australia has any potential leverage on the country. Yet, a sort of fascination of the US -- a mighty power with huge military strength and cultural appeal -- has developed among the *Tatmadaw* and the Burmese elite in the past years, combining admiration and fear or even hatred[202], though no real linkages were built-up. The arrest of Khin Nyunt in October 2004 also led the Americans to lose significant entry points in Rangoon[203]. A change in the Washington Administration after 2008 might prompt the United States to reconsider its approach, especially if Senator B. Obama who has already expressed his willingness to engage in dialogue with what the Bush Administration labelled "rogue states" (starting with Iran), wins. Tentative talks were offered through Chinese diplomacy, which managed to gather senior American and Burmese officials in Beijing in June 2007[204]. But the US's critical reaction to the September 2007 repression and May 2008 referendum sank this initiative, though a similar round of talks in the future has not been completely ruled out.

On its side, the European Union, remains stuck in its common position impossible to revise unless the 27 countries accept it unanimously. Given the strong commitment of few Northern or Eastern Europe countries to completely isolate the Burmese junta, a position strongly favoured by European public opinion over sensitive to the views of the pro-democrat movements, efforts to engage the Burmese regime are likely to be severely hindered. The poor record of the Piero Fassino mission, the former Italian minister of Justice who was appointed as the European Union Special Envoy for Burma in November 2007, shows the lack of credibility of this European initiative. Unable to get access to the Burmese leadership

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[202] One can read daily in the state-controlled *New Light of Myanmar* many articles dealing with the US, whether in Afghanistan, Iraq or America…

[203] Interview, Embassy of the United States in Burma, Rangoon, January 26th, 2005.

[204] Xinhua News Agency, *US, Myanmar officials hold talks: spokesman*, June 29th, 2007.

(or even a Burmese visa) and trapped by internal divisions within the EU, Fassino has an impossible mandate to pursue, thus drawing much criticism[205].

Individually, the European states boast no more influence. While the United Kingdom remains the indefectible supporter of the Burmese opposition groups, starting with Aung San Suu Kyi's *National League for Democracy* (NLD), Germany, Italy and France (the other three major countries with embassies in Rangoon), have been tempted to pursue smoother and discreet approaches at the lower levels of the Burmese administrative and political structure (the only ones really accessible to "white" foreigners or "*kala phyu*"). But the move to Naypyidaw, the critical reactions of the European capitals to the repression of the "Saffron Revolution" and the xenophobic withdrawal of the Burmese regime snubbing western humanitarian aid after Cyclone Nargis have proved to be quite detrimental to their position within the country. Vitriolic declarations from British, French or German leaders -- "*crime against humanity*", "*irresponsible decisions*" and "*inhuman response*" to the crisis of the Burmese junta -- have had little or no effect on the regime, apart from a stronger alienation and resentment[206]. The difficulties of Western NGOs based in Burma are facing in dealing with the humanitarian crisis in May 2008 were aggravated by the acerbic positions taken by the chanceries back in Europe or Washington. It indeed participated in the revival of Burmese nationalism (anti-neocolonialism) as seen through the state-controlled media, the xenophobic trends observed within the Burmese Society and the fact that successive regimes since the Independence have always seen it as the most effective tool for Burma to resist external pressures.

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[205] JAGAN (Larry), "EU envoy on Burma has nothing to offer the democratic process", *Mizzima News (Commentary)*, January 30, 2008.

[206] Various discussions with European expatriates working in Rangoon (Embassies, NGOs, UN agencies, academics…), November 2007 and February 2008.

Conclusion

Since 2003, many political events and diplomatic initiatives in connection with Burma have proved that the military regime still basks in its well-calculated isolationism. Willing to go "back to the old habits" inherited from the autarchic and strictly controlled Ne Win regime (1962-1988) as well as the Burmese (*Burman*) kings traditions, this policy of "isolationism without isolation" was clearly illustrated by the entrenchment in Naypyidaw initiated in 2005, the careful courting of regional powers – especially China, India and Russia – and the way the SPDC has somehow "survived" the September 2007 and May 2008 crises and external pressure it was the object. Given the international community's inability to exert any credible and concrete leverage over it, it has somehow conforted its position.

For the past decades, regular purges within the *Tatmadaw* and the politico-administrative structure, as well as a powerful but effective xenophobic and nationalist propaganda have helped the Burmese military to increase its grip on the country by rebuffing most foreign influences. Used as a tool since U Nu's parliamentary regime (most of its leaders having been influenced by the nationalist movements that emerged in the first part of the 20th century[207]), a calculated nationalism offers Burma a powerful means to keep its isolationist credo. It has then all the chances to be perpetuated, even in the case of a return to a civil and democratic rule of law. It can

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[207] GRAVERS (Mikael), *Nationalism as Political Paranoia in Burma – An Essay on the Historical Practice of Power*, Richmond, Curzon, 1999.

indeed be argued that a Burmese democratic government would favour a similar rejection of direct and widespread external influences (Chinese, Indian but also Thai or even Western, despite years of support to the democracy movement).

Consequently, the isolationist strategy has been astutely chosen and not imposed by the outside world. More than external political sanctions, diplomatic ostracism or economic boycott by Western powers, it is domestic nationalism, xenophobia and insular habits that have given the impression of a segregated Burma. Like a turtle that feels a danger, the Burmese regime protects itself by huddling under its own carapace, waiting for any storm to pass, including sadly, natural ones as in the case of the May 2008 Cyclone Nargis. Although smoother relations with the international community might be established, an external policy influenced by the xenophobic temptations of the Burmese society is quite predictable. In fact, as neutralism and an equidistant policy between Burma's neighbours are the best-suited policy given the country's strategic position, isolationist tendencies might nevertheless prevail. These skilful tendencies would probably last as long as the whole international community does not rethink its own approach of the Burmese conundrum.

For in practise, Burma is not as insulated as it seems. The regime has left open many doors, and even chosen to open a few more, especially in the last decade when it courted (or was courted by) Russia, Pakistan, Saudi Arabia and even North Korea. The SPDC knows it needs a few diplomatic and commercial overtures to maximize its control over the country's economy, at least more effectively than during Ne Win's time, given the international geopolitical watershed of the past two decades. Wooing a few multinationals (especially in the energy sector), benefiting from few strong trading partners (Singapore, Thailand, China), and establishing loyal diplomatic allies in international forums (India, China, Russia), and even democratic partners (Japan, South Korea,

India, somehow Australia) would appear enough, as long as there is no clear-cut and coordinated policies from the rest of the international community -- as was the case in South Africa during the 1990s. New means, new approaches, new partnerships based on engagement (but not endorsement) of a military power that seems well entrenched are now much needed to ease, and even start, any transitional process.

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