

A DISCUSSION PAPER ON  
DEMOCRACY IN MYANMAR  
*between engagement and economic sanctions*  
HOW THE INTERNATIONAL COMMUNITY COULD HELP

*by*

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No matter the circumstance and actions surrounding Myanmar or any sovereign state, debate as to how best to support the people within that state should always remain the focus of the international community.

This paper has been written to reinvigorate discussion, because current debate has polarized to the extent that there can only be winners and losers in Myanmar. This is a collection of ideas to be challenged and debated in the interests of finding a way forward.

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**”There is still a window”**

"There is still a small window of opportunity to save the process," said Secretary General Kofi Annan<sup>1</sup>, when Burma/Myanmar<sup>2</sup> was discussed at the ongoing UN General Assembly. The country's Foreign Minister, U Win Aung, had told the delegates that the political process in Myanmar is real and asked the international community to recognize the positive changes. "Our common aspirations for peace and development can only be fulfilled if nations avoid double standards and adopt a more positive attitude," he said<sup>3</sup>. Myanmar's recently appointed Prime Minister, General Khin Nyunt, announced at his first public speech in late August, a 7-point roadmap towards democracy, including free and fair elections to be held under a new constitution that would be spelled out by the national constitutional convention that had been suspended since 1996<sup>4</sup>.

7-point roadmap.

1. Reconvening of the national Convention that has been adjourned since 1996
2. After the successful holding of the National Convention, implementation of the process necessary for the emergence of a genuine and disciplined democratic system.
3. Drafting of a new constitution in accordance with basic principles and detailed basic principles laid down by the national convention
4. Adoption of the constitution through national referendum.
5. Holding of free and fair elections for Pyithu Hluttaws (legislative bodies) according to the new constitution
6. Convening of Hluttaws (legislative bodies) by Hluttaw members in accordance with the new constitution
7. Building a modern, developed and democratic nation by the state leaders elected by the Hluttaw; and the government and other central organs formed by the Hluttaw.

Even the most guarded optimist has had reason to be disappointed by the lack of political development in Myanmar. Since the military took political control in 1988, the international community, particularly the United States and the European Union, lead by the Nordic countries and UK, have remained skeptical about possible developments and remain negative about any initiative taken by the current leadership. The current international stance, based on isolation and

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<sup>1</sup> The Associated Press, 2 October 2003

<sup>2</sup> The use in this article of "Myanmar" and "Yangon" as the official names applied by the UN for the country and its capital, does not constitute any political statement.

<sup>3</sup> The Nation, 30 September 2003

<sup>4</sup> AFP, 30 August 2003

economic sanctions, provides no room to move to allow the economic development that might create change. There is a need to consider moving forward without compromising the international position against the human rights violations of the current regime. The window of opportunity is there for the international community to take a more innovative approach and make an attempt to create real opportunity for long term change in Myanmar.

### **The Real Losers**

Isolation, boycott and economic sanction applied by Western democracies in an attempt to facilitate democracy in totalitarian states are based on a belief that the restrictions they impose will eventually lead to political change. As in most other cases where sanctions have been applied, there are no signs that they in Myanmar have instigated the kind of change that might lead to democracy. The Burmese, and their leaders, are a very proud people, who are not easily swayed by either sticks or carrots. Burmese is historically an inward looking culture, which reacts with great reservation to perceived interference from outside. In this light it is not likely that the latest sanctions imposed by the US Congress last July, will have any more impact on the current rulers than those that have been imposed in the past. What *can* be seen though, is that the most vulnerable segment of the population continues to carry the additional burden of these sanctions as the humanitarian crisis in the country deepens<sup>5</sup>. The continued economic crisis brought on by sanctions has caused international alarm as more young women are forced into prostitution as garment factories continue to shut down. This situation has increased the risk of HIV/AIDS ballooning out of control, beyond the UN estimates of 530.000 (June 2000). Even recent information from the US State Department shows that more than 40.000 garment workers have lost their jobs following the closure of dozens of small factories in and around Yangon<sup>6</sup>. The sanctions seem to have little impact on the military who maintain their own supply system and can usually rely on support from China to offset the negative impact of western impositions.

Advocates of economic sanctions often refer to South Africa as the example of how international boycott can lead to dramatic change. However, South Africa was a highly industrialized country heavily dependent on international trade and with a large middle class to feel the effect of international sanctions. This is not the case in Myanmar. The almost total absence of a middle class within Burmese society means that the country is less susceptible to similar sanctions. The international trade that keeps Myanmar afloat and which is only with its neighbors, especially

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<sup>5</sup> Letter of 30 June 2001 signed by heads of 8 UN agencies: Myanmar, a silent humanitarian crisis in the making.

<sup>6</sup> BBC, 3 October 2003

<sup>7</sup> BBC, 3 October 2003

China and Thailand, is not impacted by the sanctions. And when the few western companies in the country are forced by opinion back home to leave, their businesses are readily taken over by Asian ones. The recent hand over by British American Tobacco of its stake in a joint venture operation to a company from Singapore is just one example. For economic sanctions to be effective unified actions from ASEAN, China, EU and the US would be required, and this has to date not been achievable.

In his report to the General Assembly, the Secretary General urged "the UN, ASEAN and the international community at large to join hands" to facilitate Myanmar's democratic transition. Mr. Annan set a timetable for ending the current rule by 2006 when the country is scheduled to take chairmanship of ASEAN. This could be the opportunity to try measures to advance democracy that have not been tried to date, and to move away from the current deadlock.

### **Skeptical and hopeful**

It is to some extent understandable if the outside world remains skeptical about the seriousness of Myanmar's latest declaration of a move down the road to democracy, when they remember the regime's consistent refusal to honor the 1990 election result. The Prime Minister's recent promise of a new beginning has been met with distrust and dismissed by many as 'old wine in new bottles'. This might be a correct assessment, but it may also be that the appointment of General Khin Nyunt as Prime Minister provides "a small window of opportunity" for the international community to rethink its decade old strategy, take the promise at face value and see it as an opportunity to move forward and consider a solution that can be shaped specifically to the Myanmar situation. In this regard it should be noted that Khin Nyunt, the then First Secretary of the Military Council, was the architect behind the cease fire agreements that have been reached with ethnic minority groups since 1989, and the release of Aung San Suu Kyi from house arrest in 1995 and in 2002.

### **7 Point Road map with a possible real destination**

The 7-point road map is what is presently being offered as a means to move forward. It may be that it is an attempt at an exit without loosing face as no other exit stands out. However, the implementation of the roadmap could also be seen as an opportunity for Khin Nyunt to prove that he is the more pragmatic and moderate member of the regime. The international community could move to acknowledge his efforts, and in so doing help the people of Myanmar by choosing to accept the roadmap so as to make it a credible instrument that can then be used to hold the

Prime Minister accountable for its implementation, along with a demand for a timetable of implementation similar to that set out by the UN Secretary General.

The first sign of a move towards this potential position came when the Norwegian Foreign Minister indicated during the UN Assembly, that Norway would consider supporting Myanmar if there were signs of positive development in the country<sup>8</sup>. This will only be possible if there is further support. The pro-democratic opposition, lead by NLD, needs encouragement from the international community. Accepting the 7-point roadmap as a starting point will encourage their active participation in the process.

### **Creating room to move**

As is the case with any tension, all parties need their own space from which to work towards a common solution. In the case of Myanmar, such conditions have so far not been created. The international community could offer to facilitate the negotiation process by providing resources to create the space and trust required to move forward.

In such a proposed move it is also likely that the international community will need to accept that the military, as in other countries in the Southeast Asia region, will keep an active role in the country in the foreseeable future and perhaps even after a civil government is established, because of its command of the apparatus of power. The military stands to lose a great deal in the implementation of the road map. The international community will therefore need to consider that some acknowledgement of their shift in thinking may ensure their continued participation in the change process. It would be from this position that a more balanced role could be established.

This is not an easy scenario to accept, but as in the case of Indonesia and Thailand, as examples, the progression towards democracy has over the years shifted the balance in favor of civilian governments and lead to an acceptable positioning of the military in society.

### **Unifying the country**

It has been a constant challenge for governments in Yangon, to gain and maintain control over the country as a whole. In central Myanmar, armed opposition to the elected government in Yangon has threatened the newly independent nation from day one. In some instances during the 50's, the government was only in de facto control of Yangon and a few other towns. By the 60's the

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<sup>8</sup> The Nation, 30 September 2003

Burmese military gained control of the central part of the country, only to be confronted by several very resistant rebel groups in the Chinese and Thai border areas. Resultant armed conflict failed to resolve the problem, which has caused 130,000 mainly Karen, Mon and Shan minority people, to seek refuge in neighboring countries. Even now an estimated one million people remain internally displaced and skirmishes continue. Any new government, will contend with these problems in order to establish the rule of law throughout the entire country. Since independence in 1948, through the period of democratically elected AFPFL (1948-1958) up to the present Military Government under General Saw Muang (1988-1993) and General Tan Shwe (1993 -) no one as yet has succeeded.

### **Supporting cooperation**

To succeed with the establishment of a long term solution a government must be able to meet several demands simultaneously.

Firstly, a new government must have the ability and strength, to exercise non violent authority across the country and bring an end to ethnic insurgencies. The current continued struggle against insurgents and the seeming threat of national disintegration has been used to justify not transferring power to a civilian government up until now. In fact, by way of the 40+ year armed struggle it has done the opposite. The leaders of the ethnic oppositions have inadvertently allowed the military to build the solidarity and sense of "brotherhood" that so characterizes the army's officer corps and make it even more difficult to move to a position of change. It has drained the country's resources, and distorted economic and social development.

Secondly, a central government must be willing and able to satisfy the political aspirations of the nation's diverse ethnic minorities. The issue of political rights has been the greatest single obstacle to political unity and therefore application of the rule of law since independence in 1948. The political dissatisfaction of the minorities have driven many ethnic groups to rebellion and to compound matters, some have, over the years, turned to the drug trade to finance their struggle against the Government

Thirdly, any government, irrespective of background and composition, must be able to offer economically sustainable alternatives to people that are now making their living from the internationally condemned drug trade. Among the ethnic groups that have entered into ceasefire

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<sup>9</sup> Richard M. Gibson and John B. Haseman: Prospects for Controlling Narcotics Production and Trafficking in Myanmar. *Contemporary Southeast Asia, Volume 25, Number 1, April 2003*

agreements with the Government since 1989, many feel deeply disappointed that, foreign governments do not show any understanding of the significance of these ceasefires, nor respond to this progress by providing support for health services nor social or economic development. Tens of thousands of ethnic minority farmers continue to derive a livelihood from the drug trade because under prevailing conditions, it is the only profitable way to survive. Even if other crops were grown they could not currently compete for the infrastructure required to access new markets.

To achieve stability and to effectively address the plight of some of the most disadvantaged groups in Myanmar, moves to address all three above needs should take place in parallel. Economic development in remote areas must commence at the same time as improved security and an acceptance of their political rights.

In reality this is an enormous task that will require national cooperation and a long term commitment to political, technical and economic support by the international community. Without these provisions any attempt may be doomed to fail like other attempts in the past half century. It is fortunate that the upland areas of Myanmar still hold significant natural resources to support economic development and are geographically located with easy access to the rapidly growing Chinese market. But, support for peace planning, good governance and investment is needed to bring this development about.

### **Big steps for Myanmar**

The challenges facing national participants on the road to democracy are considerable. The military regime must show willingness to re-evaluate their perception of themselves as the only safe-guard against disintegration of the nation. The pro-democratic opposition must accept the participation of the military in government affairs during a period of transition. And the ethnic minorities must be given due recognition as part of the Burmese community so as to restore their belief that a changed future is possible.

### **Big steps for the Internationals**

Helping Myanmar move toward democracy is an equally challenging task for the international community. Firstly there must be acceptance among donors that the process will include all parties if there is to be real outcomes. Secondly, the international community must be realistic about the level of experience in state and governing affairs within the parties involved. It could be

expected that the ability to exercise pragmatism and to compromise is limited<sup>10</sup>. It should be expected that the transition to civilian rule will require major capacity building efforts across all elements of the administration. The international community must be willing to help support this and to agree that the process will take time. Without a consensus on these basic parameters the risk is very high that the Burmese Prime Minister's 7-point road map for installing democracy will fail.

### **The first critical steps**

The UN Secretary General has indicated a direction for working towards the goal of peaceful emergence of democracy in Myanmar. The Norwegian Foreign Minister has been cautiously positive, as have Myanmar's neighbors. In a statement endorsed by the 10 ASEAN leaders at their recent annual meeting in Bali, Indonesian President Megawati, who currently chairs the group, endorsed the Burmese Government's 7-point road map. ASEAN rejected the idea that economic sanctions are conducive to promoting the peace and stability that is essential for democracy to take root<sup>11</sup>. The wording of the statement not only marked ASEAN's return to its non-interference policy, but it also represented the strong support and endorsement of the other Southeast Asian leaders for the policy of the new Burmese Prime Minister. Among the international donors, Australia and Japan currently represent the exceptions to the use of sanctions, although Japan last June suspended its development assistance following the military's crack-down on NLD and arrest of Aung San Suu Kyi. Both countries have for several years followed a policy based on strategic engagement and a belief that a presence in the country and a step by step approach to change is more effective than sanctions and isolation.

### **The next to step up**

It is on this cautiously positive note that the international community may be able to find a positive basis upon which to build a strategy that can support the country. The boycotts and sanctions of the US and EU countries aimed at pressuring the military regime into giving up its reign so far have not generated tangible results toward change. The EU member countries and Norway all have strong democratic institutions. None of them have strategic political interest in Myanmar, but many have long experience in providing aid and doing commercial business with the country prior to 1988. They also have NGO's with the professional capacity and moral

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<sup>10</sup> Throughout its long history, Myanmar has only had western style democracy for a total of 13-14 years; from independence in 1948 to declaration of martial law in 1958, and from the election in 1960 to the military coup in 1962

<sup>11</sup> The Nation, 8 October 2003

integrity required to work under sensitive political circumstances. They could play an important leading role by providing international humanitarian assistance to the country, easing Myanmar's humanitarian crisis and building a foundation of good will and trust among all parties<sup>12</sup>. The European countries could also offer to help coordinate assistance for capacity building through the establishment of national institutions that would serve as counterparts to International NGOs. Such partnerships could promote the principles of good governance in the distribution of humanitarian assistance.

### **A chance to reconsider**

Unfortunately, due to the latest sanctions imposed by the American Congress it may not be possible for the US Administration to join this combined force. The US, with its high priority for supporting the international fight against narcotics drugs production, trafficking and sale, together with its concern for the spread of HIV/AIDS and human trafficking in Southeast Asia, could support economic and social development programmes for minority groups and help establish sustainable alternative income generating activities. The US Government has the experience of assisting Thailand with major infrastructure projects in the northern part of the country during the 60's and 70's. Through this generous assistance, the US made a considerable contribution to Thailand's present day modern democracy, largely free of illegal drug production within its borders.

Australia, Europe, Japan and the US could also pursue the issue of democracy in Myanmar by including it on the agenda of their China policy and by asking for Chinese cooperation, similar to the US attempt with North Korea. Reports from bilateral Chinese-Thai consultations at the APEC meeting in Bangkok 20-22 October 2003 indicate that China may be willing to discuss the issue.<sup>13</sup>

### **Regional advancement**

According to the International Crisis Group (ICG), with several high profile political and academic personalities from Europe and the US on its board, the international community does not face a choice between promoting political change or supporting social development in Myanmar. Both strategies, says ICG<sup>14</sup>, would have to be an integral part of any genuine effort to

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<sup>12</sup> It should be noted that since the mid nineties, Myanmar has received only about USD 50 million per year in ODA which amounts to just USD 1.0 per capita, compared to Laos and Cambodia who in 1997 received USD 37 and USD 71 per capita

<sup>13</sup> The Nation, 22 October 2003

<sup>14</sup> Myanmar: The Politics of Humanitarian Aid. *International Crisis Group*, Asia Report No.32, 2 April 2002

help the country and promote stability and welfare for its 50 million people. Assistance to Myanmar would also mean assistance to the Southeast Asia region as a whole, bearing in mind transboundary issues such as the serious narcotic problems and the spread of HIV/AIDS. ICG recommends that the international community provide more aid, that UNDP's mandate be expanded to allow broader involvement with its core competencies in policy issues and administrative capacity building, and that international donors establish an aid consortium to monitor aid distribution and program implementation in conjunction with the application of other political tools. ICG does not dismiss sanctions and other negative reactions but recommends that they are wielded with due considerations for their humanitarian and human rights impact.

### **Time for the next step**

With Myanmar scheduled to take over the rotating chairmanship of ASEAN by July 2006, the time set by the UN Secretary General for the military to relinquish power to a civilian government is short. The UN System and international NGO's could provide the immediate solution should the international community choose to make a non-political response to the humanitarian crisis in the country. Such partnership with those well placed to start to enact change could be the first step towards creating good will and building confidence to support a process that would achieve a democratic state.

If nothing else, there is an immediate need to carefully consider the specifics of Myanmar and develop a consolidated international response that draws on experience in the region, acting upon the urgent need to help the Burmese people who carry the burden of the international sanctions.