# HIMALAYAN AND CENTRAL ASIAN STUDIES

(JOURNAL OF HIMALAYAN RESEARCH AND CULTURAL FOUNDATION) NGO in Special Consultative Status with ECOSOC, United Nations

Vol. 18 Nos. 1-2

January-June 2014

# **MYANMAR SPECIAL** ASEAN, MYANMAR AND THE ROHINGYA ISSUE Bilveer Singh **ASEAN's Approach to Myanmar** Vo Xuan Vinh SALIENCE OF ENERGY SECTOR IN MYANMAR'S ECONOMIC GROWTH Shebonti Ray Dadwal NUCLEAR MYANMAR: **DORMANCY SHOULD NOT BE TAKEN FOR GRANTED** Ajey Lele Myanmar's Tatmadaw: A Brief Overview Bharat Maheshwari Economic Development and Growth Prospects in Myanmar Pankaj Jha Myanmar in India's Look East Policy Rahul Mishra **Profiling Non-State Armed Insurgent Groups of Myanmar** Anurag Tripathi **ENERGY DYNAMICS OF INDIA-MYANMAR RELATIONS** Rohit Pattanaik CHINA-MYANMAR RELATIONS IN THE TWENTY-FIRST CENTURY Puyam Rakesh Singh CHINA-MYANMAR BORDER DISPUTE RESOLUTION: AN ASSESSMENT Sana Hashmi

# HIMALAYAN AND CENTRAL ASIAN STUDIES

# Editor : K. WARIKOO Guest Associate Editor : RAHUL MISHRA

© Himalayan Research and Cultural Foundation, New Delhi.

- \* All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted by any means, electrical, mechanical or otherwise without first seeking the written permission of the publisher or due acknowledgement.
- \* The views expressed in this Journal are those of the authors and do not necessarily represent the opinions or policies of the Himalayan Research and Cultural Foundation.

SUBSC	RIPTION			
IN INDIA				
Single Copy (Individual)	:	Rs.	500.00	
Annual (Individual)	:	Rs.	1000.00	
Institutions	:	Rs.	1400.00	
& Libraries (Annual)				
OVERSEAS (AIRMAIL)				
Single Copy	:	US \$	30.00	
0 19		UK £	20.00	
Annual (Individual)	:	US \$	60.00	
		UK £	40.00	
Institutions	:	US \$	100.00	
& Libraries (Annual)		UK £	70.00	

Himalayan and Central Asian Studies is included within the ProQuest products

Himalayan and Central Asian Studies is included and abstracted in Worldwide Political Science Abstracts and PAIS International, CSA, USA

Subscriptions should be sent by crossed cheque or bank draft in favour of **HIMALAYAN RESEARCH AND CULTURAL FOUNDATION**, B-6/86, Safdarjung Enclave, New Delhi - 110029 (India)

Printed and published by Prof. K. Warikoo on behalf of the Himalayan Research and Cultural Foundation, B-6/86, Safdarjung Enclave, New Delhi-110029. Distributed by Anamika Publishers & Distributors (P) Ltd, 4697/3, 21-A, Ansari Road, Daryaganj, New Delhi-110002. Printed at Nagri Printers, Delhi-110032.

# EDITORIAL ADVISORY BOARD

### **Prof. Harish Kapur**

Professor Emeritus Graduate Institute of International Studies Geneva (Switzerland)

# Rajiv K. Bhatia

Director General Indian Council of World Affairs Sapru House New Delhi

## Prof. Vitaly Naumkin

Director Institute of Oriental Studies Moscow (Russia)

## Prof. Devendra Kaushik

Gurgaon, Haryana (India)

## Dr. Lokesh Chandra

Director International Academy of Indian Culture New Delhi (India)

## Prof. Priyankar Upadhyaya

Director Malaviya Centre for Peace Research Banaras Hindu University Varanasi (India)

# Prof. Kh. Umarov

Head, Institute of Economy and Development Tajik Academy of Sciences Dushanbe, Tajikistan

# Prof. R. S. Yadav

Chairman Department of Political Science Kurukshetra University Kurukshetra Haryana (India)

# Dr. Sanjyot Mehendale

Executive Director Caucasus and Central Asia Program University of California Berkeley, USA

# Prof. T.S. Sarao

Head Department of Buddhist Studies University of Delhi Delhi (India)

# CONTRIBUTORS

- Prof. Bilveer Singh is with the Department of Political Science, National University of Singapore and Adjunct Senior Fellow, Centre of Excellence for National Security, S. Rajaratnam School of International Studies, Nanyang Technological University. He is also the Vice-President of the Political Science Association of Singapore.
- **Dr. Vo Xuan Vinh** is the Head of Politics and International Studies Department, Institute for Southeast Asian Studies, Vietnam Academy of Social Sciences (VASS), Hanoi.
- **Ms. Shebonti Ray Dadwal** is a Senior Research Fellow and Centre Coordinator, Non- Traditional Security Centre at Institute for Defence Studies and Analyses (IDSA), New Delhi. She is the author of *Rethinking Energy Security in India* (Knowledge World, New Delhi, 2002).
- Dr. Ajey Lele is a Research Fellow and Centre Coordinator, Strategic Technologies Centre at Institute for Defence Studies and Analyses (IDSA), New Delhi. His authored works include Asian Space Race: Rhetoric or Reality? (Springer); Strategic Technologies for the Military: Breaking New Frontiers (SAGE Publication: New Delhi, 2009); Weather and Warfare (IDSA & Lancer Publishers: New Delhi, 2006) and Bio-Weapons: The Genie in the Bottle (Lancer Publishers & Distributors, New Delhi, 2004).
- Dr. K. Yhome is a Research Fellow at Observer Research Foundation, New Delhi.
- Bharat Maheshwari is a freelance writer specializing in military affairs.
- Dr. Sumit Kumar Pathak is Assistant Professor at Central University of Bihar, India.
- **Dr. Pankaj Jha** is Research Fellow with Indian Council of World Affairs (ICWA). Prior to that he worked as Associate Fellow at Institute for Defence Studies and Analyses (IDSA) for six years (2005-2011).
- **Dr. Rahul Mishra** is a Research Fellow at the Indian Council of World Affairs (ICWA), Sapru House, New Delhi. Prior to joining ICWA, Dr Mishra was a Researcher at Institute for Defence Studies & Analyses, New Delhi for four years (2009-2013). In 2012-13, Dr Mishra was a Visiting Fellow at S. Rajaratnam School of International Studies, Nanyang Technological University (Singapore). Dr Mishra was also with National University of Singapore (Singapore) as a Visiting Fellow. He has been a Visiting Fellow at Australian National University (Canberra), Curtin University of Technology (Perth), Monash University (Melbourne) and University of New South Wales (Sydney).
- Sampa Kundu is a Research Assistant at the Institute for Defence Studies and Analyses, (IDSA) New Delhi.
- Dr. Anurag Tripathi is a Research Associate at Institute of Conflict Management, New Delhi.
- Rohit Pattnaik a postgraduate (Defence and Strategic Studies) from King's College, London, is a Senior Consultant at Drewy International.
- Nongthombam Jiten is a Research Associate at the Centre for Myanmar Studies, Manipur University, Imphal, Manipur, India
- **Puyam Rakesh Singh** is a Research Scholar at Centre for East Asian Studies, School of International Studies, Jawaharlal Nehru University, New Delhi, India.
- Sana Hashmi is an Associate Fellow at Centre for Air Power Studies, New Delhi, where she specializes on China.
- Rohit Kumar Mishra is a Research Scholar at Centre for Russian and Central Asian Studies, Jawaharlal Nehru University, New Delhi.

# HIMALAYAN AND CENTRAL ASIAN STUDIES

# Vol. 18, Nos. 1-2

# January-June 2014

# CONTENTS

Editor's Page	Rahul Mishra	1-4
ASEAN, Myanmar and The Rohingya Issue	Bilveer Singh	5-20
ASEAN's Approach to Myanmar	Vo Xuan Vinh	21-34
Salience of Energy Sector in Myanmar's Economic Growth	Shebonti Ray Dadwal	35-43
Nuclear Myanmar: Dormancy Should Not Be Taken For Granted	Ajey Lele	44-51
Mapping the Meaning of Burman Nationalism	K. Yhome	52-63
Myanmar's Tatmadaw: A Brief Overview	Bharat Maheshwari	64-76
Theoretical Underpinnings of Myanmar's Quest for Democracy and Civil Society	Sumit Kumar Pathak	77-92
Economic Development and Growth Prospects in Myanmar	Pankaj Jha	93-105
Myanmar in India's Look East Policy	Rahul Mishra	106-123
India-Myanmar-Northeast India: Challenges and the Way Forward	Sampa Kundu	124-132
Profiling Non-State Armed Insurgent Groups of Myanmar	Anurag Tripathi	133-154
Energy Dynamics of India-Myanmar Relations	Rohit Pattanaik	155-166
The Position of Meitei in the Study of Indian Diaspora in Myanmar	Nongthombam Jiten	167-181
China-Myanmar Relations in the Twenty-first Century	Puyam Rakesh Singh	182-200
China- Myanmar Border Dispute Resolution: An Assessment	Sana Hashmi	201-214
The Bear in the Golden Land: An Assessment of Russia-Myanmar Ties	Rohit Kumar Mishra	215-225

# Editor's Page

Not long ago, in 2011, Myanmar emerged from its five-decade long selfimposed isolation. The country which was ruled by military junta for more than fifty years, has entered into a new phase with the release of a thousand political prisoners including the opposition leader, Aung Sun Suu Kyi. It is for the first time in the country's modern history, that leadership is paying due attention to the human rights conditions in the country and embarking on the path of economic reforms.

Myanmar is now undergoing swift political, domestic, economic and social transformations. On the political front, Myanmar is moving from authoritative military governance to a more democratic system, while on the domestic front, the nominally-civilian Thein Sein's government is endeavouring to make peace with the ethnic groups; thereby, ending a sixty years of internal conflict. Myanmar has also embarked on economic reforms path, which are aimed at transforming the country's economy into a market-oriented economy. Lastly, as the country is steadily coming out of the isolation, it is deviating from its earlier position on its foreign relations. Instead of keeping itself restricted to a few countries, Myanmar has been endeavouring to engage various countries of the world.

Perceived as a Pariah state in a somewhat developed ASEAN region, these reformative steps have yielded constructive results for Myanmar. For instance, people of Myanmar began to extend their support to the government's decision of ethnic reconciliation and 'free and fair elections'. As soon as the reforms were initiated, Myanmar's economy began to grow at the rate of 7.3 percent. At the global level, many countries responded positively to the much-needed economic and political reforms in the country. The US along with Australia lifted many economic sanctions from the country. The US Secretary of State, Hillary Clinton, in December 2011, paid a landmark visit to Myanmar and became the first high profile official from the US to visit Myanmar in the last fifty years. This visit was an indication of Myanmar-US rapprochement. Within a year, in November 2012, the US President Barack Obama paid a historic visit to Myanmar. President Obama's visit to Myanmar was a testimony to the fact that Myanmar's reform process is being accepted by the major powers of the world.

Interestingly, these changes in Myanmar boosted the trust of fellow

ASEAN member states on the country. In 2014, Myanmar, for the first time, took the responsibility of hosting ASEAN Summit as ASEAN Chair. It provided Myanmar with an opportunity to improve its tarnished image at the regional and the global levels.

Essentially, Myanmar is very important for the many countries of the world particularly, its neighbours. Considering that it is a gateway to the two biggest economies of Asia, China and India, Myanmar has enjoyed considerable attention from both the countries. Intriguingly, Myanmar, under military regime, had close relations with China as the latter was the main trading partner and aid provider to Myanmar. The self-imposed isolation in Myanmar coupled with non-existent competition from any other country made China the most influential country in Myanmar. However, the scenario is changing with the initiation of reforms in Myanmar. Myanmar is expanding the ambit of its foreign relations to include other countries as well; hence, minimising the influence of China in the country.

Myanmar holds substantial importance in India's foreign policy manoeuvres as well. Myanmar shares border with India towards its northeastern side and that's how Myanmar is geo-strategically important for India. It would be apt to say that the development of India's underdeveloped north-eastern region partly depends on Myanmar. It is in this context that, in the past few years, under the aegis of its Look East Policy, Indian government has actively initiated plans to enhance trans-South Asian connectivity, links with Myanmar and countries in the Southeast Asian region. In essence, India's moves in the Southeast Asian country have been commendable. It has 'travelled more than half' to bring Myanmar along, in terms of infrastructure development and road, rail, waterways and air connectivity. This will help connect its northeast to Myanmar and the rest of the region and ensure cross-border cooperation on economic aspects. However, illegal immigration from the eastern side has been a main challenge for India. Due to porous borders India has not been able to check illegal infiltration in the country.

Notably, when the other vulnerable countries of the world, Egypt, Tunisia and Syria, were struggling to safeguard their regimes, Myanmar leadership very effectively handled the domestic situation. However, in Myanmar's case, the country is still lagging behind in many areas. There are a few more challenges lying ahead for Myanmar. First, it is the second poorest country in Asia and the poorest in Southeast Asia with a GDP of just US\$ 55 billion. Second, as far as Myanmar's Human Development Index (HDI) is concerned, according to the data from the United Nations Development Programme (UNDP), Myanmar's HDI value for 2012 was 0.498-in the low human development category-positioning the country at 149 out of 187 countries and territories. Social indicators also show Myanmar in a poor light. There is still limited access to electricity and poor infrastructure development in most of the cities. Third challenging issue is the ongoing inter-ethnic violence in Myanmar. So far, nothing concrete has been achieved to pacify the situation. In fact, this is turning out to be a grave security challenge for Myanmar and the neighbouring countries as the situation is deteriorating with the influx of Rohingya refugees to other ASEAN countries. Once again, several questions have been posed on Myanmar's ability to control the crisis.

In such a situation, it is most apt to point out that lot has been achieved by the government, while lot still needs to be accomplished. Myanmar's leadership needs to be a bit more flexible and accommodating in envisaging a roadmap for Myanmar

This issue of the journal is devoted exclusively to Myanmar covering a wide range of topics from analysing internal situation in Myanmar to its foreign policy postures in the self-imposed isolation and reform periods.

# Rahul Mishra

# ASEAN, MYANMAR AND THE ROHINGYA ISSUE

BILVEER SINGH

# ABSTRACT

Formerly known as Burma, Myanmar today is seen as being at the cusp of democratization, the new Eldorado, with Western investments and tourists flooding the former hermit kingdom. Resource-rich and strategically located between India and China, Myanmar has much to offer, not least of which is its largely untapped strategic resources such as oil and gas. The Buddhist majority state, which also hosts various ethnic minorities, has also been inundated with ethnic conflicts since its independence in 1948. An ASEAN member since 1997 and where the regional organization did much to protect Myanmar from Western sanctions, with democratization, ASEAN's doctrine of non-interference has also meant that the regional grouping is largely paralyzed in doing much in the case of Myanmar's treatment of its Muslim minorities. This has created new tensions with ASEAN, especially between Muslim majority ASEAN states such as Indonesia and Malaysia with Myanmar, with non-state actors also active in condemning and punishing Myanmar.

#### Introduction

ASEAN adopted the policy of 'constructive engagement' in the 1990s towards Myanmar then known as Socialist Republic of the Union of Burma. This was to ward off pressures from the West to punish Myanmar for its authoritarian political system and human rights abuses in general. While there were many factors that influenced the West's decision, in particular, this was in response to the repression of demonstrating students by the Burmese security apparatus on 8 August 1988, also known as the '8888 students' uprising'.<sup>1</sup> While the West, mainly the US and the EU, imposed wide-ranging political and economic sanctions on Myanmar, ASEAN countries objected to this approach, partly to protect a fellow

Southeast Asian state that was then being considered for ASEAN's membership, ASEAN's time-honoured policy of non-interference in domestic affairs as well as to prevent Myanmar being forced into the clutches of China, especially after the 1989 Tiananmen Incident, also known as the 'June Fourth Incident' or '89 Democracy Movement'<sup>2</sup> which was akin to Myanmar's earlier repression of the students in 1988. Hence, mainly out of geopolitical considerations as well as to protect a fellow Southeast Asian state, 'constructive engagement' was adopted as ASEAN's approach to Myanmar. Later, when the Rohingya issue surfaced, especially from 2012 onwards, ASEAN's earlier policy of 'constructive engagement' proved counterproductive and even divisive as ASEAN was placed in a quandary to pressure the Myanmar Government with regard to the Rohingya issue. This was especially at a time when the West was championing Myanmar's 'democratization' and largely silent on Myanmar's anti-Muslim policies while ASEAN members, especially with significant Muslim population, were pressurizing Myanmar to cease human rights violations against the Rohingyas and Muslims in general. Some in ASEAN were bewildered that the West, despite the repression against the Muslim Rohingyas, was praising Myanmar's democratic credentials.

# The Rohingya Issue

While the Rohingvas are believed to be associated with Myanmar, largely concentrated in the Rakhine State, the more than half -a- century repression against them has led the Rohingya diaspora being found in South and Southeast Asia as well as in the Middle East. A small minority is also found in the West. While claiming to be an integral part of Myanmar's ethnic make-up, slightly more than 800,000 Rohingyas are believed to be in the Rakhine State, forming part of the larger Muslim community in Myanmar. According to the United States Central Intelligence Agency's World Factbook, in July 2012, Myanmar's population of 60 million consisted of Burmans (68%), Shans (9%), Karens (7%), Rakhines (4%), Chinese (3%), Indians (2%), Mons (2%) and others (5%). In terms of religious makeup, this consisted of Buddhists (89%), Christians (4%), [Baptists, 3%, Roman Catholics 1%], Muslims (4%), animists (1%) and others (2%). If the estimated figure of 800,000 being Rohingyas is accepted, then the size of the Rohingyas in Myanmar in mid-2012 was about 1.467 percent of the total population, a relatively small and largely insignificant number. Also, as about 4% of the population is made up of Muslims, this also meant that some 2.5% non-Rohingyas Muslims are also present in Myanmar.

Who are the Rohingyas? They have been described as Muslims who reside along and near the border between Myanmar's Rakhine State and Bangladesh's Chittagong Division. The Rohingyas claim to be indigenous to the Western districts (referred to by some as the Mayu Frontier Region) or the entire strip of the Rakhine state even though most Buddhists in Myanmar refer to them as 'Bengalis'. This is due to the Rohingyas' origin from the former Bengal state during the British Raj of India. The Rohingyas practice Sunni Islam and speak the 'Rohingya language' (also described as 'Rohingyalish') which is a variation of the Chittagonian dialect of Bengali.<sup>3</sup> Physically, Rohingyas share the dark-skinned features of Bengalis leading many to refer to them as Kalas or black-skinned in Sanskrit. Rohingva political leaders have argued that the Rohingvas are an ethnically distinct from the Bengalis<sup>4</sup> and are descendants of Muslims who arrived in Arakan in the 7<sup>th</sup> century.<sup>5</sup> Today, the term 'Rohingya' is extremely politically charged and has been used since the 1960s.<sup>6</sup> While many Rohingya leaders insist that the Rohingyas are the original occupants of Arakan,<sup>7</sup> the Burmese government, the Buddhist Rakhines and many of non-Muslim Burmese in general view that Rohingyas are Bengalis from Chittagong.<sup>8</sup> The Myanmar Government has refused to recognise the existence of Rohingyas and in the latest census in 2014, insisted that the Rohingyas call themselves Bengalis or risk being deregistered.<sup>9</sup>

The Muslims of Myanmar can be categorized into eight main groups with most of them found in the Rakhine State. The largest of the group is the Rohingyas, often referred to by Buddhist Burmese, especially Arakanese as Chittagonian Bengali Muslims. The 'Indian' Muslims are Muslims of South Asian origins. The Burmese Muslims refer to Bamars who have converted to Islam. The Zerbadees are descendants of mixed marriages mainly of Muslim fathers and Burmese mothers. The Panthays are Chinese Muslims, many of whom are found along the Burmese-Chinese border in the north. The Kamans are descendants of Shah Suja, Governor of Bengal, who took shelter in Arakan, after being overthrown by his brother, Aurangzeb.<sup>10</sup> Their demographic strength is about 300,000<sup>11</sup> and are mainly found in Ramree Island. The Tambukias came from Arabia and were allowed to settle in southern Arakan by King Maha Taing Chandra (788-810). The Turks and Pathans are found in Mrohaung and who came to Arakan in the fifteenth century when King Min Soa Muwn recaptured his throne with the help of his forebears who were in the Bengal Army. Finally, the Myay Du Muslims live in the Rakhine State and are believed

to be descendants of assimilated Muslims from both Bengal and Burma who had served in Burmese royal armies.<sup>12</sup> Often the identities between these groups are sometimes blurred and the collective memories of each society are mixed. Most of Myanmar's Muslims, particularly the Zerbadees, Tambukias, Turks, Pathans, Panthays and Kamans distance themselves from the Rohingyas and Indian Muslims.<sup>13</sup> Other than the Rohingyas, most of Myanmar Muslims have been well assimilated into the Arakanese and Burmese societies.

While religiously distinct, the Muslim Rohingyas and Buddhist Rakhines co-existed peacefully until the Second World War. Some tensions did exist between the Buddhists and Muslims in the 1930s (as seen in anti-Indian riots in 1930 and 1938, and where Muslims were also targeted) but these were no where near the conflict that surfaced since the 1940s.It was amidst the Japanese invasion in early 1942 that sharp fault lines suddenly emerged, with the Arakanese, like other Buddhists, finding themselves supporting the Japanese invaders while the Muslims and other non-Buddhists mainly siding with the retreating British.<sup>14</sup> This etched a sense of betrayal in the minds of the Arakanese and the Burmese of non-Buddhist people inside Myanmar, whose actions showed that they sided with the British colonial oppressors even though later, Aung San and the Buddhist majority also sided with the British against the Japanese. Worst still, during the British retreat, the crumbling British administration armed the sympathetic Muslims in Arakan and created a rear-guard guerrilla force called the V Force to slow down or stop the Japanese with the Muslims promised a 'Muslim National Area' in northwest Arakan in return. On the other hand, the Arakanese received arms from the forward units of Aung San's Burma Independence Army, which clashed with the Muslim-led V Force. Both sides have accused each other of carrying out brutal massacres, with the Rohingyas, for instance, claiming the massacre of over 100,000 Muslims by Buddhists.<sup>15</sup> At the same time, through rapid migration of Muslims from Chittagong, the Muslim population of northwest Arakan increased considerably in the last years of the war.<sup>16</sup>

While the Second World War drove a wedge between the Buddhists and the Muslims of Arakan, this was worsened by the British renege of establishing a 'Muslim National Area' in exchange for Rohingyas' support against the Japanese.<sup>17</sup> As Burma edged towards independence, a leading Rohingya-led Muslim organization, *Jami-atul Ulema-e Islam*'s delegation from Arakan, met Muhammad Ali Jinnah, the future Prime Minister of Pakistan in 1947. The aim was to petition the incorporation of three ASEAN, MYANMAR AND THE ROHINGYA ISSUE

'Muslim' townships of northwest Arakan into the new Muslim state of East Pakistan but this was turned down by Jinnah.<sup>18</sup> Believing that the Muslims in general and the Rohingyas in particular were being persecuted, the *Mujahids*, many of them being former leaders of the V Force, launched a separatist struggle for an independent Muslim state but to no avail. Burmese security forces, despite being preoccupied by other separatist struggles, successfully put down the *Mujahid* struggle and for all intents and purposes, the persecution of the Rohingyas has not ceased ever since.

While there have been intermittent moves by the State against the Rohingyas, such as the 1978 "Operation King Dragon" that saw nearly a quarter million Rohingyas becoming refugees in Bangladesh, a new phase of continuous persecution began in 2012, which has continued to this day. The anti-Rohingyas move, ironically, happened at a time when Myanmar was believed to be undertaking democratic reforms, shedding its military-dominated authoritarian repressive political structure and behaviour, and opening up close political and economic ties with the Western world. Not only have hundreds of Rohingyas and even other Muslims been targeted for killing, it also led to more than 100,000 internally displaced persons in Rakhine State alone as well as forcing thousands to flee abroad, with many seeking refuge in Thailand, Malaysia and Indonesia. It is against this backdrop that ASEAN's Myanmar policy should be analysed, all the more as ASEAN states have also handed the leadership of the regional organization to Myanmar in 2014.

# **ASEAN and Myanmar**

On 8 August 1967, five Southeast Asian states, namely, Indonesia, Malaysia, Philippines, Singapore and Thailand became the founding members of ASEAN. They were soon joined by five others: Brunei (7 January 1984), Vietnam (28 July 1995), Myanmar and Laos (23 July 1997) and Cambodia (30 April 1999). Hence, in 1999 Southeast Asia and ASEAN became synonymous. While Burma was among the first few Southeast Asian states to gain independence in the region (4 January 1948), yet its membership in ASEAN was delayed (July 1997) due to its 'hermit-like' political behaviour, pursuing 'Burmese Socialism' and more importantly, a State that was largely shunned by the international community due to its widespread human rights abuses. Even when Myanmar joined ASEAN in July 1997, it maintained a low profile in the regional organization due to its image as a largely backward state that was riddled with a shameful human rights record. This was in part due to the military-led Burmese

Government's repression of the students' uprising in August 1988. This was further exacerbated by the Myanmar's military junta's annulment of the 1990 general election that was won by the National League for Democracy (winning 392 seats out of 492) and the detention of Aung San Suu Kyi and many National League for Democracy (NLD) members for a long period with the State being ruled by the State Peace and Development Council until 2011.

Ever since, especially through the 1980s, 1990s and the first decade of the twenty-first century, ASEAN has been challenged on how to deal with a Southeast Asian and ASEAN member-state that was largely an embarrassment to the values and ideology that the regional organization stood for. This was all the more in view of ASEAN's various successes on the international arena over issues such as the resolution of the Cambodia conflict and the regional organization's ability to engage the international community in the post-Cold War era. ASEAN's response to the Rohingya issue is best understood by the regional organization's approach to Myanmar as a whole. Here, while the international community, especially the West, adopted sanctions to punish Myanmar, ASEAN adopted a policy of 'constructive engagement' to deal with a regional state and member of a regional organization.

Through the initiative of the Thai Foreign Minister, in 1991, ASEAN adopted a policy of 'constructive engagement' towards Myanmar.<sup>19</sup> The initial aims appear to be the promotion of political reforms in Myanmar while promoting ASEAN's influence to counter what was perceived to be the growing power and influence of China brought about by West's diplomatic and economic sanctions. The single most important embodiment of ASEAN's 'constructive engagement' was Myanmar's membership in ASEAN in July 1997. Through ASEAN's membership, Myanmar was expected to accept and adopt ASEAN's norms and code of conduct, including membership in various dialogue processes with the international community that included the West. Thus, despite the West's policy of sanctions, through ASEAN's membership, Myanmar was given a channel to the external world with Myanmar's participation in important forums such as the ASEAN Regional Forum, Asia-Pacific Economic Cooperation and the Asia-Europe Meeting. At the same time, ASEAN's norms also protected Myanmar, especially through practices such as respect for sovereignty, territorial integrity and non-interferences in domestic affairs. While ASEAN's multilateralism made Myanmar an element of the regional architecture, bilateral relations between ASEAN members and Myanmar also expanded. This was especially so in the economic arena, with ASEAN members such as Thailand, Malaysia and Singapore emerging as important trading partners of Myanmar since 1991, especially at a time of severe Western sanctions.

Myanmar's lackadaisical attempts at political reforms, however, forced ASEAN to adopt a tougher stance, diluting somewhat the regional organization's principle of non-interference. This was especially so after 1998, following the Asian Financial Crisis, leading some to argue that ASEAN's 'constructive engagement' gave way to 'flexible engagement' since 1997.<sup>20</sup> This saw greater public criticisms of Myanmar in ASEAN, especially with regard to the slow movement in the area of democratization, poor human rights record, especially the freeing of political detainees best iconized by the continued detention of Aung San Suu Kyi. Malaysia's prime minister, Mahathir Mohammed even suggested that Myanmar be expelled from ASEAN for failing to undertake reforms and especially to free Aung San Suu Kyi.<sup>21</sup>

In some ways, ASEAN's policy of 'constructive' and even 'flexible' engagement towards Myanmar was a balanced approach, partly to deflect the West's approach of sanctions with ASEAN's attempt to soft-pedal and persuade Myanmar to undertake policy changes without necessarily unraveling the State that could be even more destabilizing for the Southeast Asia region. This was because the military was still viewed as being crucial to safeguard Myanmar's territorial integrity. Through a policy of persuasion and incentives, ASEAN hoped to enhance regional integration by building a strong ASEAN that could hold itself regionally and internationally, and one that included Myanmar. However, as long as the Myanmar Government was believed to be suffering a legitimacy deficit at home, ASEAN's aim could not be achieved and hence, the pressure that was applied on Myanmar to undertake changes at a pace that was reasonable in view of the State's realities, mainly being economic backwardness and continued separatist challenges from various ethnic armed groups such as the Shans, Kachins and Karens. More importantly, through a policy of engagement, ASEAN countries also made its opposition to sanctions clear as these were believed to be counterproductive, would hurt the Myanmar people than the government, would force Myanmar into the hands of China and not provide the necessary incentives to the military junta to undertake reforms.

By November 2010, not only was the State's Constitution re-written, but a new general election was held that gradually ended the rule of the

military junta, mainly through a process of 'civilianization', with General Thein Sein now becoming President Thein Sein. Since 2010, Myanmar's international isolation has largely ended with the West now embracing Myanmar as an emerging democracy, best epitomized by the visit of President Obama to Myanmar in November 2012 and the welcome of President Thein Sein in the White House in May 2013. In the April 2012 by-election, Aung San Suu Kyi, now released from detention, with many of her NLD supporters, also won convincingly in the by-election, where the NLD won majority of the seats (43 out of 46). In addition to President Thein Sein's international visits, Aung San Suu Kyi has also been allowed to travel abroad, especially to Western Europe and the United States. Whoever is to be credited for the change in Myanmar, whether it was the West's sanctions or ASEAN's engagement, the net result is that a new Myanmar seems to be emerging in Southeast Asia. Yet, in one critical area, issues involving the Rohingyas have seen little or no change, and have suffered regression.

# ASEAN's Response to the Rohingya Issue

The little light in the Myanmar 'democratization tunnel' has been dimmed by the Rohingya issue that exploded at a time when the State was believed to be undertaking political reforms, adopting policies of respecting human rights and pluralism, and most importantly, in a multiracial and multireligious political entity that is to be respectful of the minorities. Unfortunately, the Rohingyas, in particular and Muslims, in general, seem to be the new victims of a democratizing Myanmar, in turn, forcing the Muslim-majority states in ASEAN to become pro-active in voicing their disapproval of pogroms, partly a result of 'ground-up' reactions in these societies, especially from political and civil society groups.

The plight of the Rohingyas has greatly attracted the attention of many Muslim communities, especially in South Asia and Southeast Asia. Indonesia and Malaysia, the two key Muslim members of ASEAN, have been key destinations for the Rohingyas' perilous voyages of refuge. They closely monitor the situation of the Rohingyas and regularly voice concerns for their coreligionists. Malaysia has a large and vocal segment in their Rohingya population, and is host to a number of Rohingya advocacy groups and organizations. Although Bangladesh has historically been associated with many of the Rohingya's organizations, Malaysia has also emerged as a key node for Rohingya organizations. As their disposition catches more media attention, in part due to the focus on Myanmar's ASEAN, MYANMAR AND THE ROHINGYA ISSUE

internal politics and partly from human rights and Islamic organizations bringing to light their plight, it has helped to attract sympathy, political and non-political support from a number of Muslim organizations across the region. For example, the *Nahdatul Ulama* and *Muhammadiyah*, the largest and second largest Islamic organizations in Indonesia respectively, have urged the Indonesian government to proactively assist the Rohingya.<sup>22</sup> They argue that the Indonesian government should engage or pressure the Myanmar government in order to ensure the Rohingyas' rights. Yet, to date, most of the support shown towards the Rohingya by governments and organizations has been limited to rhetoric and acceptance as refugees. The attempt to create a regional Caliphate by some radical Islamist groups (such as the *Jemaah Islamiyyah*) has been justified as an approach to ensure the security of the Rohingya alongside other Muslim minorities in Southeast Asia.<sup>23</sup> The inclusion of parts of Myanmar in a potential Caliphate has only served to strengthen suspicion against the Rohingyas.

Moshe Yegar had compared the Rohingyas with other Muslim minorities in Southeast Asia who face a similar political situation – the Pattanis of Southern Thailand and the Moros of Mindanao. In these three groups, the Moros and the Pattanis have exhibited greater links to radicalism and violence than the Rohingyas. Militant groups from these two ethnicities also display a greater degree of leadership, connectivity to external Islamic organizations and sympathizers, competence and resourcefulness than Rohingya groups.<sup>24</sup> Yet, the Moros and Pattanis could become role models or inspiration for the Rohingva Solidarity Organization or any new terror-inclined outfits, should events allow doing so. Another possibility is that non-Rohingya militants could take up the Rohingya's cause and contribute to their political expression, albeit in a violent matter. The Ummah spirit of Islam, of an undivided and all encompassing Muslim society, could play a significant role in motivating militants outside Myanmar and with no connection whatsoever to the Rohingyas to engage in terrorist activities against both the Burmese government and the Burmese people. However, currently, this aspect still remains in the realms of fear mongering, given the reactions (or lack thereof) of regional Muslims and governments of Muslim-majority nations.

Following the upsurge of violence against the Rohingyas in Myanmar in May-June 2012, under public pressure, the Indonesian Government became more active, as did Indonesian civil society, in criticizing the Myanmar Government for the repression of the Rohingyas. Among others, this saw the visit of Jusuf Kalla, the Chairman of Indonesia's Red Cross,

to Rohingyas refugee camps in Myanmar in August 2012.<sup>25</sup> Jusuf Kalla was also appointed by Indonesian President Susilo Bambang Yudhoyono as the special envoy on the Rohingya issue, the first time it has done so. President Bambang hoped that "Mr Kalla, with his extensive experience, can become our special envoy, so that Indonesia's solidarity and attention on the humanitarian issue of the Rohingya is accurate, does not give rise to misunderstanding for Myanmar but also helps our Rohingya brothers and sisters".<sup>26</sup>

Prior to the May-June 2012 sectarian conflict, Indonesia was already playing host to four groups of Rohingya refugees in Aceh, Sumatra. In January 2009, February 2009, February 2011 and later, in February 2011, 194, 198, 129 and 54 Rohingya 'boat people' were rescued and given refuge in northern Sumatra.<sup>27</sup> At the same time, the New York-based Human Rights Watch warned that Indonesia should brace for more Rohingya refugees as the situation in the Arakan was not expected to improve, with more 'boat people' expected in Indonesia from October 2012 to March 2013.<sup>28</sup> Partly due to this, not only did President Bambang directly communicate with Myanmar's President Thein Sein, but Indonesia's foreign minister, Marty Natalegawa also claimed that his country was in the forefront of the Rohingya issue in ASEAN having "moved a statement on the Rohingya [in ASEAN] and diplomatic efforts have resulted in an ASEAN statement on the Rohingya problem".<sup>29</sup>

Beyond the Indonesian Government, the Muslim-majority state's civil society was equally active, especially the moderate Muslim organizations such as *Nahdatul Ulama* and *Muhammadiyah* sending muchneeded aid to the Rohingya refugees. Yet at the same time, Indonesian Islamist radicals also exploited the issue. The radical Islamist vigilantes, the *Islamic Defenders Front* (FPI), in addition to organizing demonstrations, are believed to have attacked two Buddhist temples in Makassar, South Sulawesi. Protesting the killing of Rohingyas, a rally by the FPI turned violent when two Buddhist temples were attacked, namely, the Kwang Kong and Xian Ma Buddhist temples.<sup>30</sup> Another radical Indonesian Islamist group *Hizb ut-Tahrir* protested outside the Myanmar embassy in Jakarta and promised to wage *jihad* against Myanmar's "Muslim cleansing" policies: "We are ready to die to help our fellow Muslims in Myanmar. A *Jihad* is the only way to stop this massacre" argued the group.<sup>31</sup>

Equally significant was the letter written by Abu Bakar Bashir, the spiritual leader of Indonesia's radical group, *Jemaah Anshorut Tauhid* (JAT) to President Thein Sein, among others, threatening to launch a 'holy war'

ASEAN, MYANMAR AND THE ROHINGYA ISSUE

against Myanmar for repressing the country's Muslims. According to JAT's spokesperson, Son Hadi, Abu Bakar Bashir warned: "You must know that we are brothers as Muslims. Their pains are our pains, their sorrows are our sorrows, and their blood that you shed is our blood too. By the will of Allah, we can destroy you and your people".<sup>32</sup> The full letter was later published on Islamist websites Arrahman.Com and Voa-Islam.com.<sup>33</sup> The aspects raised in the letter include: "We are not willing to accept the treatment you and your people have imposed on our Muslim brothers and sisters who have been wronged". The Ustadz called on the Myanmar President to "stop the injustice of the expulsion, massacre of Muslims; give them the freedom to embrace Islam and work; and that there be no more discrimination against Muslims". Failing which, the JAT spiritual leader threatened that "the destruction of the lands in the hands of the Mujahideen will take place" and that "we will be able to treat you and your people like a Russian communist socialist state that has been shattered in Afghanistan or like America \ which would soon be perishing".<sup>34</sup>

If Abu Bakar Bashir's earlier letter to the Myanmar President evoked a series of protests and demonstrations in Jakarta against the Myanmar Government, following the March 2013 riots against Myanmar Muslims, the situation worsened with Abu Bakar Bashir threatening to declare *jihad* against Myanmar. On 23 April 2013, Abu Bakar Bashir declared that the only option left to end the genocide against Muslims in Myanmar was through *jihad*. He blamed the tragic position of the Rohingyas on Muslims themselves:

All of this [the Rohingya tragedy] is our own fault if we do not wage jihad. The Muslims in the Philippines are strong because they wage jihad. If the Muslims are the minority, they are the target of the massacre [by the majority]. If they are in power, it is the infidels who will receive justice. [They say] Buddhism is about love. That is nonsense. Here we have proof that Buddhists are slaughtering Muslims.<sup>35</sup>

Following Abu Bakar Bashir's call for *jihad*, the anti-Myanmar sentiments were raised higher when in May 2013, the Indonesian security authorities shot dead 7 members and captured 13 for their planned role in bombing the Myanmar Embassy in Jakarta in revenge for the killings of Rohingyas in particular and Muslims in general.<sup>36</sup> Earlier, on 2 May, the Indonesian security authorities arrested two suspects for planning to bomb the Myanmar Embassy.<sup>37</sup> This was followed by a strong demonstration by the FPI with its leader declaring that "we want to jihad" to "stop the genocide in Myanmar". Similar demonstration also took place in Solo and

Medan.<sup>38</sup> A number of Muslim groups, however, rejected the call for *jihad*, arguing that they had their own way of resolving the conflict.<sup>39</sup>

Following the abortive attack on the Myanmar Embassy in Jakarta, two RSO militants, Abu Arif and Abu Shafiyah, visited Jakarta in July 2013 for the ostensible goal of recruiting fighters, collecting funds and to acquire weapons, including bomb-making instructors.<sup>40</sup> Both leaders also reported that some 300 Rohingyas affiliated with the RSO were undergoing military training in the Rakhine State in order to undertake retaliatory attacks against the Buddhists for attacks on Muslims in Myanmar. Abu Arif and Abu Shafiyah's visit was exposed by *Ar Rahman Media Network* website, a radical website founded by Muhammad Jibril, a leading member of the *Jemaah Islamiyyah*.<sup>41</sup> The *Ar Rahman* website also uploaded 28 photographs showing Rohingyas undertaking military with light to medium weapons.<sup>42</sup> Both RSO leaders were said to have visited the *Indonesian Mujahidin Council, Islamic Community Forum* and *Islamic Defenders Front*, groups that were said to be sympathetic to the Rohingyas and their aspirations.

On 4 August, two low-powered bombs exploded in a Buddhist temple in Jakarta (the Ekayana Buddhist Centre), injuring three worshippers and part of the temple building.<sup>43</sup> While this appeared to be a follow-up of the failed May 2013 bombing, no group claimed responsibility for the attack. However, found among the bombed ruins in the temple was a written note that stated , "we are responding to the cries of the Rohingyas', directly indicating that the attack was not just anti-Buddhist in nature but also linked to the Rohingya conflict in Myanmar. Later, the Jakarta Police arrested Muhammad Syaiful Sabani in mid-August 2013 who was alleged to have funded the foiled attack on the Myanmar Embassy in Jakarta and was also believed to be linked to the Buddhist temple attack in Jakarta.<sup>44</sup>

At the same time, there appears to be a spilling over of the Rohingya conflict into Myanmar's neighbours, with open violence already breaking out in Indonesia and Malaysia, the region's two largest Islamic states. In April 2013, anti-Buddhist riots by Muslim Rohingyas broke out in detention centre in Medan, resulting in the death of eight Burmese Buddhists. The prison brawl was apparently sparked by the Burmese Buddhists' harassment of Rohingya women in the detention centre.<sup>45</sup> In early June 2013, there were serious riots involving Rohingyas and Buddhist Burmese in Kuala Lumpur, Malaysia that resulted in the death of four men with another twenty-one being seriously injured. This led Kuala Lumpur Deputy Police Chief Amar Singh to argue that "the religious sentiments back home

have caught up with Myanmar workers here, leading to both Muslim and Buddhist groups launching heinous attacks on each other in areas with a large number of Myanmar nationals".<sup>46</sup>

While above discussion examined responses from individual states and non-state actors, ASEAN as an organization seem to be a few step behind, largely being restrained by its past policies and doctrines of respecting each others' territorial sovereignty and integrity as well as noninterference in the internal affairs of ASEAN member-states. Yet, it will be equally fair to note that there were some changes that led to ASEAN being more proactive with regard to Myanmar than it was in the past. Broadly speaking, for about a decade from the repression of the students' demonstration in 1988 until the Asian Financial Crisis in 1997, ASEAN largely adopted a hands-off policy, counseling engagement rather than sanctions as were being pursued by the West.

This approach changed following Myanmar's membership into ASEAN in 1997, leading to the onset of 'flexible engagement', which lasted from 1997 to 2008. This marked the onset of ASEAN's pressure on Myanmar to reform politically and to free political detainees as ASEAN as an organization was bearing Myanmar's brunt. One high point in this was denying the ASEAN Chair that Myanmar was entitled on a rotation basis in 2006. In August-September 2007, Myanmar was again under ASEAN's pressure due to its brutal repression of demonstrating monks. This led the then Singapore Foreign Minister, also ASEAN Chair, George Yeo to organize an ASEAN Foreign Ministers meeting in New York, declaring the regional grouping's "revulsionÖover reports that the demonstrations in Burma/Myanmar are being suppressed by violent force and that there has been a number of fatalities", while at the same time, counseling the "exercise of utmost restraint".<sup>47</sup>

Myanmar's present track of democratization was launched following *Cyclone Nargis* in May 2008 where ASEAN was the conduit for international assistance, with ASEAN Secretary General, Surin Pitsuwan playing an active role in promoting projecting a new image of Myanmar abroad. This eventually saw the emergence of 'democratizing Myanmar' with elections due in 2015 that will be the transition to democracy taking another leap forward. ASEAN's pro-active role was mainly aim at reducing the political costs to itself of a 'pariah' state within the regional grouping as well as providing an opening to Myanmar to breakaway from the political and economic clutches of China. The new attitudes of leaders, both military and civilian in Myanmar, also facilitated the transition in

Myanmar, Yet, an unintended consequence of Myanmar's democratization was the rise of undemocratic policies towards the Rohingya minorities, that has now spread to most Muslims, worsened not just by inaction of the security apparatus but also the rise of hard line Muslim groups, led, for instance by Wirathu and the '969' Movement, that promotes a 'Buddhist-first' and 'anti-Muslim' agenda.<sup>48</sup>

# Conclusion

Whether ASEAN's 'constructive engagement' policies were critical in shaping Myanmar's political outlook towards one of soft authoritarianism is debatable but it did certainly play a part in reducing the blows of Western sanctions since 1988. While Myanmar's membership in ASEAN in 1997 did provide the former with some degree of legitimacy and sanctuary, the converse was also true, where Myanmar's continued repressive policies hurt ASEAN's image internationally, in turn, forcing ASEAN to adopt stronger measures to persuade Myanmar to reform for the good of itself and ASEAN a whole. While Myanmar did adopt new policies of democratization after Cyclone Nargis, its repressive policies towards the Rohingyas and Muslims in general, has created new fractures in ASEAN, where as an organization, it has been largely helpless (especially when Myanmar now is the ASEAN Chair) even though individual ASEAN members, especially Malaysia and Indonesia and non-state groups have been active in pressurizing Myanmar to respect its Muslim population. One consequence of Myanmar's anti-Rohingya policy has been the spread of anti-Myanmar sentiments in Malaysia and especially Indonesia, where radical groups have threatened to punish Myanmar and its Buddhist population for their anti-Rohingya pogroms, in turn, creating new divisions within the regional grouping.

# References

- 1. Seth Mydanis, "Uprising in Burma: The Old Regime under Siege", *The New York Times*, 12 August 1988.
- 2. Nan Lin, *The Struggle for Tiananmen: Anatomy of the 1989 Mass Movement'*. Boulder, Colorado, Praeger, 1992.
- 3. 'Visiting the Rohingya, Burma's Hidden Population'. *Time*, March 10, 2009. Accessed February 15, 2014. http://www.time.com/time/world/article/ 0,8599,1883976,00.html); 'Muslims and Rohingya,' *Minority Rights Group International*. Accessed February 10, 2014, http://www.minorityrights.org/ ?lid=4493&tmpl=printpage.
- 4. 'Rohingya, not Bengali (Burma).' Himal, April 2009. Accessed March 13, 2011.

(http://himalmag.com/component/content/article/58/483-Rohingya,-not-Bengali-%28).

- 5. Habib Siddiqui, 'Rohingya: The forgotten people.' *ARNO*, August 30, 2007. Accessed January 29, 2011. (http://www.rohingya.org/index.php?option= com\_content&task=view&id=143&Itemid=70) Burma%29.html).
- Bertil Lintner, "Bangladesh Extremist Islamist Consolidation". *Faultlines*, Vol.14, July 2003, p. 4
- Shau Khat, "Toward [sic] Understanding Rohingya". ARNO, October 6, 2006. Accessed March 15, 2011. (http://www.rohingya.org/index2.php?option= com\_content&do\_pdf=1&id=67)
- 8. Wai Moe, "Burma Insists Rohingyas are 'Bengalis'." *The Irrawaddy*, February 27, 2009. Accessed March 16, 2014, (http://www.irrawaddy.org/article. php?art\_id=15209).
- 9. "UN 'deeply concerned' by Myanmar's Rohingya census ban". *Daily Times*, 3 April 2014.
- 10. Khin Maung Saw, "Religions in Arakan," 9 August 2009, p. 7.
- 11. *Ibid*, p. 8.
- 12. *Ibid*, p. 8.
- 13. Khin Maung Yin, "Salience of Ethnicity among Burman Muslims: A study in identity formulation". *Intellectual Discourses*, Vol. 13, No. 2, 2005, pp. 168-9.
- 14. Bertil Lintner op. cit., p. 4.
- 15. Jilani, A.F.K, "The Muslims massacre of 1942." Arakan Rohingya National Organisation, October 6, 2006. Accessed March 22, 2011, (http:// www.rohingya.org/index.php?option=com\_content&task=view&id= 55&Itemid=33)
- Moshe Yegar, "The Crescent in Arakan", http://danyawadi.wordpress.com/ 2012/01/06/the-crescent-in-arakan..
- 17. Mohammed Ashraf Alam, "A Short Historical Background of Arakan." *Rohingya Times*. Accessed March 29, 2011,(http://rohingyatimes.org/index.php?option= com\_content&view=article&id=192:a-short-historical-background-ofarakan&catid=42:articles&Itemid=63)
- Aye Chan, "The Development of a Muslim Enclave in Arakan (Rakhine) State of Burma (Myanmar)". SOAS Bulletin of Burma Research, Vol. 3, No. 2 Autumn 2005 pp. 408-409); Khin Maung Yin, 2005, p. 165.
- See Fan Hongwei, "ASEAN's 'Constructive Engagement' Policy toward Myanmar". China International Studies, March/April 2012 and Amitav Acharya, rSEAN and Burma/Myanmar: Past and Prologue", Sigur Center for Asian Studies, Policy Brief - April 2012.
- 20. Amitav Acharya, fSEAN and Burma/Myanmar: Past and Prologue". Sigur Center for Asian Studies, *Policy Brief* April 2012.
- 21. Ibid.
- 22. "Ormas Islam Desak Pemerintah Bantu Rohingya". *Republika*, February 4, 2009. Accessed May 29, 2011, (http://koran.republika.co.id/koran/0/29289/ Ormas\_Islam\_Desak\_Pemerintah\_Bantu\_Rohingya).
- Uddin, Amad, "The Forgotten Ummah: The Rohingya Muslims." *Khilafah.com*, December 23, 2010. Accessed May 30, 2011, (http://www.khilafah.com/ index.php/analysis/asia/10893-the-forgotten-ummah-the-rohingya-muslims).
- 24. Moshe Yegar, Between Integration and Secession: The Muslim Communities of the Southern Philippines, Southern Thailand, and Western Burma/Myanmar.Lexington, Lexington Books, 2002. p. 362.
- 25. See "Kunjungi Pengungsi Rohingya". Analisa Minggu, 12 August 2012.

Himalayan and Central Asian Studies Vol. 18, Nos. 1-2, January-June 2014 19

- 26. Arientha Primanita, Ezra Sihte and Dessy Sagita, "SBY Turns to Ex-Veep on Rohingya Issue". The Jakarta Globe, 18 August 2012.
- 27. See Junaidi Hanafiah, "Warga Aceh Tolong Ethnis Rohingyas". Sinar Harapan, 2 February 2012.
- 28. Dessy Sagita, "Indonesia should brace for more Rohingya refugees: HRW". The Jakarta Globe, 10 August 2012.
- 29. Arientha Primanita, Ezra Sihte and Dessy Sagita, "SBY Turns to Ex-Veep on Rohingya Issue". The Jakarta Globe, 18 August 2012.
- 30. See Rahmat, "FPI attacks Buddhist temples during Rohingya protest". The Jakarta Globe, 10 August 2012.
- 31. See "Jailed Indonesia cleric threatens Myanmar over Rohingya". AFP News, 3 August 2012. See http://sg.news.yahoo.com/jailed-indonesia-cleric-threatensmyanmar-o
- 32. Ibid; also see "Radical cleric threatens Myanmar over Rohingya". Associated Press, 5 August 2012. See http://www.newsvine.com/\_news/2012/08/05/ 13125639-radical-cleric-
- 33. See Kazi Mahmood, "A letter to Myanmar President by Abu Bakar Bashir". Access at https://www.facebook.com/notes/kazi-mahmood/a-letter-tomyanmar-pre...; and "Uztadz Ba'ashir Serukan Jihad Ke Myanmar bela Muslim Rohingya". VOA.ISLAM.COM, 2 May 2013.Access at http:/m.voa-islam.com/ news/indonesiana/2013/05/02/24323/ustadz-ba..
- 34. Cited in Kazi Mahmood, Op cit.
- 35. See "Indonesian Groups call for Jihad Against Burma, to Dismay of Burmese Muslims". The Irrawaddy, 3 May 2013; "Uztadz Ba'ashir Serukan Jihad Ke Myanmar bela Muslim Rohingya". VOA.ISLAM.COM, 2 May 2013.Access at http:/m.voa-islam.com/news/indonesiana/2013/05/02/24323/ustadz-ba..;
- 36. See "7 shot dead over Myanmar bomb plot". The Australian, 9 May 2013.
- 37. See Niniek Karmini, "Indonesia says 2 arrested for Myanmar Embassy Plot". Accessed at http://www.philstar.com/world/2013/05/03/937913/ indonesia-says-2-a...
- 38. *Ibid*.
- 39. See "Muslim groups in Burma reject call for Jihad". Khabar Southeast Asia, 7 May 2013.
- 40. Zakir Hussin," 2 Rohingya leaders go shopping for terror in Indonesia", The Straits Times, 11 July 2013.
- 41. Ibid.
- 42. See "Jihad started in Burma", Kavkazcentre.com. 12 July 2013. Available at http://kavkazcentre.com/eng/contet/2013/07/12/18041\_print.html
- 43. "Govt deplores Buddhist temple attack". The Jakarta Post, 5 August 2013.
- 44. Yuliasri Perdani, "Terror suspect could be linked to Buddhist temple bombing: Police". The Jakarta Post, 12 August 2013.
- 45. Hanna Hindstrom, "Indonesian Prison Riot Sparked by Rapes of Rohingya Inmates". Democratic Voice of Burma, 10 April 2013.
- 46. Cited in Yong Y. Hen Nie, "Myanmar Clashes Spill into Malaysia". The Straits *Times*, 5 June 2013.
- 47. Cited in Amitav Acharya, fSEAN and Burma/Myanmar: Past and Prologue". Sigur Center for Asian Studies, Policy Brief - April 2012.
- 48. "Ashin Wirathu: The Monk Behind Burma's "Buddhist Terror". Time Magazine, 25 June 2013.

# ASEAN'S APPROACH TO MYANMAR

VO XUAN VINH

## ABSTRACT

Myanmar's recent developments, especially those taking place from March 2011, have attracted international community's attention. Strategic location of Myanmar as a bridge linking South Asia and Southeast Asia, and China's growing influence in this country made ASEAN founding countries decide to engage with Myanmar. The paper analyses the ASEAN-Myanmar relationship in brief since 1997. Developments of the relationship since May 2008 and prospects of relations between the two sides in the context of Myanmar's ASEAN Chairmanship and ASEAN Community building are also examined.

## Background

When the Association of Southeast Asian Nations (ASEAN) was established in 1967, the leader of Myanmar at that time, General U Ne Win, declined to join the group due to the perception that ASEAN did not qualify as non-aligned grouping<sup>1</sup> although 'the eventual inclusion of Myanmar as a member in ASEAN has been in the Association's sights from the beginning.<sup>2</sup> Time passed by, and Myanmar tested the possibility of membership in ASEAN again. The association suggested that it might only be prepared to go as far as providing 'observer status'.<sup>3</sup> In 1991, Thai Foreign Minister Arsa Sarasin proposed to implement a 'constructive engagement' policy toward Myanmar and his suggestion was approved at the ASEAN Ministerial Meeting in the same year.<sup>4</sup> In 1994, Myanmar foreign minister U Ohn Gyaw was invited to attend the ASEAN Summit meeting in Bangkok as a guest. After signing the Treaty of Amity and Cooperation (TAC) in Southeast Asia on 27 July 1995, Myanmar became an official observer of ASEAN and a member of the ASEAN Regional Forum (ARF) in 1996. In July 1997, Myanmar became a full member of ASEAN.

It is important to note that Myanmar became a member of ASEAN, amidst the US and Western countries strongly opposing, because ASEAN member states and Myanmar shared common principles in international relations. When the State Peace and Development Council seized power in 1988, Myanmar's foreign policy focused on the following issues:

- Upholding of the Five Principles of Peaceful Co-existence;
- Maintaining friendly relations with all nations;
- Active support for the UN and its subsidiary organisations;
- Pursuit of mutually beneficial bilateral and multilateral cooperation programs;
- Regional consultation and beneficial cooperation in regional economic and social affairs;
- Opposition to imperialism, colonialism, neo-colonialism, interference, aggression and domination of one state by another; and,
- Acceptance of foreign aid beneficial to national development provided there are no strings attached.<sup>5</sup>

The 'Five Principles of Peaceful Co-existence'<sup>6</sup>, which includes, among other things, 'non-interference in each other's internal affairs, have become a basic principle of Myanmar's foreign policy. Since its establishment in 1967, ASEAN has also been following the Five Principles in spirit. Even the ASEAN Charter, which came into effect in 2008, echoes the same.

ASEAN's principles on international relations at that time were reflected in the 1967 ASEAN Declaration (Bangkok Declaration) and the TAC. Both Bangkok Declaration and TAC underlined the importance of non-interference in the internal affairs of one another. While Bangkok Declaration displayed ASEAN member states' determination to ensure their stability and security from international interference in any form,<sup>7</sup> TAC emphasized on, 'the right of every State to lead its national existence free from external interference, subversion or coercion' and 'noninterference in the internal affairs of one another'.<sup>8</sup> Similar principles of international relations, at least of non-interference, became one of the key reasons for bringing ASEAN and Myanmar closer.

Besides similar perceptions in their foreign relations, ASEAN and Myanmar also had shared strategic calculations. Both ASEAN and Myanmar knew the importance of each other. In ASEAN member states' perceptions, the admission of Myanmar into ASEAN would lessen China's influence on the former.<sup>9</sup> The formations of European Union (EU) and North American Free Trade Agreement (NAFTA) created the apprehension that ASEAN would be marginalized by trade restrictions from these two blocs.<sup>10</sup> The realization of the ASEAN-10, which includes Myanmar, among

others, was constant in minds of ASEAN leaders. For its part, the State Peace and Development Council (SPDC) saw ASEAN's policy of constructive engagement towards Myanmar a chance to counter external criticisms. The policy might also provide Myanmar with benefits coming from ASEAN member states' investment in that country. Furthermore, facing with challenges originating from embargoes posed by the US and Western countries, having closer relations with ASEAN countries will possibly reduce Myanmar's dependence on China.<sup>11</sup>

When the Cold War ended and ASEAN decided to implement the policy of 'constructive engagement' with Myanmar, the similarity in each side's principles of international relations and shared strategic calculations brought ASEAN and Myanmar closer and Myanmar became a formal member of ASEAN could be seen as a suitable result.

## 1997-2008

From 1997 to 2002, ASEAN approached Myanmar in a constructive manner. During that period, on one hand, ASEAN avoided to bring Myanmar issue in its statements to varying degrees and made efforts to include it in forums and cooperation mechanism in the region. Myanmar issue was not mentioned in the Joint CommuniquÈs of ASEAN Ministerial Meetings (AMM) of 1999, 2000 and 2002, in Chairman's Statement of 1999 ASEAN Informal Summit or of 2001 ASEAN Summit. Domestic issue of Myanmar was gently referred to in Joint CommuniquÈ of the 34<sup>th</sup> AMM when ASEAN member states noted encouraging developments in Myanmar and appreciated the efforts of the Government of Myanmar towards the developments and reiterated their support to the ongoing process of national reconciliation in the country.<sup>12</sup>

With a view of enhancing ASEAN unity, ASEAN member states raised their voices to campaign for Myanmar's membership in Asia-Pacific Economic Cooperation (APEC) and Asia-Europe Meeting (ASEM). Leaders of ASEAN member states agreed at the 4<sup>th</sup> ASEAN Informal Summit that 'Cambodia, Laos and Myanmar should be involved in APEC Working Groups, with a view to eventual membership'.<sup>13</sup> At the 6<sup>th</sup> ASEAN+3 Summit, China, Japan and South Korea supported the early inclusion of Cambodia, Laos and Myanmar in the ASEM<sup>14</sup> bolstering ASEAN's expectations

As a member of ASEAN, Myanmar hosted several meetings in frameworks of ASEAN and ASEAN+3. Yangon organized the Second AMM on Transnational Crime in June 1999 and ASEAN informal foreign

#### Vo Xuan Vinh

ministers' retreat in April 2001. In the framework of ASEAN+3, Myanmar hosted the First ASEAN+3 Economic Ministers' Meeting in May 2000.

From 2003 to 2008, ASEAN seemed to have a closer approach toward Myanmar's domestic issue, then known as 'flexible engagement'. The Depayin incident of 30 May 2003, in which four members of National League of Democracy (NLD) were killed and Aung San Suu Kyi was put under detention again, made ASEAN, for the first time at 36<sup>th</sup> AMM in June 2003, take a public stance on the political developments in Myanmar, of course, with the acceptance of Myanmar Foreign Minister Khin Nyunt. ASEAN 'urged Myanmar to resume its efforts of national reconciliation and dialogue among all parties concerned leading to a peaceful transition to democracy'.<sup>15</sup> And Myanmar assured to implement measures to early lifting of restrictions placed on Daw Aung San Suu Kyi and the other members of NLD.<sup>16</sup> Malaysia, an ASEAN member that strongly defended the inclusion of Myanmar in ASEAN before, now raised strong voice to put pressure on Myanmar, warning that Myanmar could face the expulsion from ASEAN.<sup>17</sup>

Apart from ASEAN's response, the Depayin incident also activated reactions leading to the hearing of the Myanmar case at the United Nations Security Council (UNSC). Beijing was requested to exercise its influence in Yangon to help bring about the political change. As a result, China began to pressurize Myanmar's leaders to fulfill their promises and international obligations.<sup>18</sup> Against this background, Myanmar Prime Minister Khin Nyunt announced on 30 August 2003, a 7-Step Programme (The 7-Step Road Map) for Myanmar's Transition to a Democratic State.<sup>19</sup> Clearly, the idea was to evade international criticism. After that move of Myanmar, ASEAN significantly weakened its stance over Myanmar by agreeing at the 9th ASEAN Summit in Bali in October 2003 that 'sanctions (imposed on Myanmar) are not helpful in promoting peace and stability essential for democracy to take root'.<sup>20</sup> Then, Myanmar and China cochaired two meetings of the ARF Inter-Sectional Support Group on Confidence Building Measures (ISG on CBMS) in November 2003 and April 2004 in Beijing and Yangon respectively.

Furthermore, when Myanmar got integrated into several regional mechanisms, the pressure put on it became stronger. Making efforts to include Myanmar in those institutions burdened ASEAN. For instance, when ASEM was expanding its membership in 2004, there were tough discussions between EU and ASEAN. A compromise was reached when the two sides agreed that Myanmar's highest representative at ASEM would be someone lower than the head of state/government level. ASEAN's flexibility was remarkable when at the ASEAN summit in Vientiane in November 2004, Myanmar issue was not mentioned in the chairman's statement.

However, instead of displaying its sincerity, Myanmar chose the occasion to announce that they would continue to detain Aung San Suu Kyi for another year.<sup>21</sup> The US called for Myanmar to step down from its scheduled chairmanship of ASEAN in 2006. Pressure to suspend Myanmar from taking ASEAN chair also came from legislative branches of several ASEAN member states such as Philippines and Malaysia.<sup>22</sup> While leaders from countries such as Thailand did not want to put too much pressure on Myanmar, the junta after discussion with Indonesia at the sidelines of the Asian-African Summit in May 2005, decided that it did not want to be an obstacle for ASEAN and expressed its abdication of the ASEAN chair.<sup>23</sup> ASEAN made efforts to convince Myanmar to improve its domestic situation, and tried to protect the traditional ASEAN Way. In September 2005, when Netherlands refused to issue visa for Myanmar's economic minister, the ASEAN economic ministers boycotted the ASEM meeting and instead sent only senior officials. However, Myanmar did not honour the wishes of the ASEAN members. On 3 December 2005, SPDC announced the extension of Aung San Suu Kyi's detention, just over a week before 11th ASEAN summit held in Kuala Lumpur. As a result, ASEAN official 'called for the release of those placed under detention'.<sup>24</sup>

ASEAN's unease further increased after the UN special envoy to Myanmar, Razali Ismail resigned from his post in January 2006, citing the reason that Myanmar did not want him to enter the country. However, ASEAN continued with its flexible engagement when Indonesian President Susilo Bambang Yudhoyono paid a visit to Yangon and reached an agreement with Myanmar on a joint commission to discuss and assist with the seven-point road map to democracy.<sup>25</sup> However, when Malaysian representative paid a visit to Yangon, he was neither allowed to meet with General Than Shwe nor the opposition leader Aung San Suu Kyi. ASEAN then thought of 'taking a step back' from further engaging Myanmar and helping it move forward.<sup>26</sup>

ASEAN's patience was one again challenged when some critically important incidents happened in Myanmar in 2007. The unrest in Myanmar, which took place from August to October led to the release of ASEAN Chairman's Statement on Myanmar on 18-22 November 2007. This was the first time ASEAN adopted a separate statement highlighting

#### VO XUAN VINH

that Myanmar could not go back, and urged Myanmar government to work with the UN and other international bodies to open up a meaningful dialogue with Aung San Suu Kyi and NLD; lift restrictions that were imposed on Aung San Suu Kyi and release all political detainees; and work towards a peaceful transition to democracy.<sup>27</sup>

# **Developments since 2008**

The Nargis Cyclone, which took place in May 2008, devastated the country. However, the tragic incident led to the beginning of a new period in ASEAN-Myanmar relations.Cyclone Nargis struck Myanmar in May 2008, severely affecting the lives of 2.4 million of the 7.5 million who live in the Ayeyarwady (Irrawaddy) Delta. Approximately 140,000 people were killed; 800,000 homes were destroyed or damaged, vital infrastructure was severely damaged, and water sources were contaminated. Cyclone Nargis was the eighth-deadliest cyclone ever recorded and by far the worst natural disaster in history of Myanmar. Damage and loss from the cyclone was estimated at US\$ 4.1 billion.<sup>28</sup>

Enormity of the damage and subsequent poor response of the State Peace and Development Council (SPDC) to the tragedy invited criticism from the international community.<sup>29</sup> Myanmar government 'would only accept bilateral aid' though 'humanitarian assistance from international agencies was made available quickly'.<sup>30</sup> With caution in mind, entry visas were granted for the ASEAN - Emergency Rapid Assessment Team (ASEAN-ERAT) on 9 May while some offers of aid were refused. In that context, 'the Secretary- General of ASEAN took it upon himself to personally persuade Government leaders to permit the entry of relief workers into the country to assist cyclone survivors in the spirit of the ASEAN Agreement on Disaster Management and Emergency Response (AADMER)'.<sup>31</sup> ASEAN Foreign Ministers agreed to establish an ASEANled coordinating mechanism and set up the ASEAN Humanitarian Task Force (AHTF). Then, the Tripartite Core Group (TCG) was set up following the decision of the First AHTF Meeting. TCG, chaired by Myanmar government, includes three representatives each from Myanmar government, ASEAN and the international humanitarian community led by the UN.

Nargis Cyclone displayed the role of ASEAN both in relief activities and in connecting Myanmar government with the international community. Through ASEAN-led coordinating mechanism, ASEAN bridged the gap in trust and confidence between the international community and the Government of Myanmar.<sup>32</sup> 'In response to the devastation caused by Cyclone Nargis, ASEAN as an organization took a bold step by proactively assuming a leadership role, both in convincing the Myanmar government to cooperate with the international community and in managing the response itself'.<sup>33</sup> By having played that role, ASEAN was believed to shift its policy of flexible engagement into practice.<sup>34</sup>

'The extension of the TCG mandate to July 2010 provides an opportunity for ASEAN to engage in dialogue on development policy in Myanmar and at the regional level'.<sup>35</sup> Thanks to its increasing influence in Myanmar and Myanmar government's efforts to implement the 7-Step Road Map, sensitive domestic issues of Myanmar were concretely mentioned in the AMM's communiquÈs and ASEAN Summit Chairman's Statements. At the 41<sup>st</sup> AMM, ASEAN Ministers urged "Myanmar to take bolder steps towards a peaceful transition to democracy in the near future, and working towards the holding of free and fair General Elections in 2010. While recognising the steps undertaken by the Government of Myanmar to conduct meetings with all concerned parties, including the NLD leadership, we reiterated our calls for the release of all political detainees, including Daw Aung San Suu Kyi, to pave the way for meaningful dialogue involving all parties concerned".<sup>36</sup>

For the first time, the Joint CommuniquÈ of the 41 AMM urged a timetable for the Myanmar's general election besides openly calling for the release of Aung San Suu Kyi. ASEAN foreign Ministers also convinced Myanmar to cooperate with UN Special Advisor Ibrahim Gambari in the joint communiquÈ.

On 13 August 2010, Myanmar officially announced that the general elections would be held on 7 November 2010 and the military junta said on the first day of October 2010 that it would free Aung San Suu Kyi on 13 November 2010. It meant that the general elections were held without the participation of Aung San Suu Kyi. Among ASEAN members, the Philippines stated that the election was a farce<sup>37</sup> and flawed, and would cost ASEAN not only goodwill but also its own position;<sup>38</sup> Indonesia was critical of the election law.<sup>39</sup> To other ASEAN member states, ASEAN policy of non-intervention was set as a principle. As a result, in Chairman's Statement of the 17<sup>th</sup> ASEAN Summit released on 28 October 2010, ASEAN "encouraged Myanmar to further accelerate progress in the implementation of the Roadmap for national reconciliation and democracy including the preparation for the upcoming general elections leading to a constitutional government in Myanmar".<sup>40</sup> Importantly, ASEAN now

started to 'stress the need for Myanmar to continue to work with ASEAN and the United Nations in this process'. In other words, ASEAN urged Myanmar to institutionalise its process of national reconciliation with the participation of ASEAN and the UN in the process.

After a civil government came into power in March 2011 along with government's actual efforts made to promote the process of democratization and national reconciliation and other positive developments having taken place such as Aung San Suu Kyi and NLD's landslide victory in the by-election in April 2012 ,have partly satisfied ASEAN. ASEAN now turned to pay attention to Myanmar's ASEAN chairmanship in 2014 and other influential domestic issues of Myanmar, which were never mentioned before in AMM joint communiquÈ or in chairman's statements of summit meetings.

At the 19<sup>th</sup> Summit Meeting on 17 November 2011 in Bali, ASEAN leaders supported the significant positive developments and saw those developments as contributions to promote conditions conducive for ASEAN's decision to accord Myanmar the Chairmanship of ASEAN in 2014.<sup>41</sup> For the first time since Myanmar became a member of ASEAN, the association released a statement on the recent developments in Myanmar's Rakhine State,<sup>42</sup> following the incidents that took place on 28 May 2012 and on 3 June 2012. Although the statement did not point out concrete incidents or the name of the community affected, 'ASEAN's practice' was demonstrated after Nargis Cyclone, when ASEAN Foreign Ministers expressed their readiness to lend necessary support in addressing the humanitarian assistance in the state upon the request of Myanmar's government.

With the positive developments in Myanmar with regard to national reconciliation, process of democratization as well as economic-social reforms, Myanmar issue was not a subject of discussion at any meetings of ASEAN Foreign Ministers or ASEAN Summit in 2013. Even in his remarks at the ASEAN Ministerial Meeting in New York on 27 September 2013, US Secretary of State John Kerry did not refer to the unrest in Myanmar's Rakhine, but 'thanked Myanmar for the work as the United States's country coordinator' and 'for Myanmar's chairing of ASEAN'<sup>43</sup> in 2014.

It is, however, necessary to point out that increasing engagements of ASEAN in Myanmar's domestic issues are the results of ASEAN's flexible approach; international community's pressure and most importantly Myanmar government's willingness to change.

### Prospects

In ASEAN perceptions, Myanmar has turned to be a normal country. It is, therefore, easier for the Association to approach Myanmar. Now there are two key issues that would influence ASEAN-Myanmar relations in the years to come: Myanmar's ASEAN Chairmanship in 2014 and, the Rohingya issue. The Aung San Suu Kyi's level of participation in Myanmar politics will not be so important to ASEAN, if process of democratization continues to be implemented.

With a successful AMM Retreat in Bagan on 17 January 2013, Myanmar started its chairmanship. Before Myanmar handled the post, there was suspicion that as a non-claimant in the South China Sea disputes, Myanmar would not raise the issue in meetings organized in the country as per the framework of ASEAN meetings. Myanmar may have learnt some lessons from behaviour of Cambodia and Brunei relating to their chairmanships of ASEAN in 2012 and 2013 respectively. While Cambodia was blamed for its actions to prevent issuing a joint statement mentioning the incidents in the South China Sea at that time, which led to the failure of concluding the joint communiquÈ of the AMM in 2012, Brunei for its part was artful to bring the South China Sea disputes in joint communiquÈ of AMM meeting and chairman's statement of ASEAN Summit in 2013.

Helpfully, the AMM retreat in 2014 in Myanmar displayed Myanmar's independent views of the South China Sea issue when ASEAN 'Foreign Ministers expressed their concerns on the recent developments in the South China Sea' and 'called on all parties concerned to resolve their disputes by peaceful means in accordance with universally recognized principles of international law, including the 1982 UN Convention on the Law of the Sea (UNCLOS)..."<sup>44</sup> The Philippines' a 4,000-page memorial submission to the UN Arbitral Tribunal hearing its case against China can put more pressure on Myanmar relating to the South China Sea disputes. However, Myanmar is expected not to behave like Cambodia in July 2012.

The problem that can become a challenge for Myanmar in its term of ASEAN Chairmanship is the Rohingya issue. Rohingya is not only Myanmar's domestic issue but of some other ASEAN members. For Myanmar, while Rohingya community want the Myanmar government to recognize their citizenship; the latter just calls them "Bengalis" to suggest that most of them are illegal immigrants from neighbouring Bangladesh.<sup>45</sup>

#### VO XUAN VINH

The issue of Rohingya illegal migrants has created challenges to some ASEAN countries such as Thailand, Malaysia and Indonesia. Detention of two suspects in Indonesia in a plot to bomb Myanmar's embassy in Jakarta in May 2014 could be seen as a case in point. Further, 'Rohingya issue will have a ripple effect on populations in Muslim majority countries such as Indonesia and Malaysia as also the countries with restive regions such as Thailand and the Philippines'.<sup>46</sup>

In that context and when the UN has raised pressure over Myanmar on the Rohingya Muslim issue,<sup>47</sup> ASEAN will be put in the dilemma since Myanmar government has been unwilling to discuss the issue of the Rohingya people at ASEAN meetings after it took over the chair.<sup>48</sup> In retrospect, ASEAN Foreign Minister released a statement in August 2012 on the recent development in the Rakhine State.

The official announcement of Myanmar's priorities of ASEAN Chairmanship was a safe option of this country. The main topics discussed in the ASEAN meeting in Myanmar will be the realization of ASEAN Community (AC) in 2015; the review of AC status; the review of ASEAN Charter; the mid-term review and development of a new vision for ARF; the increse in the role of women, youth, parliamentarians and media in the activities of ASEAN; and the development of the ASEAN Vision beyond 2015. Although there will be hundreds of meetings to varying degree in the frameworks of ASEAN 2014, the discussions of the above topics will take lot of time. The reason for the disappearance of Rohingya issue will be understood as the respect for the principle of non-interference as stated in the ASEAN Charter.<sup>49</sup>

# Conclusion

ASEAN-Myanmar relations and ASEAN's approach to Myanmar are regulated by the common principles in international relations as well as strategic calculations of both sides. Before Myanmar joined ASEAN in 1997, ASEAN's approach to Myanmar was described as 'constructive engagement'. From 1997 to 2007, ASEAN countries applied flexible engagement with Myanmar. Due to the severe devastation of Nargis Cyclone, Myanmar has accepted ASEAN's practice in some issues of the former's internal affairs. It is, however, necessary to affirm that ASEAN's increasing engagements in ASEAN are result of Myanmar's gradual transition in the context of growing international pressure.

In the short-term, the ongoing change in Myanmar will not provide ASEAN with many challenges. ASEAN may be suggested to support Myanmar to deeply participate in the process of ASEAN Community building, especially beyond 2015. Rohingya issue and conflicts related to ethnic minorities in this country will need more time to get resolved.

#### References

- 1. Jirgen Haacke, Myanmar's Foreign Policy: Domestic influences and international implications. UK, Routledge. Adelphi Paper 381. pp. 41-42.
- 2. Christopher Roberts, ASEAN's Myanmar Crisis: Challenges to the Pursuit of a Security Community. ISEAS, Singapore, 2010. p. 111.
- 3. *Ibid*.
- 4. Fan Hongwei, ASEAN's "Constructive Engagement" Policy toward Myanmar. *China International Studies*, March/April 2012, p. 55.
- 5. See International Crisis Group, *Myanmar: The Military Regime's View of the World. ICG Asia Report*, No. 28, 7 December 2001, p. 11.
- 6. '*Five Principles of Peaceful Co-existence*' include: (1) mutual respect for each other's territorial integrity and sovereignty, (2) non-aggression, (3) non-interference in each other's internal affairs, (4) equality and mutual benefits, and (5) peaceful co-existence and peaceful settlement of disputes
- 7. *The Asean Declaration (Bangkok Declaration)*, Bangkok, 8 August 1967, at http://www.asean.org/news/item/the-asean-declaration-bangkok-declaration (Accessed 29 March 2014)
- 8. *Treaty of Amity and Cooperation in Southeast Asia*, Indonesia, 24 February 1976, at http://www.asean.org/news/item/treaty-of-amity-and-cooperation-in-southeast-asia-indonesia-24-february-1976-3 (Accessed 27 March 2014).
- 9. Derek da Cunha, Renewed Military Buildups Post-Asian Crisis: The Effect on Two Key Southeast Asian Bilateral Military Balances. *International Politics and Security*, No.3, December 2001, p. 4.
- 10. Christopher Roberts, op. cit., p. 112.
- 11. See Jirgen Haacke, op. cit., p. 42.
- Joint Communique of the 34<sup>th</sup> ASEAN Ministerial Meeting, Hanoi, 23-24 July 2001, at http://www.asean.org/communities/asean-political-security-community/ item/joint-communique-of-the-34th-asean-ministerial-meeting-hanoi-23-24july-2001 (Accessed 27 March 2014)
- Chairman's Statement of the 4th ASEAN Informal Summit, Singapore, 24 November 2000, at http://citrus.c.u-tokyo.ac.jp/projects/ASEAN/ASEAN/AS20001124 E%20Chairman%204th%20Informal%20Summit%20IAI.htm (Accessed 27 March 2014)
- 14. Press Statement by the Chairman of the 8<sup>th</sup> ASEAN Summit, the 6<sup>th</sup> ASEAN+3 Summit and the ASEAN-China Summit, Phnom Penh, Cambodia 4 November 2002, at http://www.asean.org/news/item/press-statement-by-the-chairman-of-the-8th-asean-summit-the-6th-asean-3-summit-and-the-asean-china-summitphnom-penh-cambodia-4-november-2002 (Accessed 28 March 2013)
- 15. *Joint Communique of the 36th ASEAN Ministerial Meeting*, Phnom Penh, 16-17 June 2003, at http://www.asean.org/news/item/joint-communique-of-the-36th-asean-ministerial-meeting-phnom-penh-16-17-june-2003-3 (Accessed 27 March 2014)

- 17. Burma 'faces ASEAN expulsion', *BBC*, 20 July 2003, at http://news.bbc.co.uk/ 2/hi/asia-pacific/3081557.stm (Accessed 2 April 2014).
- Maung Aung Myoe, *Myanmar's China Policy since 1948*. ISEAS, Singapore, 2011, p. 115.
- 19. A 7-Step Programme for Myanmar's Transition to a Democratic State includes: 1. Reconvening of the National Convention that has been adjourned since 1996; 2. After the successful holding of the National Convention, step by step implementation of the process necessary for the emergence of a genuine and disciplined democratic state; 3. Drafting of a new constitution in accordance with basic principles and detailed basic principle 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 attended 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. See U Khin Maung Win (Deputy Minister for Foreign Affairs of the Union of Myanmar), Myanmar Roadmap to Democracy: The Way Forward, paper presented at Seminar on Understanding Myanmar, Yangon, 27-28 January 2004. At http:// /www.burmatoday.net/burmatoday2003/2004/02/040218\_khinmgwin.htm (Accessed 15 May 2013)
- 20. Press Statement by the Chairperson of the 9<sup>th</sup> ASEAN Summit and the 7<sup>th</sup> ASEAN+3 Summit, Bali, Indonesia, 7 October 2003, at http://www.asean.org/news/item/ press-statement-by-the-chairperson-of-the-9th-asean-summit-and-the-7thasean-3-summit-bali-indonesia-7-october-2003 (Accessed 2 April 2014)
- 21. Christopher Roberts, op. cit., p. 119.
- Agence France Presse: Malaysian PM defends blocking of anti-Myanmar motion in parliament, *BurmaNet News*, 29 April 2005, at http://www.burmanet.org/ news/2005/04/29/agence-france-presse-malaysian-pm-defends-blocking-ofanti-myanmar-motion-in-parliament/ (Accessed 2 April 2014).
- 23. Christopher Roberts, op. cit., p. 119.
- 24. Chairman's Statement of the 11th ASEAN Summit "One Vision, One Identity, One Community", Kuala Lumpur, 12 December 2005, at http://www.asean.org/news/item/chairman-s-statement-of-the-11th-asean-summit-one-vision-one-identity-one-community (Accessed 1 April 2014).
- 25. Indonesia Democracy Lesson for Myanmar Minister, Reuters, 17 March 2006.
- Kyodo News, 2ND LD: ASEAN entertains calls to 'take step back' on Myanmar. *The Free Library*, 20 April 2006, at http://www.thefreelibrary.com/ 2ND+LD%3A+ASEAN+entertains+calls+to+%27take+step+back%27+on+Myanmar. a0146170012 (Accessed 27 March 2014)
- 27. ASEAN Chairman Statement on Myanmar, Singapore, 18-22 November 2007, at http://www.asean.org/news/item/asean-chairman-statement-on-myanmar (Accessed 12 March 2014)
- William Sabandar, "Cyclone Nargis and ASEAN: A Window for More Meaningful Development Cooperation in Myanmar", in Nick Cheesman, Monique Skidmore and Trevor Wilson (eds.), *Ruling Myanmar from Cyclone Nargis to National Elections*. ISEAS, Singapore, p. 197.
- 29. Christopher Roberts, op. cit., p. 178.
- 30. ASEAN Secretariat, A Humanitarian Call: The ASEAN Response to Cyclone Nargis.

<sup>16.</sup> *Ibid* 

Jakarta, July 2010, p. 14.

- 31. *Ibid*.
- 32. William Sabandar, op. cit., p. 199.
- 33. *Ibid.*, pp. 199-200.
- 34. Amitav Acharya, ASEAN and Burma/Myanmar: Past and Prologue. Sigur Center for Asian Studies Policy Brief, April 2012, p. 2.
- 35. William Sabandar, op. cit., p. 203.
- 36. Joint Communique of the 41st ASEAN Ministerial Meeting, "One ASEAN at the Heart of Dynamic Asia", Singapore, 21 July 2008, at http://www.asean.org/ communities/asean-political-security-community/item/joint-communique-ofthe-41st-asean-ministerial-meeting-one-asean-at-the-heart-of-dynamic-asiasingapore-21-july-2008-2 (Accessed 26 March 2014)
- 37. Philippines calls Burma elections a 'farce'. *asiancorrespondent*, 27 October 2010, at http://asiancorrespondent.com/41950/philippines-calls-burma-elections-a-farce/ (Accessed 3 April 2014)
- Philippines: Flawed Burma vote will damage ASEAN. asiancorrespondent, 31 October 2010, at http://asiancorrespondent.com/42099/philippines-flawedburma-vote-will-damage-asean/ (Accessed 3 April 2014)
- Panchali Saikia, Myanmar Elections 2010 III: ASEAN's Ambivalence. *IPCS Southeast Asian-Articles*, #3275, 3 November 2010, at http://www.ipcs.org/article/southeast-asia/myanmar-elections-2010-iii-aseans-ambivalence-3275.html (Accessed 12 March 2014).
- 40. Chairman's Statement of the 17th ASEAN Summit: "Towards the ASEAN Community: From Vision to Action", Ha Noi, 28 October 2010, at http://www.asean.org/news/item/chairman-s-statement-of-the-17th-asean-summit (Accessed 10 March 2014).
- 41. *Chair's Statement of the 19th ASEAN Summit,* Bali, 17 November 2011, at http://www.asean.org/archive/documents/19th%20summit/CS.pdf (Accessed 1 April 2014).
- 42. Statement of ASEAN Foreign Ministers on the Recent Developments in the Rakhine State, Myanmar. Phnom Penh, Cambodia, 17 August 2012, at http:// www.asean.org/images/archive/documents/Statement% 20of%20ASEAN%20FM%20on% 20Recent%20Developments%20in%20the% 20Rakhine%20State.pdf (Accessed 2 April 2014).
- 43. Remarks by Secretary Kerry at the ASEAN Ministerial Meeting, New York, 27 September 2013. At http://asean.usmission.gov/remarks09302013.html (Accessed 2 April 2014)
- 44. Press Release by the Chairman of the ASEAN Foreign Ministers' Retreat (AMM Retreat), Bagan, Myanmar, 17<sup>th</sup> January 2014, at http://www.mfa.go.th/ asean/contents/files/news-20140119-231042-332218.pdf (Accessed 2 April 2014)
- 45. Lawi Weng, Arakanese MPs Oppose Census Classification for Rohingya. *The Irrawaddy*, 5 March 2014, at http://www.irrawaddy.org/burma/ arakanese-mps-oppose-census-classification-rohingya.html (Accessed 1 April 2014).
- 46. Myanmar's ASEAN Challenge in 2014. *Mizzima*, 15 July 2013, at http:// www.mizzima.com/opinion/contributor/item/9675-myanmar-s-aseanchallenge-in-2014/9675-myanmar-s-asean-challenge-in-2014 (Accessed 30 March 2014).
- 47. Lawi Weng, Burma Govt Rejects 'Unacceptable' UN Statement on Rohingya

Himalayan and Central Asian Studies Vol. 18, Nos. 1-2, January-June 2014 33

Killings, *The Irrawaddy*, 24 January 2014, at http://www.irrawaddy.org/ burma/burma-govt-rejects-unacceptable-un-statement-rohingya-killings.html (Accessed 1 April 2014).

- 48. Tim McLaughlin, Rohingya not up for discussion at ASEAN talks. *Myanmar Times*, 18 January 2014 at http://www.mmtimes.com/index.php/national-news/9283-rohingya-not-up-for-discussion-at-asean-talks.html (Accessed 1 April 2014).
- 49 Association of Southeast Asian Nations. *The ASEAN Charter*, ASEAN Secretariat, Jakarta, 2008, p. 2.

# Salience of Energy Sector in Myanmar's Economic Growth

Shebonti Ray Dadwal

For close to 50 years, natural resources-rich Myanmar was ostracised by much of the international community, while the western world placed it under the 'pariah' states grouping following the 1962 military coup, the 1988 firing on students and, most importantly, the incarceration of one of the world's most iconic leaders, Aung san Suu Kyi. Hence, when the military junta decided to undergo a transformation and open itself up to reform in 2011, the international community responded with alacrity. Not only were the decades-long sanctions lifted or eased, several world leaders - from the US President Barack Obama, British PM David Cameron to former Indian Prime Minister Manmohan Singh and Japan's Prime Minister Shinzo Abe – also visited the country, with a view to getting an early advantage in gaining access to "Asia's last frontier market". Alongside these high-level visits, potential investors too have been converging on this hitherto isolated and economically backward nation, which due to its strategic location and huge natural and mineral resources, promises immense business opportunities.

Substantial changes have happened in Myanmar lately to attract the international community. After almost 50 years of isolation during which the country saw stringent sanctions being imposed on it, the military junta decided to hold general elections in 2010, based on the 2008 Constitution. As expected, the military-backed Union Solidarity and Development Party (USDP) won the elections, which were widely believed to be rigged, while the opposition National League for Democracy led by Aung San Suu Kyi boycotted the polls. Nevertheless, Thein Sein, a former military official and leader of the USDP as well as the country's Prime Minister from 2007 until 2011, who was sworn in as the President of Myanmar in March

#### Shebonti Ray Dadwal

2011, took several steps to reconcile differences with the Opposition and promised to reduce the state's role in a number of sectors. It was a considered decision as Thein Sein knew that without international grants, aid, loans and technical expertise, and foreign investments in the country's economy, Myanmar would continue to remain one of the poorest and most backward countries in the region.

Towards that end, the new Foreign Investment Law was passed in November 2012, which stated, "Foreign investors who invest and operate on equitable principles would be given the right to enjoy appropriate economic benefits, to repatriate them, and to take their legitimate assets back home on closing of their business. They would also be given proper guarantee by the government against nationalisation of their business in operation."<sup>1</sup> In particular, the government identified five sectors — energy and mining, agriculture, manufacturing, tourism, and infrastructure for investment and could account for more than 90 percent of Myanmar's total growth and employment potential. Of these, the first, namely mining and energy, has received the most attention from the international community.

Nevertheless, the question that needs to be asked is whether Myanmar can live up to soaring expectations over the near term, given that after almost half-a-century of authoritarian rule, the country was insulated from the rest of the world, both politically and economically. As the McKinsey Global Institute (MGI) report on Myanmar puts it, "Severe underdevelopment, after nearly a century of economic stagnation, poses fundamental challenges for an economy that now contributes only 0.2 percent of Asia's Gross Domestic Product (GDP). But it also gives Myanmar an opportunity to leapfrog over intermediate stages of economic development and to create sufficient jobs to meet the high expectations of its people."<sup>2</sup> Moreover, MGI also states that around US\$170 billion, along with transfer of capabilities and knowledge that typically accompany such investment, will be needed between now and 2030.<sup>3</sup>

# The Criticality of the Energy Sector

The energy sector, which includes both upstream hydrocarbon development as well as the electricity sector, is crucial for the overall economy of the country - the former for its revenue earning capacity, and the latter for attracting foreign investments. However, while Myanmar has substantial energy resources – sufficient to more than meet the country's entire energy demand – the sanctions imposed by western countries had SALIENCE OF ENERGY SECTOR IN MYANMAR'S ECONOMIC GROWTH

kept many potential investors out of the reckoning. In the power sector, too, poor maintenance and lack of investment has caused existing power plants to run far below capacity, while high Transmission and Distribution (T&D) losses as well as theft has seen power supply at levels that are the lowest in the ASEAN region. Myanmar's current installed power generation capacity is low at less than 3500 Mega Watts (MW) with only 29 percent of the population having access to electricity; of which 60 percent is reliable with major cities experiencing frequent blackouts. Yangon has an electrification rate of only 67 per cent, while the capital, Naypyitaw 54 percent and Mandalay 37 percent. As a result, many initial investors have gone back, disappointed with the undeveloped infrastructure, an under-educated workforce, and most importantly, lack of electricity. Therefore, if Myanmar is to reach its goal of economic development and catch up with rest of its ASEAN neighbours, it needs to ramp up its energy and power sector. That the government realizes this is clear from the statement of the Minister of Energy of Myanmar, U Than Htay, who said, "Myanmar is embarking on a new phase of development and the energy sector will be very important."4

The irony is that there is no dearth of energy resources in the country. Myanmar's primary energy resources comprise natural gas, hydropower, coal oil and biomass, of which the former two hold the most potential. However, both these resources have been used thus far in garnering revenues, with much of them exported to China and Thailand. In the case of hydropower, most of the hydroelectric dams that are constructed are primarily driven by foreign corporations and are designed to export most of their electricity to either Thailand or China to earn revenue for foreign exchange,<sup>5</sup> and the same goes for the gas produced, with only 20 percent being used for domestic consumption.

In fact, it is Myanmar's gas reserves that have attracted the maximum interest, globally, particularly its offshore potential. In terms of reserves, varying figures are thrown around. According to the BP Statistical Review 2011, Myanmar's proved gas reserves were placed at 11.8 trillion cubic feet (tcf) at the end of 2010, or 0.2 percent of the world's total; the US Energy Information Administration (EIA) pegs proven natural gas reserves at 10 tcf, and the ADB's 2012 report on energy places reserves are 11.8 tcf. On the other hand, Myanmar's Minister of Energy Than Htay states that the reserves are around 22.5 tcf. Moreover, the ministry also claims that proven oil reserves total 104 million barrels onshore and 35 million offshore<sup>6</sup> while the potential from hydropower is placed at around 100,000

MW.<sup>7</sup>However, despite its hydrocarbon potential, biomass supplies almost 70 percent of the country's primary energy requirements, with hydropower and gas supplying only 18.2 percent and 2.4 percent, mainly due to lack of investment in these two sectors.<sup>8</sup>

Although Myanmar's gas reserves are not as large as many other gas producers, the fact is that it is only lightly explored due to sanctions as well as earlier nationalistic policies keeping foreign firms away till the early 1990s, and hence one of the last unexploited conventional hydrocarbon frontiers of the world. As a result, despite the sanctions, the oil and gas sector has seen foreign investments to the tune of US\$13.6 billion coming in. In fact, since the promulgation of the Foreign Investment Law in 1988, following a bidding process in the early 1990s, foreign companies have been operating in the country included Total, PETRONAS, ConocoPhillips, Daewoo, PTT, CNOOC, CNPC, as well as Woodside. By 2011, some 60 projects had been approved, with two major offshore gas fields discovered from the early 1990s, viz., the Yadana Field and the Yetagun. However, most of Myanmar's gas resources have been exported to other countries - to Thailand since 2000, and from June 2013 to China through a pipeline after negotiations with India on the Myanmar-India piped natural gas project failed to take off. The gas from this project was subsequently dedicated to China.<sup>9</sup>But now, this may be about to change.

In 2011, the Ministry of Energy (MOE) announced a bidding round, wherein 18 onshore blocks were put on offer, and eight of these were awarded to foreign firms. In January 2013, the MOE put up another 18 onshore blocks for tender, and in April the same year, 30 offshore blocks were also out up.<sup>10</sup>

After evaluating the applications, the MOE short-listed 59 companies as potential bidders for its 30 onshore gas blocks. Interestingly, only one Chinese company, SIPC Myanmar Petroleum Company Ltd, was selected. While Australian firms top the list with 12 of its companies short-listed, India is second with seven of its companies having been selected. Even Pakistan seems to have taken a lead over China with three companies -Zaver Petroleum Corporation Ltd, Ocean Pakistan Ltd and Petroleum Exploration Pvt Ltd - have being selected among the potential bidders. Other major players, which feature in the list, include Esso, Malaysia's Petronas and Japan's Mitsui Oil Exploration Co Ltd and JX Nippon Oil and Gas Exploration Corporation among others.<sup>11</sup> However, it could take several months before any actual production sharing contracts are finalized with the companies that have been awarded the blocks. Moreover, although the Ministry of Energy is preparing for another round of offshore block licenses and these might be put up for bidding later in 2014, the government has now announced that new discoveries of natural gas or oil will not be exported until Myanmar's own domestic demand is satisfied.

This is a marked departure from its earlier policy wherein around 80 percent of the country's natural gas produced from three offshore fields - Yadana, Yetagun and Shwe - was exported to China and Thailand.<sup>12</sup> With domestic consumption for electricity growing at a rate of 15 percent per annum, there is an urgent need to increase the installed and generating capacity if ambitious growth targets are to be met, as well as to attract critical foreign investment into various sectors. As the Ministry of Electric Power (MoEP) has projected demand to increase to 5,588 MW by 2016,<sup>13</sup> Myanmar will have to supply energy to domestic power generation units.

The government now has plans to introduce gas-fired turbines to fill the gap in power shortages, supplied mostly from hydropower. According to the Deputy Director General in the Ministry of Energy, Win Maw, the government is also considering plans to import liquid natural gas (LNG) for power generation. A feasibility study is being undertaken to study the proposals submitted by more than 10 companies for constructing LNG import terminal, ranging from floating LNG facilities to traditional onshore regasification terminals.<sup>14</sup> Moreover, there are plans to construct coal-fired power plants as well as the development of renewable energy and wind power generation.

Furthermore, Myanmar also plans to expand its domestic refining sector in collaboration with international companies for finance and technology as the country has very old refineries with a combined capacity of only 51,000 barrels per day (b/d). It plans to build a 56,000 b/d refinery, with the option to increase capacity later.<sup>15</sup> Over the next five years, the ministry also plans to set up thermal and hydro-based power plants of 2,288 MW and 520 MW respectively, along with solar and wind-based plants.<sup>16</sup>

## **Hurdles** Ahead

According to the risk analysis firm Maplecroft, Myanmar has shown an impressive improvement in its business environment, moving up 10 percent in the Legal and Regulatory Environment Risk Index 2014, from number 3 from the bottom in 2013. The country's GDP growth rose from 5.5 percent in 2012 to 6.5 percent in 2013. The main drivers of this were increased gas

#### Shebonti Ray Dadwal

production, strong commodity exports,<sup>17</sup> and Foreign Direct Investment (FDI) after the lifting of sanctions.Several important steps have also been taken to strengthen investor protection, including the implementation of a new foreign investment law in March 2013, which provides much needed clarity around essential issues, such as foreign ownership limits and land leasing rules. Of these, the hydrocarbon sector stands out as a clear example. After 2011, a National Energy Management Committee (NEMC) was set up to streamline sectoral activities and devise a long-term energy strategy. This was essential, given that the energy, particularly the hydrocarbon sector, invited the most interest among potential investors.<sup>18</sup>

Nevertheless, a number of issues remain that could undermine investment in the short term. Economic reforms are fragile and have not progressed as fast as the political transition as structural economic change is lagging behind. The promised privatisation of all the country's stateowned enterprises has been moving slowly. As a result, inefficient stateowned enterprises still monopolise key sectors, including the energy sector, and particularly the power sector, and businesses controlled by military interests have privileged market access.<sup>19</sup>

Apart from an unskilled and underdeveloped financial and legal system, and lack of trained manpower, corruption, lack of rule of law and interference in business by entrenched powerful and vested interests, including the military, continue to be a matter of concern for foreign investors.<sup>20</sup> More specifically, although the hydrocarbon sector has seen some welcome changes and has attracted the most interest from overseas investors, the power sector lacks a clear regulatory structure and supporting documentation. Even in the gas sector, a large portion of that is already committed to Thailand and China, leading to a possible shortage of gas for gas-fired projects until new gas fields come on stream. Moreover, notwithstanding the energy ministry's optimistic projections, the quantities that may come on stream remain uncertain.

Moreover, investors are nervous about how the reforms would evolve, whether the government will succeed in maintaining the fragile peace between ethnic groups, and most importantly, whether Myanmar will be able to successfully make the transition from an under-developed, insulated, economy with poor infrastructure and untrained labour force, and sans effective regulations or legal regimes to realise its undeniable potential. Finally, the fact that there is hardly any reliable data available makes it even more difficult for the investors to commit large sums into the economy without ensuring that their investments will be safe and Salience of Energy Sector in Myanmar's Economic Growth

remunerative.<sup>21</sup> After all, the country is still struggling to overcome decades of rampant corruption, as well as arms and drug trafficking and money laundering. Although the government has made some efforts to clean out corrupt elements in the government, there are doubts whether these will be successful. A major factor is the faith in the judicial process, and the fact that there are few well-trained lawyers in the country. However, in July 2013, Myanmar formally acceded to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, which obliges Myanmar's Courts to give effect to contractual provisions that provide for disputes to be resolved by arbitration and enforce foreign arbitral awards. Although a number of uncertainties remain with respect to Myanmar's implementation of the Convention, its accession represents a significant step by the government in creating a legal environment attractive for foreign investment.<sup>22</sup>

Nevertheless, while a lot needs to be done to ensure that Myanmar becomes a fully functioning democracy, the 'budding shoots of democratic recovery' are encouraging. Despite allegations that nothing has really changed on the ground in Myanmar's foreign policy, a marked shift has been taking place since the new government was installed, and the government's acceptability, both domestically and globally, is increasing.<sup>23</sup>

# **Challenges Facing Myanmar**

In the coming months and years, Myanmar will face a range of serious obstacles, and whether the country can overcome the numerous challenges and set the country in an irreversible growth path will depend on how well the government succeeds in overseeing the transition. According to the McKinsey report, Myanmar has the potential to quadruple the size of its economy, from US\$ 45 billion in 2010 to more than US\$ 200 billion in 2030, thereby creating more than 10 million non-agricultural jobs in the process. The report, however, cautions that while Myanmar has the wherewithal to grow at 8 percent per annum, if the current labour productivity trends continue, growth trajectories could slow down to a meagre 4 percent.

While the mining and energy extractive sectors are crucial for the country's development, particularly for generating revenue, they cannot be exclusively relied on. As mentioned above, enablers such as political reforms, rule of law, regulatory mechanisms and skills and infrastructure development, including information technology and manufacturing capability must also be put in place in order for the transition to be

Shebonti Ray Dadwal

successful, and for Myanmar to reconnect with the international community after decades of isolation.

The biggest challenge, however, lies in peaceful transition and national reconciliation, which not only includes removing regional disparities but also bringing all the ethnic communities to the mainstream. All domestic stakeholders and the international community have to develop a greater mutual understanding and be more flexible and accommodating in envisaging a roadmap for Myanmar. As Myanmar has assumed the chair of ASEAN in 2014, the government is determined to prove to the world that it has the wherewithal of taking its place amongst the Asian tiger economies. Whether it will be successful in its endeavor will be the country's biggest test since opening up.

#### References

- 1. 'Statement on foreign investment law of Myanmar', Maung Ko, Secretary, The Government of the Union of Myanmar,pcoc.moc.go.th/wappPCOC/41/upload/File\_IPD\_FILE41175770.doc
- 2. 'Myanmar's moment: Unique opportunities, major challenges'. McKinsey Global Institute, June 2013. p. 1.
- 3. *Ibid*.
- 4. New Energy Architecture: Myanmar. WEF, June 2013.
- 5. Adam Simpson, "Challenging hydropower development in Myanmar (Burma): cross-border activism under a regime in transition". *The Pacific Review*, Vol 26, No. 2, pp. 129-152.
- 6. The Giants Are Coming: Tentative Western Oil Majors Line Up for Myanmar Hydrocarbon Glory". *Energy Tribune*, September 21, 2012, http://www.energytribune.com/20129/the-giants-are-coming-tentative-western-oil-majors-line-up-for-myanmar-hydrocarbon-glory#sthash.jH2vNss7.dpbs and see Note 1 (ADB 2012 report).
- 7. *Ibid*.
- 8. ADB report, 2012
- 9. Damon Evans, "Asia's final frontier". *Petroleum Economist*, February 2013, P 22-24
- Albert T. Chandler, "Myanmar Upstream Oil & Gas Sector". Myanmar Legal Services, July 2013, www.myanmarlegalservices.com/wp-content/uploads/ 2013/07/Myanmar-Upstream-Oil-Gas-Sector-7\_160713\_963525\_3.pdf
- 11. Animesh Singh, India cos checkmate China on Myanmar's gas blocks bid. *Pioneer*, June 13, 2013, www.dailypioneer.com/business/indian-cos-checkmate-china-on-myanmars-gas-blocks-bid.html
- 12. William Boot, Burma Won't Export New Gas Finds Until Domestic Needs Met, Says Official. *Irrawaddy*, February 7, 2014, http://www.irrawaddy.org/ business/burma-wont-export-new-gas-finds-domestic-needs-met-saysofficial.html
- 13. Adam Simpson, op. cit.

- 16. Sharad Somani, "Powering up for growth: An assessment of the power sector in Myanmar". *Foresight*, 16<sup>th</sup> edition, KPMG, June 2013.
- 17. Myanmar Economic Monitor, World Bank, October 2013, http:// www.worldbank.org/content/dam/Worldbank/document/EAP/Myanmar/ Myanmar\_Economic\_Monitor\_October\_2013.pdf
- 18. U Than Htay, "Fuelling Myanmar's route to prosperity". World Economic Forum, June 6, 2013, http://forumblog.org/2013/06/myanmars-road-to-prosperity-institutions-and-strategies-for-the-energy-sector/
- 19. See Note 17, World Bank
- 20. Legal and Regulatory Environment Risk Atlas 2014. Maplecroft, http:// maplecroft.com/portfolio/new-analysis/2014/01/08/business-environmentimproving-myanmar-mozambique-and-senegal-legal-and-regulatory-riskatlas/
- 21. Martin N. Bailey and Richard Dobbs, "Has Myanmar's moment come at last?". *Japan Times*, June 12, 2013, www.japantimes.co.jp/opinion/2013/06/12/ commentary/has-myanmars-moment-come-at-last/#.Uhspd9JHJzo
- 22. Jelita Panjaitan, "Myanmar Accedes to the New York Convention". *Kluwer Law International*, 2013. http://kluwer.practicesource.com/blog/2013/myanmar-accedes-to-the-new-york-convention/
- 23. Rahul Mishra, 'Myanmar and the US: On a reconciliatory Path?', *IDSA Comment*, http://www.idsa.in/idsacomments/MyanmarandtheUnitedStates OnaReconciliatoryPath\_rmishra\_130212

<sup>14.</sup> Ibid.

<sup>15. &</sup>quot;Myanmar to award offshore blocks in Feb, says ministry official". *Platts*, 29 Jan 2014, http://www.platts.com/latest-news/natural-gas/tokyo/myanmar-to-award-offshore-blocks-in-feb-says-26662070

# NUCLEAR MYANMAR Dormancy should not be taken for Granted

# AJEY LELE

For more than half-a-century, Myanmar has lived under an authoritarian rule. Of late, however, the state has been undergoing major political transition. As Myanmar is witnessing, transition from authoritarian regime towards a democratic system is not easy to achieve. Therefore, it is important for policy makers in Myanmar to not be satisfied with mere *procedural democracy* but to attempt to transform to a *substantive* and *inclusive democracy*. The challenges are far too many in that regard: addressing the military mindset; catering for socio-economic challenges; resolving communal violence; managing the flight for greater control over natural resources by various ethnic groups; and effectively dealing with overall security challenges. It cannot be denied that to make substantive changes, it is understandable that the process of reforms would take time and new structures would be required to be built. The process of political dialogue with various ethnic groups, political parties, civil society and the military would have its set of challenges.

The process of democratisation in Myanmar could be viewed to have started with the 2010 general elections. The next general elections are to take place in 2015. However, the Nobel Peace Prize winner and the torchbearer of democratic movement in Myanmar, Aung San Suu Kyi, who could be said to be responsible for the end of dictatorial regime of many years, would be able to run for presidency only if the constitutional amendment is carried out. So far, the period since 2010 is broadly found being getting used to the norms of democracy, and more so living in democracy. The evolution of both the executive and legislative branches of the government, and their taking control for running the overall system, is yet to complete. NUCLEAR MYANMAR: DORMANCY SHOULD NOT BE TAKEN FOR GRANTED

From a global perspective, Myanmar could be viewed as a state that has been misgoverned for the past several decades. The 1988 military coup and the attempt by the military regime to strangle the pro-democracy movement, in particular, had to receive a significant amount of global backlash. The state was put under economic sanctions by the US and the European governments. To a great extent, only China and North Korea were found somewhat close to Myanmar. In general, for many years this awfully oppressive regime ruling over an extremely poor population, remained a pariah state. The regime's interests in attempting arms acquisitions and developing its military without any substantial security threat was baffling for the rest of the world. Interestingly, there have been some indications that Myanmar did try to develop its nuclear capabilities. For some years, there has been remarkable debate and analysis about the prospects of Myanmar's nuclear programme. However, with growing prospects of democracy taking roots in Myanmar, this debate has gone dormant. Nevertheless, it is important to analyses the relevance of nuclear weapons programme, if any, in Myanmar's strategic calculations under the changed political circumstances too. This paper discusses the nuclear issue in the context of Myanmar.

Myanmar's investments towards nuclear technologies, which might have led to the development of nuclear weapons programme, could be viewed as a subset of their overall Weapons of Mass Destructions (WMDs) policies. For all these years, though has been no conclusive evidence to prove that Myanmar has a WMD development programme, there has always been some amount of discomfort amongst the global community with regard to Myanmar's intentions in developing WMDs. In that context, Myanmar's movements and various activities are, at times, seen with suspicion. Myanmar has signed the treaty on the Nonproliferation of Nuclear Weapons (NPT) but it is yet to ratify the treaty mechanisms for chemical and biological weapons (CWC and BTWC). Myanmar's not being a part of the global arms control and disarmament architecture could be one of the reasons for suspecting their WMD intentions.

In the field of chemical weapons, there have been accusations regarding Myanmar using such weapons on few occasions. For instance, in 1991, some US officials were of the opinion that Myanmar was the probable possessor of these weapons. It was reported during 2005 that at a specific military location their army personal were asked to take special precautions because they were handling chemical shells. Also, around the same period, some medical practitioners had reported of treating injuries of anti-government Karenni rebels that were "consistent with a chemical attack," and claimed that "strong circumstantial evidence existed for the use of chemicals, particularly nerve agents, pulmonary agents and possibly blister agents." However, there exists a possibility that these could be the cases of the impact of the riot control agents.<sup>1</sup>

Recently, in January 2014, it was reported that a military chemical weapons facility exits in Pauk, a township in the country's central region. The government has claimed that the facility exists for defence purposes but no chemical weapons are being developed and produced over there. As per some reports on this 12-square kilometer facility, the work had begun in 2009. Since then, more than 3,000 acres of land has been confiscated from farmers and locals who also claim that chemical weapons were being produced at this location. Also, it has been reported that the complex is connected by more than 330 meters of tunnels.<sup>2</sup> However, no international inspections of this site could be conducted because Myanmar has not undertaken CWC ratification. The CWC ratification would have provided the international chemical weapons inspectors to inspect the site.

It is a known fact that Myanmar does not possess any significant expertise in the technologies required for the development of chemical or biological weapons. They have only a limited chemical industry infrastructure and thus have to depend on imports of all toxic industrial chemicals to a great extent. Also, their biotechnology industry is expected to be in a much undeveloped state.

For an underdeveloped country such as Myanmar, it appears totally illogical to have a nuclear weapons programme. Additionally, as stated above, there has been no direct evidence to suggest that, under current circumstances, Myanmar has any comprehensive plan to cultivate its nuclear weapon ambitions. Myanmar's relations with its neighbour-Thailand, have not been harmonious. Therefore, to a certain extent, Thailand (and of late Bangladesh due to minor boundary problems) could be considered as Myanmar's historical adversary. Otherwise, Myanmar faces more intra-state challenges than inter-state challenges. Hence, there is no reason to have nuclear weapons as a part of the security architecture. Probably, the rationale to have such ambitions could be for the purposes of status and prestige. Likewise, there are possibilities the state has a belief that such investments could assist to improve their science and technology as well as strategic stature. The unarticulated 'strategic' aspect could be to ensure that no 'western' influx is possible in response to their autocratic military regime and gross human rights violations.

There also exists a possibility of the influence of the North Korean nuclear policies for Myanmar to think nuclear. Presumably, some military officials from Myanmar were impressed by the North Korea's ability to use nuclear weapons capabilities to fend off the adversaries.<sup>3</sup> Presently, Myanmar is witnessing a period of transition from military regime to a democratic state. The situation on the ground indicates that the prospects of such transition happening smoothly are very high. However, such situation should not be taken for granted. More importantly presence of democracy has no direct correlation with either presence or absence of nuclear weapons.

What is important to note that there was no presence of any huge ground infrastructure found via satellite intelligence or through the information gathered otherwise, which can be the cause of concern. Some signals were sent to the outside world that Myanmar was keen to start research on using nuclear technology for peaceful medical purposes. Also, it was argued that they were keen to conduct research on aspects of nuclear energy. Such arguments are bit illogical. The problem is that Myanmar remains an extremely poor state with no major inter-state rivals. Its military administration is losing its influence and the state is yet to emerge as a normal state. Also, a state having presence of natural gas within its own territory and having (and making investments towards) options like hydroelectric power should not be found eager to invest towards nuclear energy all of a sudden. All this probably lead to increasing suspicions about their nuclear intentions.

Myanmar's interest in the nuclear energy generation could be traced from 1955 onwards. In 1955, an Atomic Energy Centre under the Union of Burma Applied Research Institute (UBARI) was established in the country. Myanmar joined the IAEA (International Atomic Energy Agency) in 1957, and participated in a number of IAEA technical cooperation projects in isotope applications for agriculture beginning in the 1960s. However, it took almost three more decades for the government to establish the Department of Atomic Energy (DAE). DAE was under the Ministry of Science and Technology in 1997.

Uranium exploration has been an area of interest for Myanmar's government for some time. According to the Myanmar Ministry of Energy, there are five areas for potential Uranium mining: Magwe, Taungdwingyi, Kyaukphygon (Mogok), Kyauksin, and Paongpyin (Mogok). These places either have medium-grade Uranium ore or a low-grade uranium ore. Most

#### AJEY LELE

of Myanmar's Uranium is a byproduct of gold mining. Since Myanmar does not need uranium, most of the Uranium is exported to China.

For Myanmar, Russia has been the chief source for getting technology assistance and transfer in the nuclear field. During 2001-2002, Russia had signed a contract to design a research reactor in Myanmar for radioisotope production. Even though the deal could not fructify fully, few hundred specialists from Myanmar got an opportunity to get trained in nuclear research in Russia. During 2010, a more intense debate on the nuclear issues began with more evidence coming out from the state only in the form of disclosures made by pro-democracy dissident group Democratic Voice of Burma (DVB) and the testimony and photographs provided by a defector, a former Army Major Sai Thein Win. Some evidence about the covert nuclear and missile facilities and illicit cooperation with North Korea came to light at that point in time.<sup>4</sup> Also, there were fears that Myanmar had joined a clandestine nuclear network linking North Korea, Iran, Pakistan and Syria.<sup>5</sup> However, no critical evidence to that effect was found. Overall, the intentions of Myanmar, which were mostly in the realm of ambiguity became more obvious particularly due to the photographic evidence provided by the former Army Major.

Myanmar's dependence on North Korea for the purchase of military hardware is a known reality. In the year 2000, Myanmar had made attempts to purchase submarines and short range ballistic missiles (SRBM) from North Korea. Also around same time, the military regime, commonly known as the State Peace and Development Council (SPDC), also started showing inclination towards building and operating a nuclear reactor. There were some indications that probably North Korea could assist them towards developing such a reactor.<sup>6</sup> As mentioned earlier, the Russian assistance around May 2002 could be viewed as the first serious attempt by Myanmar in pursuit of its nuclear quest. There were some unconfirmed reports indicating that the ground-breaking ceremony for the nuclear facility was to take place at some secret location in central parts of the state.

Apart from Myanmar's direct interests in nuclear technologies, their investments towards the military modernisation is also being looked with suspicion. It is known fact that having a nuclear weapon is not sufficient, and a suitable nuclear weapon delivery platform is essential. Hence, Myanmar's interests in missile technology have also been analysed with a nuclear backdrop.

Myanmar has a small number of surface-to-air missiles (SAMs),

NUCLEAR MYANMAR: DORMANCY SHOULD NOT BE TAKEN FOR GRANTED

produced predominantly by Chinese and Russian manufacturers. North Korea and Myanmar officially resumed diplomatic relations in 2007 after a long period of estrangement. There is photographic evidence available which offers evidence of Myanmar's interests and investments into missile arena. The United States has confronted two North Korean ships, which it asserted were *en route* for Myanmar bearing missiles or missile-related equipment.<sup>7</sup> In 2009, the Kang Nam I turned back after the U.S. trailed it, and in 2011 the *M/V Light* similarly returned to its North Korean port. In August 2012, Japan seized "50 metal pipes and 15 high-specification aluminium alloy bars" that could have been used in either a nuclear or more likely – a missile program. Myanmar also has a nascent domestic dual-use research capability in the form of the Myanmar Aerospace Engineering University (MAEU), established in Meiktila in 2002. MAEU's research includes the design and construction of unmanned aerial vehicles (UAV) and solid propellant rockets.<sup>8</sup> Only the possession of scud type of missiles and basically the investment become to acquire cruise missiles should be confused with the capabilities required for the purpose of delivering a nuclear weapon. The only red flag over here is the interest of state to make investments in missile technology which in years to come could be further improvised upon.

It has also been reported that, in 2001, Myanmar Air Force bought 12 Mig-29 Fighter Aircrafts from Belarus. This was followed by additional order of 20 MiG-29 as part of US\$570 Million defense package in December 2009. Presently, it is estimated that Myanmar Air Force could be having around 12 MiG-29 aircrafts on its inventory.<sup>9</sup>

From arms control and disbarment perspective, it could be said that Myanmar's record in participating in globally identified regimes is actually encouraging. Myanmar joined the treaty of the non-proliferation of nuclear weapons (NPT) in 1992. It also signed the Southeast Asia Nuclear Weapon-Free Zone Treaty in 1995. Myanmar has also signed a Comprehensive Safeguards Agreement and a Small Quantities Protocol with the International Atomic Energy Agency (IAEA) in 1995. With regard to the Comprehensive Nuclear Test Ban Treaty (CTBT), Myanmar is a signatory, but is yet to ratify the treaty. Most importantly, on September 17, 2013, Myanmar signed the additional protocol.<sup>10</sup> This would now allow the IAEA to conduct detailed verification and would provide physical access for its inspectors to various nuclear sites in Myanmar.

From an Indian perspective, Myanmar's interest in nuclear weapons is undesirable. India shares more than 1,600 km. long border with

#### AJEY LELE

Myanmar. Understandably, there exits some overt or covert role of the local people of Myanmar to aid insurgency in the North-eastern parts of India. Also, India is keen to have a democratic political dispensation in its neighbourhood and is keen to witness the rise of democracy in that country and not the beginning of a 'nuclear era' in its eastern neighbourhood. India understands that Myanmar has no security compulsions that force it to invest in nuclear weapons. A nuclear Myanmar would mean India having an additional nuclear power state in its neighbourhood, apart from Pakistan and China.

In conclusion, it could be argued that around the year 2010, very distinctive signs were visible about Myanmar's nuclear interests. There exists a possibility that the military dispensation in Myanmar at that point in time was not very keen to allow the materialisation of democracy in the state, and was fearful that the western powers, particularly the United States, could invade their country to restore democracy; and hence were trying to invest in the nuclear option.

Even today, with Myanmar moving towards democracy, the issue of its nuclear interests should not be undermined. It is important to work closely with Myanmar to get more clarity on the matter. Also, there is a need to have more clarity on Myanmar's so-called 'shadow relationship' with North Korea. At this stage, there is need to take lessons from the way Syrian issue of chemical weapons was handled. Presently, various political dispensations from Myanmar could be engaged constructively to undertake transparent inspections about nature of their investments into nuclear technology. For this purpose, IAEA could be assigned the responsibility to do a comprehensive inspection with the consent of Myanmar government. This could become a reality by undertaking a proactive diplomatic initiative which could include the states such as the United States, European Union, China and India. Convincing Myanmar to give up its nuclear intentions is in the interest of the international community and the countries of the region; and more so for Myanmar.

#### References

 <sup>&</sup>quot;Burmese junta uses chemical weapons". *The Sunday Times*, May 8, 2005 and Simon Jeffery, "Burma using chemical weapons", April 21, 2005, http:// www.theguardian.com/world/2005/apr/21/burma.simonjeffery, accessed on March 31, 2014

<sup>2.</sup> Zarni Mann, "Journalists Detained for Reporting Alleged Burmese Chemical Weapons Factory." *The Irrawaddy*, 2 February 2014, http://www.irrawaddy.org,

NUCLEAR MYANMAR: DORMANCY SHOULD NOT BE TAKEN FOR GRANTED

accessed March 25, 2014 and Luke Hunt, "Pardon, Was That a Chemical Weapons Factory in Myanmar?", Feb 7, 2014, http://thediplomat.com/2014/02/pardon-was-that-a-chemical-weapons-factory-in-myanmar/, accessed on April 2, 2014.

- 3. Doug Bandow, "Dealing with Burma, a Potential Nuclear Power?" *The CATO Institute's Nuclear Proliferation Update*, Washington D.C, April 2010.
- 4. The above information about nuclear aspects is based on http://www.nti.org/ country-profiles/myanmar/, accessed on March 26, 2014
- http://www.telegraph.co.uk/news/worldnews/asia/burmamyanmar/ 7909774/Burma-is-working-on-nuclear-weapons-programme-expertsclaim.html, accessed on March 12, 2014
- 6. Andrew Seth, "Burma's Nuclear Program: Domestic Dream or Regional Nightmare?" *Australian Quarterly*, Vol 76, No 2 ,March-April 2004, p. 14
- 7. http://www.foxnews.com/us/2011/06/13/us-intercepts-north-korean-ship-carrying-missiles-to-burma/, accessed on Apr 2, 2014
- 8. http://www.nti.org/country-profiles/myanmar/, accessed on April 12, 2014
- 9. http://www.aeroflight.co.uk/waf/aa-eastasia/burma/burma-af-home.htm, accessed on Apr 4, 2014
- 10. "Myanmar to Sign New Nuclear Safeguards: Govt." Agence France-Presse, 18 November 2012; "Myanmar Signed Additional Protocol with IAEA," International Atomic Energy Agency, 17 September 2013, www.iaea.org and http://www.nti.org/country-profiles/myanmar/ and http://www.iaea.org/ newscenter/news/2013/myanmarap.html accessed 20 March 20, 2014

# MAPPING THE MEANING OF BURMAN NATIONALISM

# К. Үноме

#### Introduction

Myanmar is today undergoing unprecedented political, social and economic reforms. After several decades of military-rule the country has heralded into a new chapter with the adoption of a new constitution in 2008, the holding of national elections in 2010, and the formation of an elected government in early 2011. Since then, the government have been undertaking several reforms with far-reaching consequences for a country that has long been isolated from the international community. One of the immediate implications of the democratisation process of the Southeast Asian country has been on the country's search for a new identity. As different sections of the society attempt to redefine their role and identity in the changed context, the processes through which this re-examination is taking place are also producing disturbing developments that have raised several questions on the impact of these dynamics on the democratization process and the future of the country itself.

One development that has attracted the international community's attention was the sectarian conflicts between Buddhists and Muslims in the country. Following the sectarian violence that first started in Myanmar's coastal state of Rakhine, there has been a renewed wave of nationalism led by a section of the Buddhist monks advocating anti-Muslims campaigns and interpreting Islam as a threat to the nation. Within this context, a couple of questions that immediately come to mind are: What defines the Burmese identity? Or what constitutes nationalism in Myanmar? And what is the relationship between Buddhism and nationalism in Myanmar? Some of these questions are not new and in fact, they have been raised and debated for several decades.

Mapping the Meaning of Burman Nationalism

This paper attempts to make an introductory examination to understand the meaning of Burman "nationalism" in contemporary Myanmar.<sup>1</sup> The paper is structured into five parts: the first part provides a brief theoretical framework drawing from Christophe Jeffrelot's model of integrated theory of nationalism. The second section examines the meaning of nationalism in Myanmar since the country's independence movement in the early twentieth century. The third section discusses the concept of "Burman-ness" in the context of nationalism as an ideology. The fourth section looks at the relationship between Buddhism and nationalism in Myanmar. The last section discusses the limitations of contemporary Myanmar nationalism. It may be useful to clarify the use of the terms, Burma or Myanmar, Myanma or Burman, and Burmese because they at times are controversial and confusing. The paper uses the term Burma/Myanmar to refer to the country name, Burman/Myanma to refer to the majority ethnic group who are largely Buddhist, and Burmese to refer to language of the majority Burmans. All the ethnic/religious groups of the country other than the Burmans are referred to here as non-Burmans.

## Theoretical Framework: An integrated theory of nationalism

While examining the meaning of 'nationalism' in Myanmar, scholars often tend to use theories of 'nation-building' to explain the notion of 'nationalism.' Most literature on the various non-Burmans' resistance movements see Myanmar's nationalism through the prism of the 'discriminatory' policies of the Burman-dominated state. The 'nationbuilding' policies of the state are equated with Burman 'nationalism', citing the slogan "one ethnicity, one language, one religion" of the independence movement that became the basis of nation-building process in the form of 'Burmanization', sometimes called 'Myanmarization' and 'Buddhistization' in the post-independent period.<sup>2</sup> The other tendency among scholars in understanding 'nationalism' in Myanmar is by using theories of 'nation' and treat 'national consciousness' or 'nation-ness' to mean 'nationalism'. As these notions suggest, they refer to a process and a collective state of mind but not necessarily imply an 'ism,' a sense of having an ideological force that drives national sentiments.

There is need to examine the ideology that defines 'nationalism' in Myanmar. It needs to be pointed out at the outset that this paper focuses on understanding the meaning of the country's nationalism and should not be misunderstood to mean the various notions of ethno-nationalisms of the non-Burmans that are in direct opposition to the majority 'Burman

### К. Үноме

nationalism'. Scholars often bracket theories of 'nation-building' and 'nation' while constructing theoretical models of nationalism. However, there have been attempts by some scholars to build a framework of understanding nationalism by integrating the most influential theories of nationalism. Christophe Jeffrelot's ideology-based approach to nationalism is one such model. According to Jeffrelot, most of the theories of nationalism fail to problematise the ideology dimension of nationalism. Explaining the distinction, Jeffrelot points out that most of the theories of nationalism treat "national consciousness" or "nation-ness" to refer to the concept of nationalism, such as Benedict Anderson's model of Imagined Communities. Jeffrelot argues that while a "sense of belongingness' may be called "nation", "this feeling does not necessarily imply any demand for the control of the state or the promotion of one's own identity against the Other."<sup>3</sup> Hence, while Anderson's model explains an important element of nation-making, it fails to explain the factors that crystallise nationalism. This de-linking of the notion of 'nation' and 'nationalism' is critical for our study. Questioning the "nation-making" model, he argues, that "theories of 'nation-building' are not theories of nationalism."

Nation has an institutional dimension that is state-oriented – hence the notion of "nation-state - , whereas nationalism is an ideology (an 'ism') which often claims the control of a nation and/or promotes one's own (superior) identity against Others. Its foundation, therefore, is rooted in identity politics and culture.<sup>4</sup>

Similarly, Ernest Gellner's model talks about "collective consciousness" or 'the feeling of belonging', but this "does not necessarily imply any ideological, nationalist leaning".<sup>5</sup> The integrated model also notes that an important contribution of the instrumentalist approach to nationalism is its emphasis on the role of political opposition in the origin of 'ism' and that "nationalism results from rivalries and competition". One of the limitations of the approach is that it "overemphasises material processes" by focusing only on political and economic rivalries. However, the "cultural and even psychological domination and competition play a major role in the development of nationalism." Thus, 'ism' is "constructed as an ideology by the intelligentsia precisely because of these influences."<sup>6</sup> Stressing the ideology-based theory of nationalism, Jeffrelot argues that: "the construction of nationalist ideology aims at creating something new to cope with the cultural threats posed by the dominant Other."<sup>7</sup> In short: "Nationalist ideology, therefore, like any ideology, is a 'symbolic strategy', 'a response to strain' both 'cultural as well as social and psychological strain.""8

MAPPING THE MEANING OF BURMAN NATIONALISM

The above discussion demonstrates that "national identity" or a "sense of belongingness" is not 'nationalism' because this does not imply any ideology. Nationalism, therefore, is a result of rivalries and competition and often this is not only political and economic competition, but more importantly the sense of being dominated socially and culturally. Thus, the sense of being dominated of by the Other provides the ideological base for the crystallisation of national sentiments. This integrated model of nationalism when applied to the Myanmar context helps explain not only the notion of Myanmar's modern nationalism of the early 20th century but also allows us to understand the contemporary form of nationalism in Myanmar. Contemporary Myanmar presents an interesting case where the dominant group perceives a threat from a minority community. The integrated theory of nationalism assumes that the 'ism' is a result of domination, but in Myanmar nationalist sentiments have been galvanised by the dominant community against a perceived threat to the national identity from a minority community. The theoretical question this case poses is: can a sense of fear among the dominant group form nationalist ideology?

## The Notion of Nationalism in Myanmar

Like most nation-states in the region, the emergence of nationalism in Myanmar can be traced back to the early 20<sup>th</sup> century against the British rule. This statement immediately raises the question whether a 'national identity' or a 'national community' existed in Myanmar prior to the colonial period. Burmese historian Thant Myint-U in his book *The Making of Modern Burma* argues that by the eighteenth century:

...a common language, a common religion, a common set of legal and political ideas and institutions, and even a shared written history existed throughout the core area of the Ava kingdom. [As a result] there was a sense of *a Myanma identity in opposition to other 'ethnic' identities*, one based on *an idea of shared culture and ancestry*, of *the Myanma as a 'race'*...<sup>9</sup> (emphasis added).

From the above quotation, Thant Myint-U refers to four attributes of the Myanma identity, namely, Burmese language, Buddhist religion, the Burman kingdom, and a sense of shared history. If there was a sense of national identity based on these qualities as opposed to other identities, was there nationalism in Myanmar in the eighteenth century. As we have seen in the integrated model of nationalism 'a sense of belonging' or 'a sense of national community' is not nationalism. Arguably a sense of national identity in the form of Myanma identity had existed before the

#### К. Үноме

colonial rule in Myanmar and had served as a marker in opposition to other identities, but this does not establish the emergence of the notion of nationalism, i.e. nationalist sentiments that result out of rivalries and competition. A historical event that seems to support this argument was the events that followed the dethroning of the Burmese king in 1886 after the British annexation. The event did not provoke a nationalist movement in Myanmar. This perhaps explains that though there was a sense of collective identity, the notion of 'ism' had not developed during the eighteenth century Myanmar. This then leads us to the question of when and what crystallised the notion of nationalism in Myanmar.

Arguably, the emergence of modern nationalism in Myanmar is of recent origin,<sup>10</sup> a notion that emerged only in the early 1900s. The historical events that led to the emergence of Myanmar nationalist movement is well-documented and the purpose of this paper in not to give a historical account of the anti-colonial nationalist movement of the early 20<sup>th</sup> century, rather we focus on de-constructing the meaning of nationalism in Myanmar. What we are interested here is to find out what defines nationalism in Myanmar? It is a well-known fact that the anti-colonial movement was spearheaded by the Young Men's Buddhist Association (YMBA) and later by Gen. Aung San who founded the Thakin movement against the British rule. Although the origin of the ideas of Burman nationalism started in the late 19th century, the 1930s was a critical period as the elements of Burman nationalism acquired the ideological leaning. With the establishment of the Thakin movement, formally known as Dobama Asiayone Movement in 1930, the Burman nationalists began to spell out the underpinnings of Burman nationalism.

The very name *Dobama* (We Burmans or Our Burma) established the notion of 'We' versus 'Them' and rivalries and competition with the Other produced nationalist sentiments both in word and action. The anti-colonial sentiment were expressed violently in the form the Indo-Burman riot of May 1930 in Rangoon, the Sino-Burman riots of January 1931, and again the anti-Indians riots in 1938 as both Indians and Chinese were perceived as 'exploiters' and 'invaders'. While defining the 'We' as against the 'Other', it was defined exclusively to mean the Burman Buddhist community.<sup>11</sup> Although, the dominant narrative of the early 20<sup>th</sup> century nationalism in Myanmar was often, "expressed as inclusive of all the people" within Myanmar, "it was really a Burman nationalism that gradually began to equate elements of Burman culture and Burman history with a presumably broader "Burmese" heritage."<sup>12</sup> So the ideology that had driven the

nationalist movement of the time was largely of Burman in origin, based on "the racial/ethnic purity of the Myanma ethnicity and its Buddhist faith."

## The "Burman-ness"

This may be explained with a concept called "Burman-ness". Several scholars have employed the concept "Burman-ness" to understand the relationship between Burmans and non-Burmans in Myanmar. It may be pointed out that the concept of 'Burman-ness' has evolved over time. In the pre-independence period, the notion of 'Burman-ness' is employed to understand how Burman nationalists defined their 'identity/ nationalism'<sup>13</sup>. However, the concept has been used to explain the dominance of the Burman majority in the post-independence period.<sup>14</sup> Examining the dominance of the Burmans in Myanmar, Matthew J Walton argues that "Burman-ness [is] a form of institutionalised dominance"<sup>15</sup> and any threat to this dominance, real or perceived, is translated into expression of nationalist sentiments. Two cases illustrate this point. During the colonial period the Burmans perceived British colonial policies "as a threat to their cultural and religious identity." When the nationalist struggle against the colonial dominance was organised by the Burmans, "the oppositional and increasingly exclusive ethnic identity merged with a nationalism of the time, often placing other ethnic groups outside the boundaries of the nation".<sup>16</sup>

The ethnically exclusive nature of this nationalist sentiment allowed "an effective merging of ethnic and national identity; to be Burman (the ethnic group) is to be (truly) a citizen of the nation".<sup>17</sup> In the post-independence period, the "position of Burman culture [emerged] as the norm of national identity."<sup>18</sup> If the colonial rule was perceived by the Burmans as a cultural, social and psychological threat and that Burman nationalism was a response to that threat, what is the threat in contemporary Myanmar that has caused a new wave of nationalism in the recent years? The second case that illustrates this point is the Buddhist-Muslim violence in the recent past. By framing the conflict by some Buddhists as a struggle to protect their religion, race and country, it identifies the Other – here the Muslims as a threat to the Burman cultural identity. For instance, a monk who supported the anti-Muslim campaigns has been quoted as saying that "Without discipline, we'll lose our religion and our race. We might even lose our country".<sup>19</sup>

As we have seen earlier, this national identity was constructed to

#### К. Үноме

equate with the Burman identity. However, we have also seen that the mere existence of a distinct identity does not provoke nationalist feelings and that an ideology of 'ism' is necessary for nationalism. Then, we may argue that the protection of the "Burman-ness" i.e. the Burman identity represented in the form of language, religion and a shared history, and their "privilege" or "dominant" position in the system provide the ideological base for Burman nationalism. In the Rohingya case, the nationalist sentiments could be easily provoked because most Burmans regard the Rohingyas as foreigners (immigrants from Bangladesh), whose presence is seen as a threat to the national identity of the country. We may, therefore, argue that little has changed in the notion of nationalism

While Walton's argument that "Burman-ness is a system of ethnic superiority is also invisible to itself,"<sup>20</sup> may be valid on several grounds, what Walton has not problematised is: if the Burmans were not invisible to their dominant position in the society? Theoretically, it can be argued that Burmans are not invisible to the privilege as a Burman in Myanmar and threat to that position is interpreted as a threat to the nation. Domination is a phenomenon of power or influence over others and hence it cannot be understood without thinking in relation to the other. Then, the question is whether the argument that the Burmans are invisible to their privilege or dominant position in Myanmar's socio-political construct contradicts the ideological basis behind the Burman nationalism. This paper argues that while the Burmans may be invisible to some aspects of their privilege position, it is difficult to establish that they are completely unaware of their dominant position because it is this position in relation to other groups that they could see themselves. Thus, whenever they perceive threats to their dominant position from the Other, this is then framed as threat to the nation and hence calls for defence of the nation.

## **Buddhism-Nationalism Relationship**

The recent sectarian violence between the Buddhists and the Muslims has again brought the question of the relationship between the two into the forefront. It may be pointed out that in studying the relationship between Buddhism and nationalism, it should not be mistaken to mean the relationship between Buddhism and the state of Myanmar. It may however be noted that the relationship between Buddhism and the Myanmar state have undergone various phases. For instance, at different times, different regimes had co-opted, suppressed and displaced the Buddhist monks for regimes' own interest.<sup>21</sup> But it is also a fact that most rulers had employed Buddhism to legitimise their rule. Having said that, to understand the relationship between Buddhism and nationalism, it is important to locate the influence of Buddhism on politics and public opinion in Myanmar's contemporary context.

The origin of Myanmar's nationalism is closely related to the Buddhist revival movement in the l880s when ideas of such movement in Sri Lanka (then Ceylon) reached Myanmar and Buddhist revival activity began with the formation of YBMA of the 1906. Some Buddhist monks played a leading role in the independence movement in Myanmar and the recent situation reflects this history. In the recent sectarian violence, Buddhist monks such as U. Wirathu have used religious reasoning to justify the exclusion of groups considered to be outside the national community.<sup>22</sup> Explaining the relationship between Buddhism and nationalism in *Theravada* Buddhist majority countries, Walton argues that:

historically, Buddhist kings drew their legitimacy from their institutional support of the monkhood and from a cosmology that presented the well-being of the Buddhist community as an indicator of the strength of the nation. Thus, threats to Buddhism also function as threats to the nation and calls to defend the "Motherland" reiterate the belief that the "nation" is at its core Buddhist.<sup>23</sup>

By framing the sectarian violence by some Buddhist groups as "a necessary response to the imminent threat of Islam's expansion into the Buddhist community... any action is justified in order to protect the religion".<sup>24</sup> It has been further argued that when anti-Muslim actions are framed as "defending Buddhism", this then makes it very difficult for lay Buddhists to criticize or question even when they don't approve such actions. Hence, by presenting the notion that the nation is Buddhist by nature, threat to the religion is interpreted to mean threat to the nation itself because both are seen as one.

# Limitations of contemporary Burman nationalism

There is a debate among scholars on whether Myanmar needs a new nationalism that is inclusive and reflects the country's ethnic and religious diversities. This is yet to become a national discourse precisely because the dominant narrative in the context of the "national races" continues to confine itself to questions of federalism and political structures needed to reflect the multi-ethnic and religious diversity of the country. In fact, non-Burman assertion of the exclusive nature of the country's national identity is still viewed as "anti-national" or expression of secessionist tendencies.

#### К. Үноме

Understanding the recent sectarian violence would need the acknowledgement of "the problematic historical framing of national sentiment." The challenge of course is how to overcome the "persistent discrimination against religious and ethnic minorities" through a reinterpretation of the "defence of Buddhism". It may be argued that the contemporary Burman nationalism suffers from several limitations.<sup>25</sup> As Thant Myint-U asserts:

In Burma the strength and political dominance of a Burmese/Myanma identity based on older Ava-based memories has never allowed the development of a newer identity which would incorporate the divers peoples inhabiting the modern state. Instead, it has led since 1948 to recurrent warfare, the growth of a large military machine and an army rule" for decades.<sup>26</sup>

The problem also is in the way the recent conflicts are viewed by the government as "a reflection of a lack of rule of law" thus fundamentally misjudging the degree of institutionalised religious discrimination in Myanmar and the limitations of Burmese nationalism as it is currently constructed. By focusing only on the rule of law, they also misread the necessary response to prevent these types of incidents in the future". It is also important to note that there "is a much-needed re-imagining of the role of Buddhism in a future democratic Myanmar". The question is how Burman Buddhists can "adapt to the empirical reality of multiculturalism without abandoning its distinctive core values or discounting its pervasive influence on many aspects of Burmese culture as the majority religion in the country."<sup>27</sup>

We have seen that during the independence movement, Myanmar's nationalism was driven by two ideological factors – the sense of being dominated by the colonial rulers and the sense of threat to the Burman culture. As we have noted earlier, nationalist ideology is a by-product of rivalries and competition and the claim to control state power or to promote one's own identity. One may ask: Why Burman Buddhists who enjoy a position of dominance view Islam as a threat when Muslim community in Myanmar is a minority and is relatively weak in the current socio-political construct of the society? This may be explained by the argument that nationalist ideology often is a result of cultural and psychological strain. Also, to my mind the reason for this is broader and has to do with the religion and not necessarily with the Burmans alone. Some scholars have points out that the 'defending of the Buddhist religion' argument:

no longer needs to be explicit in cases like Sri Lanka, Thailand, and Myanmar,

where the identity of the Buddhist majority has effectively merged with the national identity. Calls to 'defend motherland' in these countries might appear to be simply nationalistic, yet the long-standing connection in Buddhist political thought between the integrity and strength of the state and the health of the religion suggests that many people view these conflicts through a religious lens.<sup>28</sup>

Perhaps, this explains the ideological basis of the new Buddhist nationalism – a "psychological strain" across the *Theravada* Buddhist nations in the region. A dimension of the recent sectarian violence seems to support this argument. For instance, by framing the anti-Rohingya Muslims on religious lines, "Buddhism became the common ground for fostering an alliance between the ethnic Rakhine and Burmans. Discourses of anti-Rohingyas came to be constructed in term of protecting race/nation and religion."<sup>29</sup> Thus, Sai Latt argues that:

In this situation, the already unclear definition of race/nation, and the elements that constitute this category, further blur the boundary between ethnic Rakhine, Burmans and Burmese citizenry. But it takes the general categorical form of 'Buddhist and/or Burmese' where 'Burmese' generally refers both to the country's citizens as well as the majority ethnic Burmans. They also blur the boundaries between Rohingyas, Islam and Burmese Muslims. Ethnic Burmans, with or without the Rakhines' mobilization, joined the campaign in the name of "safeguarding the nation.<sup>30</sup>

## Conclusion

It may be appropriate to conclude with two open-ended questions – one historical and the other conceptual that perhaps form ways in which the country's national identity and nationalist sentiments need to be framed. Is the "Burman-ness" or "Burman" identity an "exclusive identity" or it is an identity that is open and inclusive? Contrary to the European interpretation of the mid-18<sup>th</sup> century of "Burmans" as an exclusive or racial group, Micheal Charney has observed that in the later part of the Konbaung period, there was "easy cultural assimilation" in Myanmar.<sup>31</sup> The Burman culture was an open culture that adopted and borrowed other cultures, particularly from Mon and Arakanese cultures. Can contemporary Burman culture reinvent this cultural characteristic of the past? Again, there is a debate on whether the term "ethnic group" includes the majority Burmans in the category or is it refers only to non-Burmans. Nick Cheesman believes that in Myanmar: "the Burman majority is also recognised as one of the "national races" [of Myanmar], thereby reaffirming

the principle of equality among all "national races": as all are equally legitimate in the eyes of the state."<sup>32</sup>The question then is: Can the Burmans translate this into reality?

### References

- 1. My initial thoughts in this paper were presented at an international conference on "Understanding Myanmar: Internal Dynamics and the Regional/ International Context" on 19-20 September 2013 held in Gurgaon, India organised by the German Institute for Transnational Studies.
- 2. For instance see Lian H. Sakhong, "The Dynamics of Sixty Years of Ethnic Armed Conflict in Burma". *Analysis Paper*, Burma Centre for Ethnic Studies, No.1 , January 2012.
- Christophe Jaffrelot, "For a Theory of Nationalism". Research in Question, Nã 10, June 2003.
- 4. *Ibid*. p. 2.
- 5. Ibid.
- 6. Ibid.
- 7. *Ibid*.
- 8. *Ibid*.
- 9. Thant Myint-U, *The Making of Modern Burma*.Cambridge, Cambridge University press, 2001. p. 88.
- 10. Cecil Hobbs, "Nationalism in British Colonial Burma". *The Far Eastern Quarterly*, Vol. 6. No. 2 (Feb. 1947), p. 113.
- 11. It may be pointed out that there were other nationalist thoughts before and during the period, but the Dobama nationalist ideas were the most dominant of all. See Yuri Takahashi, "The Sun with the Peacock: The *Thuriya* newspaper and the origins of Burmese nationalist publishing" presented at the 18<sup>th</sup> Biennial Conference of the Asian Studies Association of Australia in Adelaide, 5-8 July, 2010.
- 12. Matthew J Walton, "The Wages of 'Burman-ness:' Ethnicity and Burman Privilege in Contemporary Myanmar". *Journal of Contemporary Asia*, 2012.
- 13. See for instance, Yuri Takahashi, "The Case-Book of Mr San Shar: Burmese Society and Nationalist Thought in the 1930s as seen in the Burmese Sherlock Holmes Stories", paper presented at the 17<sup>th</sup> Biennial Conference of the Asian Studies Association of Australia in Melbourne, 1-3 July 2008. Also see Micheal W Charney, 'From Exclusion to Assimilation: Later Precolonial Burmese Literati and "Burman-ness"', SOAS.
- 14. Matthew J Walton, op. cit.
- 15. *Ibid*.
- 16. *Ibid*.
- 17. Ibid.
- 18. Ibid.
- 19. A prominent 969 monk U Wimala Biwuntha is quoted as saying, Reuters,
- 20. Matthew J Walton, op. cit.
- 21. For a discussion on the role of Buddhist monks in the political life of Myanmar during the early post independence period see Fred R. Von Der Mehden, "The Changing Pattern of Religion and Politics in Burma". *Studies on Asia*, Series I,

Vol. II, (1961), pp. 63-73.

22. Matthew J Walton, "Myanmar needs a new nationalism". *Asia Times*, 20 May 2013.

- 24. Matthew J Walton, "Buddhism turns violent in Myanmar". *Asia Times Online*, 2 April 2013.
- 25. Ibid
- 26. Thant Myint U, op. cit., p. 254.
- 27. Matthew J Walton, "Myanmar needs a new nationalism", op. cit.
- 28. Ibid.
- Sai Latt, "The Arakan Conflict and Nationalist Threats In Burma". Asia Sentinel, 24 July 2012.

- 31. Micheal W Charney, 'From Exclusion to Assimilation: Later Precolonial Burmese Literati and "Burman-ness"', SOAS.
- 32. Nick Cheesman, "Seeing 'Karen'in the Union of Myanmar". *Asian Ethnicity*, Vol. 3, No. 2, September 2002, p. 215.

<sup>23.</sup> Ibid.

<sup>30.</sup> *Ibid*.

# Myanmar's *Tatmadaw* An Overview

# BHARAT MAHESHWARI

To understand the evolution of Myanmar's armed forces, it is important to bear in mind some important aspects of the country's history. From the very moment of its birth, Myanmar has been wrecked by insurgencies in various parts of the state – some rooted in ideology, and others rooted on ethnic lines. Faced with very limited national resources, difficult terrain, and insurgencies enjoying fairly significant amounts of national support, combating them became the main task of the country's armed forces. If the history of the *Tatmadaw*, therefore, were to be described in terms of the operations it has conducted, or the threats it has faced, it would become apparent that it was only at a later stage that it came round to dealing with external threats in a focused manner.

Myanmar's government accords a very high priority to its armed forces in terms of funding. While official figures state that the proportion of funding allocated in the most recent budget has been in the region of 14 percent of the GDP,<sup>1</sup> previous estimates by analysts have quoted much higher figures.<sup>2</sup> Raw figures by themselves would lead one to infer that the quality of equipment and/or the size of the armed forces must be at an unusually high level as compared to states with similar socio-economic indicators. The truth, however, is more complicated. A substantial portion of the budget allocation can be attributed to the additional functions performed by Myanmar's Army in supporting the administration of the country; tasks which should normally have been carried out by the concerned department of civil administration.

As in most other armed forces, Myanmar Army is the predominant service among the Myanmar armed forces. However, unlike most other armed forces of modern states, the Army occupies a rather unusual position in that the funding allocated for other Arms is miniscule in comparison. In addition, the roles allocated to Myanmar armed forces are also different: while the Air Force essentially performs a tactical role in support of the Army, its structure and equipment till a very late stage were adapted primarily to counter insurgency operations, transport and casualty evacuation(CASEVAC).

Myanmar's armed forces trace their origin to the British forces from which they were formed, and went on to retain the rank structure that they had inherited. Over time, this was developed to keep pace with the expansion of the armed forces. Few know that the first Commander-in-Chief of the then Burmese Army, General Smith Dun had passed out as the Sword of Honour of the first course at the Indian Military Academy at Dehradun.<sup>3</sup> The leading officers, in the phase following independence were also British trained. Over time, however, officers whose origins lay in indigenous forces, which were amalgamated into the Burmese Army, reached the leading positions of the Burmese Army. It was the set of officers led by General Ne Win that eventually staged a *coup d'Ètat* and took control of the government in 1962. These officers and their successors have since then shaped the *Tatmadaw* and the policies determined by it to govern the country.

## Myanmar Army

The formative years of the Myanmar Army were particularly difficult. The steps or missteps taken then had repercussions decades later, influencing the organizational structure and doctrines of the Army even when the need to adapt was recognized – a transformative change is very difficult in large organizations. In the initial years the Army had a mere 15 infantry battalions. In addition, it had to immediately come to terms with internal divisions on ethnic and ideological lines. These, however, were exacerbated by the faulty formulation of doctrine and tactics in the initial years. Officers enamored by tactics of large-scale conventional warfare formulated doctrines based on the same – whereas the primary requirement at that time was counter insurgency. Given its fractious composition, the Army also had to face existential challenges. While these were eventually overcome, it did not do much to improve its ability to successfully mount operations. In the initial years, it was the guerillas who were more disciplined, better organized and far more adept at winning the hearts and minds of the population, to the extent that General Ne Win was reported to have stated at a Commanding Officers Conference in

#### BHARAT MAHESHWARI

1964 that the guerillas seemed to be doing "good things" and the soldiers seemed to be doing "all the bad things".<sup>4</sup> While this translated into a high level of support from the local population for the insurgents, when combined with poor tactics and training of the Army, this resulted in higher casualties particularly from ambushes. These issues illustrate that the initial phase of the Myanmar Army represented it with a set of unique challenges very different from those faced by other armies tracing their lineage to British colonial forces.

With time, however, the Myanmar Army did begin to find its footing. Training and discipline were improved, and measures to counter specific issues faced by troops were devised. The greatest expansion in the Army was in the Infantry, which witnessed an almost exponential increase in the number of battalions. In 1964, recognizing the need for a new or updated doctrine to deal with conditions at the time, the process was started to update the same.<sup>5</sup> The doctrine formulated by the Army in the 1960s focused on People's War to combat internal and external threats while also formulating new methods to deal with areas giving different levels of support to the Army and insurgent forces.

While the Myanmar Army was primarily preoccupied with domestic challenges, external threats were also a cause for concern. Initially, the remnants of the Kuomintang (KMT) who had taken refuge in the border areas and were involved in skirmishes and confrontations with the Myanmar Army. These forces had the support of the Taiwan government and the CIA (Central Intelligence Agency) of the US. These were a cause for concern for the Myanmar military along with fears of direct Chinese intervention against these forces on Burmese territory. By 1968, the odds of internal insurgencies being aided by foreign governments became a very real threat, in addition to the concerns already outlined. By the 1980s, especially in the period leading up to and after 1988, the prospect of external interventions on Myanmar's territory including those in the name of democracy became very real with the deployment of an American carrier group close to Myanmar's territorial waters.<sup>6</sup>

It is important to understand these developments and their consequences on the development of the Myanmar Armed Forces and their doctrines. It comes as no surprise that from the earliest stage the focus was on preserving the unity and protecting the sovereignty of the country. Slowly as the internal situation began to stabilize, the external threats began to be factored into the military's calculations to a proportionately greater extent. The nature of equipment acquisitions also changed in accordance with the changed threat perceptions and priorities.

Availability of information regarding the Myanmar military is restricted due to the secretive nature of the regime and the general lack of access. However, one can still attempt to analyse the Myanmar Army by looking at equipment and acquisitions, operations against rebel groups, training of personnel with foreign armies, official statements and information gathered by other observers.

From the information available, the Myanmar Army is primarily a light infantry force with over 500 battalions of infantry. Reports on the number of troops vary from 3,50,000 to over 4,00,000.<sup>7</sup> In the late 1980s, the average size of a battalion was supposed to be 777 soldiers, which increased to 814 soldiers by the late 1990s. Actual strength of battalions was much lower – 670 plus in 1980s, coming down to 350 plus by 1998, and reportedly, as low as 250 by 2008.<sup>8</sup> Therefore, while the *Tatmadaw* is supposed to have a much higher number of soldiers as per norms, the actual figure is much lower. A clear picture is difficult to obtain, as the Army itself recognizes a significant problem of falsification of records, and other sources point towards undermanned and poorly staff units.<sup>9</sup> Desertion rates of conscripts is also said to be high.<sup>10</sup>

According to information available from *Military Balance*, it does have an inventory of armoured vehicles, almost entirely of Chinese origin. While the overwhelming majority of these tanks are obsolete by western standards, it has also acquired the MBT2000 and Type 96 tanks from China in recent years, in addition to the T72S, which is an upgraded version of the almost ubiquitous T72. While armoured forces have limited utility in counter insurgency operations that have long preoccupied Myanmar's military, Myanmar's possession and recent upgrade of the same must be seen in the context of similar acquisitions by Bangladesh and Thailand – countries which have lately had tensions with Myanmar's government. The terrain in Myanmar limits the ability to use mechanized forces. However, Myanmar did obtain a license from Ukraine to build up to 1000 BTR 3U APCs over a ten year period.<sup>11</sup> These are wheeled APCs based on BTR-80 series vehicles of Soviet origin with major modifications.

For Fire Support, Myanmar Army utilizes artillery of varied origins. As indicated by *Military Balance 2014*, the majority of its tube artillery is light artillery of 105mm caliber – either the American M-101 or its Yugoslav version, the M-56. It also has approximately 100 Soviet origin D-30 howitzers (122mm) and their Chinese copies. It has limited numbers of medium artillery – Soviet origin M-46, Yugoslav M-84, recently acquired

#### Bharat Maheshwari

Chinese SPH (wheeled) and possibly Israeli upgrades from Soltam. Interestingly, it retains more than 1,000 pieces of the ancient American M-47, a recoilless rifle used in the direct fire role, and extensively used in Vietnam. It also has approximately 1,000 Carl Gustav RCLs. While these holdings are quite substantial for a country of Myanmar's economic strength, they do reflect the light infantry dominated structure of the Army, with greater reliance on organic fire support from infantry units. However, there have been instances where Myanmar has used artillery to target major rebel facilities and towns.

Since 1988 a number of deals have been signed to acquire weapons for the Myanmar military. However, reflecting a trend in the armies of many developing countries, these have tended to be big-ticket purchases, which have largely ignored the quality of equipment for the individual soldier. The standard issue rifle was the H&K G3 up to the mid-1990s.<sup>12</sup> Since 1996, a set of indigenously developed weapons chambered for 5.56mm ammunition has been introduced. According to some reports, these weapons, developed by the Army's Electrical and Mechanical Engineering Corps are said to be unreliable, with problems of overheating. In addition, the ammunition is also said to be of poor quality. The personal equipment of the soldiers is also inadequate - webbing is of poor quality<sup>13</sup> and reports from defectors indicate that soldiers tend to buy their own uniforms at the first opportunity.<sup>14</sup> However, given that road access is limited in the areas that Myanmar's military has been conducting operations in, the change in ammunition type should help in easing the logistics burden to an extent.

Very little information is available on the levels of training and proficiency of Myanmar Army's troops. The best indication of the same is the performance of forces in recent operations. In late 2012, the Myanmar Army launched 'Operation Thunderbolt'<sup>15</sup> aimed at pushing the Kachin Independence Army towards a ceasefire agreement. Planning for the operation had reportedly begun in early 2012, giving the Army approximately 9 months to prepare. The buildup preceding the operation was carried out under the guise of a major division level exercise, including the deployment of recently acquired weaponry and aircraft like MI-35 helicopters. In addition, the operation employed troops from different Light Infantry Divisions which are better trained and equipped, and come under the command of the War Office at Naypidaw. Despite this, there were reportedly several tactical failures<sup>16</sup> in the conduct of operations, which resulted in a fairly high number of casualties for the Army. Lack of

experience in conducting combined arms operations showed, as the old weaknesses of poorly coordinated air strikes resurfaced, even resulting according to reports, in a friendly fire incident. Even though the Army has acquired tanks from China and Ukraine, armour was not committed in strength even in areas conducive to its use.

## **Myanmar Air Force**

For a long time, Myanmar's Air Force played very limited role in the strategy and operations of the military. It was formed in January 1947 out of the contingent of the Royal Air Force stationed in Burma, starting with a few Spitfire aircraft and trainer aircraft like Oxfords, Tiger Moths and Austers. The role of the Myanmar Air Force right from the beginning was to aid the Army in the conduct of counter insurgency operations, provide logistical support and transport and reconnaissance. Keeping this and national resources in mind the acquisition of aircraft for the Air Force followed a pattern: aircraft, which by the standards of the day were either obsolescent or obsolete, were procured. While these would not have lasted long in a conventional war against a well-equipped enemy, these were enough to fulfill the limited roles envisaged for them as part of counter insurgency operations.

In the first few years, the Myanmar Air Force restricted itself to aircraft of British and later American origin. In many instances, trainer aircraft were acquired and were modified locally to perform the role of combat air support for the Army's operations. In this phase, the effectiveness of the Air Force was inadequate. The Air Force suffered as Myanmar's poor economic situation restricted budget allocations, and aviation grade fuel had to be imported from abroad. Non-availability of adequate fuel led to inadequate training for pilots. The aircraft also suffered from poor serviceability resulting from inadequate training of maintenance crew and non-availability of spares. Therefore, while the Air Force's ability to sustain air operations itself was suspect, its performance during such operations was also poor due in part to the nature of equipment that was available to it, and also to the training of its pilots. For example, accuracy in close air support operations was poor and there were instances of friendly fire. Due to fear of anti-aircraft fire, pilots tended to fly too high to achieve an acceptable degree of accuracy. In addition, the military itself viewed its limited fleet of aircraft as strategic assets and were cautious in using them.

As can be seen, in this phase the Air Force was more of an 'air component' whose objectives were entirely subordinated to that of the

#### Bharat Maheshwari

Army, and which in fact came under the command of the Army leadership. The mission of the Air Force was not as much to defend the country's air space, as it was to act as 'airborne artillery' for the Army, and also as a means of reconnaissance and communication. This began to change post-1988 when the leadership decided to expand the capabilities of the Air Force substantially.

One of the first major deals to be signed was for SOKO Galeb aircraft made by Yugoslavia. These are training aircraft with a secondary ground attack capability – in line with previous trends of procurement by the MAF. In 1990, the Myanmar government sent a delegation to China for an official visit. This marked the beginning of new phase not only for the Air Force but for other arms as well. In a major deal worth US\$1.4 billion, MAF acquired A5 Fantan ground attack aircraft and F7M Airguard aircraft. These relatively simple aircrafts provided a substantial increase in the capabilities of the MAF. However, despite their simplicity, it was still a challenge to maintain them effectively and reliably. After the disintegration of Yugoslavia, procurement of spares became another challenge, overcome to an extent by purchases in the open market. This phase also saw the expansion of Myanmar's transport fleet with the addition of Y-8 aircraft, and Mil Mi-2 andW-3 Series of helicopters manufactured by Poland.<sup>17</sup>

The beginning of the 2000s represented another phase in the expansion of the MAF. The Myanmar government signed a deal with 11 MiG 29 aircraft from Russia, giving that country a foothold in its aviation sector. In addition, the decision was consistent with the government's general policy of diversifying the sources of its defence equipment. This acquisition represented a quantum jump in the capabilities of the MAF, as well as the technology that its personnel were exposed to. This acquisition was followed by the procurement of another 20 MiG 29 aircraft which were of the MiG 29B and MiG 29 SE types.<sup>18</sup> In addition MI-35 attack helicopters were also acquired.

On paper, these acquisitions would represent a substantial upgrade of the Air Force's capabilities, and also in its ability to support the Army in the kind of counterinsurgency operations that it was involved in earlier. In addition, it would also seem to give Myanmar a decent ability to police its air space. Reality however, seems to be different. As has been outlined above, the accuracy and effectiveness of the Air Force in close support operations was found to be inadequate. According to some observers, the tendency of MAF pilots to fly too high represented a combination of poor training and possibly, timidity on the part of its pilots. The last major campaign where air power was used in significant amounts – that against the KIA, showed that shortfalls on these fronts persisted.<sup>19</sup> In addition to the friendly fire incident mentioned above, the Air Force lost a K-8 trainer to ground fire and also a newly acquired MI-35 helicopter. According to the MAF, the Mi35 was lost due to engine failure and not ground fire as claimed by rebels.<sup>20</sup> Even so, it leads one to question the ability of newly trained personnel to effectively maintain their equipment, and also the ability of the Air Force in quickly integrating newly acquired equipment into its force structure.

Myanmar has also spent considerable effort in building up its air defence capabilities with the acquisition of modern air-to-air missiles and the creation of a C4I network using fibre optic links. It also has up to 100 radars of different types to monitor the country's air space. Up to the late 1980s Myanmar's radar coverage including modern civil radars installed using foreign aid was limited. They have, therefore, come a long way in this aspect.

# Myanmar Navy

Myanmar Navy's primary role has traditionally been similar to that of the Air Force: that of supporting the Army in counter insurgency operations. At the same time, it did not lose sight of its responsibility of policing its territorial waters, although it is apparent that the military as a whole did not expect a major challenge on that front.

The Navy's primary role till the late 1980s was to patrol Myanmar's river waters – especially that of the Irrawady – and to support the Army in its operations. Since it was felt in a relatively early phase, that the role played by the Air Force was more effective in meeting operational requirements, a greater portion of available funds went to the Air Force. This restricted the size and capability of the Navy and ultimately its mission. Consequently, the Navy's equipment acquisition till that point focused on the acquisition of small riverine patrol craft, tugs, offshore patrol vessels, fast attack crafts and the odd frigate. Its sources for the same were varied. Patrol craft were procured from the UK, USA and Yugoslavia, while tugs were procured from Japan and erstwhile East Pakistan. Its first major warship in 1948 was an ex-Royal Navy River Class frigate. By the 1970s, however, the government had decided to acquire a capability to build patrol craft and fast attack craft at the Naval Dockyards in Myanmar itself. This capability has since expanded to build frigates.

#### Bharat Maheshwari

While Myanmar's Navy has not figured significantly in public discussions about the military, events from the late 2000s onwards have ensured that the service receives greater attention. In 2008, the Navy had faced off against the Bangladesh Navy over a contested area close to St Martin's Island 50 miles from Bangladesh.<sup>21</sup> The Bangladesh Navy was able to deploy relatively better armed warships as compared to the Myanmar Navy. While both sides managed to de-escalate peacefully, it did show the Myanmar Navy in a poor light. With the discovery of a number of offshore oil and gas blocks, it has become increasingly important for the country's Navy to acquire a capability to police and protect its waters from neighbouring countries.

Apart from India, Myanmar's other neighbours have given greater importance to their navies in relative terms. Thailand operates one of the few aircraft carriers possessed by Asian countries, which despite its poor seagoing record is still a capability very different from that of Myanmar's Navy. However, it is Myanmar's contest with Bangladesh which is interesting. Following Bangladesh's decision to acquire frigates from China, Myanmar too decided to acquire frigates from China – interestingly, of the same class. Recently, Bangladesh had announced its decision to procure two ex-PLAN submarines to build a rudimentary undersea warfare capability. Close on the heels of that news came rumours that Myanmar Navy is also looking to procure submarines. In addition, Myanmar Navy has decided to procure sonars from India,<sup>22</sup> which are designed to be fitted on small vessels and meant for ASW requirements of the Indian Navy, which would not be very different from Myanmar Navy's in terms of capabilities in particular, temperature and salinity conditions. It is apparent therefore, that both Bangladesh and Myanmar attach great importance to the discovery of oil and gas blocks in the Bay of Bengal region, and are looking to build up capabilities to protect their claims.

It is worth noting that these reports of Myanmar's efforts to procure submarines are different from earlier reports of efforts to procure submarine from North Korea. In the earlier instance, the submarines to be procured were essentially midget submarines, which can at best be used for coastal operations. Even these efforts did not fructify reportedly due to cost factors. In the current instance, the reference is to procurement of Kilo class submarines that are significantly more advanced and larger in size. Myanmar had also sent personnel to Pakistan for submarine training as early as 1999. Efforts on that front have reportedly started again.<sup>23</sup> If these efforts actually result in the procurement of advanced submarines, it would provide Myanmar Navy with a substantial increase in capability unmatched by either Thailand or Bangladesh, and superior to the capability provided by the Ming class submarines that Bangladesh is looking to acquire.

In line with this trend of strengthening the Navy, Myanmar has also been strengthening its surface fleet. From 2011 onwards Myanmar has been inducting indigenously constructed frigates belonging to the Aung Zeya class built at the Naval Dockyard in Thilawar. According to reports, Myanmar intends to build a total of 6 ships of this class<sup>24</sup> which are armed with sensors and equipment procured from a variety of sources including China, India and Italy. In addition to these, Myanmar has also inducted two second hand frigates acquired from China, of the Type 053H1<sup>25</sup> class after extensively upgrading them. Acquiring vintage second hand ships and upgrading them can only be attributed to a desire for a quick buildup of capability at limited cost, in addition to the fact that Bangladesh had done exactly the same thing.

Myanmar has also been adding corvettes and FACs to its fleet indigenously, some of which are indigenously manufactured. These have also had upgrades over time, resulting in the corvettes acquiring anti-ship missiles and better sensors. In addition to this, the indigenously constructed Fast Attack Craft being inducted currently have 'stealth' features and are armed with Chinese anti-ship missiles. These are likely to be produced in large numbers providing a significant boost to Myanmar's Navy.

While these developments bode well for Myanmar Navy, the challenges faced by the Air Force in maintaining technically complex equipment are applicable here as well. It remains to be seen whether Myanmar will be able to keep increasingly complex equipment operational. In addition, it may also face challenges in procuring spares from the multitude of suppliers it is procuring its equipment from. Even so, these changes represent a transformational phase for Myanmar Navy.

## Strategic Concerns and Command and Control

After their experience in the late 1980s and following developments in the military sphere post First Gulf War the military seems to have recognized the vulnerability of the regime and its hold over the organization. Subsequently, measures were taken to improve the military's ability to resist an external attack on the regime – for the purpose of regime change – and also to safeguard the regime from internal enemies. The clearest manifestation of this is shifting of the capital to Naypidaw from

#### BHARAT MAHESHWARI

Rangoon, which is in a fairly isolated locality and inhabited to a large extent by government servants or their families. While this improves the physical security of the capital and the regime, it also precludes the possibility of popular movements for regime change of the sort that were seen in the early to mid-2000s from gaining traction. Additionally, it has been reported that Myanmar military has built a network of underground facilities with the help of North Korean personnel<sup>26</sup> to protect and safeguard its ability to maintain control over the country. In 2009, reports had also started to surface regarding Myanmar's efforts to acquire a nuclear capability. This could only be a result of desire to safeguard the regime and was reportedly a significant factor in ensuring rapprochement between the West and Myanmar's junta.

# Conclusion

Myanmar's military has gradually established a more credible ability to defend the country's interests than had been possible earlier. It has tried to tackle the shortcomings in equipment for all three arms – Army, Navy and Air Force. However, going by reports of its performance, training and capacity building are areas which would require greater attention in order for the military to be able to utilize its assets to their full potential.

Myanmar's military has seen a faster pace of modernization since 1988, and this is expected to continue as competition for resources, particularly Bangladesh and Thailand, increases. As has been noted earlier, at least some of Myanmar's recent acquisitions can be reasonably correlated with similar acquisitions by its neighbours. At the same time, with the introduction of reforms - however limited they may be - the military has been able to ward off the threats to regime security. Therefore, external threats arising from competition with neighbours will be at least one driver of modernization for the military.

Much also depends on the progress of talks with rebel organizations and the fate of the forces established by the same. It remains to be seen what agreements are reached for the absorption or disbanding of rebel forces and how those will be implemented. Resolution of these issues will impact not only the focus, role and size of Myanmar's military, but also the resources that are available and allocated for acquisition of new equipment.

#### References

- J. Grevatt, Myanmar declares USD2.4 billion defence budget for 2014. *IHS Jane's* 360,2014.. [online] Janes.com. Available at: http://www.janes.com/article/ 32436/myanmar-declares-usd2-4-billion-defence-budget-for-2014 [Accessed 2 June 2014].
- A.Selth , Known Knowns and Known Unknowns: Measuring Myanmar's Military Capabilities. *Contemporary Southeast Asia*, [online] Vol. 31,No. 2, 2009. p. 272. Available at: http://dx.doi.org/10.1355/cs31-2d [Accessed 2 June 2014].
- 3. Y. Pai, *The Forgotten General of Burma's Army*. [Online]. 2013. Irrawaddy.org. Available from: http://www.irrawaddy.org/karen/forgotten-general-burmas-Army.html [Accessed: 27 May 2014].
- 4. M. Myoe, (2009) *Building the Tatmadaw*. 1st Indian Reprint. New Delhi ,KW Publishers Pvt Ltd, 2009. pp. 22-25.
- 5. *Ibid*.
- 6. A. Selth, Burma and the Threat of Invasion: Regime Fantasy or Strategic Reality? Regional Outlook. Griffith Asia Institute,2008. p10 ; A.Zaw, The Longest Coup: Did China Plan to Invade Burma in 1988?2007. [online] Www2.irrawaddy.org. Available at: http://www2.irrawaddy.org/ opinion\_story.php?art\_id=8645&page=1 [Accessed 2 Jun. 2014].
- 7. A.Selth, Known Knowns and Known Unkowns: Measuring Myanmar's Military Capabilities. *op. cit.*, pp. 272-95.
- 8. M. Myoe, op. cit., pp. 77-78.
- A. Selth, op. cit., p. 272. Available at: http://dx.doi.org/10.1355/cs31-2d [Accessed 2 Jun. 2014].
- 10. *Ibid*.
- 11. C. McCoy, Asia Times Online :: Southeast Asia news Myanmar's losing military strategy. [Online]. 2014. Atimes.com. Available from: http://www.atimes.com/atimes/Southeast\_Asia/HJ07Ae01.html [Accessed: 26 April 2014].
- 12. Ibid.
- 13. *Ibid*.
- 14. Ibid.
- 15. A. Davis, *Asia Times Online :: Pyrrhic victory in Myanmar*. [Online]. 2014. Atimes.com. Available from: http://www.atimes.com/atimes/Southeast\_ Asia/OA31Ae03.html [Accessed: 25 April 2014].
- 16. *Ibid*.
- 17. A.Selth, The Myanmar Air Force Since 1998: Expansion and Modernization. *Contemporary Southeast Asia*, Vol.19, No. 4 1998. pp. 388-415
- Flightglobal.com, (2011). Myanmar to receive new batch of MiG-29s from March 3/ 2/2011 - Flight Global. [online] Available at: http://www.flightglobal.com/ news/articles/myanmar-to-receive-new-batch-of-mig-29s-from-march-353771/ [Accessed 2 June 2014].
- 19. S.Naing, Myanmar Lost 2 Helicopters, Suffered Heavy Personnel Losses in Past Kachin Offensive: Report. [online]2014. Irrawaddy.org. Available at: http:// www.irrawaddy.org/burma/Army-lost-2-helicopters-suffered-heavypersonnel-losses-past-kachin-offensive-report.html [Accessed 2 Jun. 2014].
- IBNLive, (2013). Myanmar: Government helicopter allegedly shot down by Kachin guerrillas. [online] Available at: http://ibnlive.in.com/news/myanmargovernment-helicopter-allegedly-shot-down-by-kachin-guerrillas/315320-2.html [Accessed 2 Jun. 2014].

Bharat Maheshwari

 S.Chowdhury, Asia Times Online :: Bangladesh wins offshore claim against Myanmar. 2012. [online] Atimes.com. Available at: http://www.atimes.com/atimes/ South\_Asia/NC20Df05.html [Accessed 2 Jun. 2014]. AND
 I.Millor, Ching Making A Play At Bangladesh2, 2014. [online] Forbes, Available at:

J.Miller, *China Making A Play At Bangladesh?*. 2014. [online] Forbes. Available at: http://www.forbes.com/sites/jonathanmiller/2014/01/03/china-making-a-play-at-bangladesh/ [Accessed 2 Jun. 2014].

- 22. *The New Indian Express*, India to export sonar to Myanmar. [Online]. 2014. Available from: http://www.newindianexpress.com/states/kerala/India-to-export-sonar-to-Myanmar/2013/10/24/article1852493.ece [Accessed: 27 May 2014].
- A.Davis, Myanmar Navy starts submarine training in Pakistan *IHS Jane's 360*. [Online]. 2013. Janes.com. Available from: http://www.janes.com/article/ 23451/myanmar-Navy-starts-submarine-training-in-pakistan [Accessed: 27 May 2014].
- 24. Globalsecurity.org, (n.d.). *FFG Aung Zeya*. [online] Available at: http://www.globalsecurity.org/military/world/myanmar/ums-aung-zeya.htm [Accessed 2 Jun. 2014].
- 25. Navyrecognition.com, Myanmar gets two former PLAN (chinese) Jianghu II-class (Type 053H1) frigates. [Online]. 2014. Available from: http:// www.Navyrecognition.com/index.php/news/defence-news/year-2012news/march-2012-Navy-world-naval-forces-maritime-industry-technologynews/389-myanmar-gets-two-former-plan-chinese-jianghu-ii-class-project-053h1-frigates.html [Accessed: 27 May 2014].
- Rfa.org, North Korea Aids Burma Tunnels. [Online]. 2014. Available from: http:// www.rfa.org/english/news/myanmar/burmatunnels-06182009131301.html [Accessed: 27 May 2014].

# THEORETICAL UNDERPINNINGS OF MYANMAR'S QUEST FOR DEMOCRACY AND CIVIL SOCIETY

Sumit Kumar Pathak

# ABSTRACT

Myanmar still has to travel a long way to achieve a democratic path as a way of life. Although some reforms are taking place but the pace of reforms are unsatisfied. State should take steps to generate the trust of the people in political institutions. Trust is a main component of social capital and social capital is a necessary condition of social integration, particularly in the country like Myanmar, which is ethnically diverse. The iron grip must be eased so that civil-society and democratic institutions could take shape. Civil society is concerned with public not private ends. It does not seek power and it is the existing government which must induce democratic principles and re-evaluate ethnic relations so that a democratic Myanmar could be surfaced.

## Introduction

While authoritarian sun is still glaring in Myanmar, the democratic clouds too are hovering. It may not be long when authoritarian sun will set to let the dawn of democracy bring days of peace ahead in Myanmar. It is for certain that functional and transparent political process directed by the rule of law, and transparent apparatus to discharge political functions are the prerequisites for establishment of democracy in any country. Like any other country in the world, the same remains the case with Myanmar also. It certainly cannot be denied that Myanmar is still a nation in making. Here nation in making means that Myanmar has not witnessed a national consciousness or national sentiments and aspirations to achieve national independence from any authoritarian regime. There is a need to create a consciousness among the people regarding their role in the processes of nation making. Myanmar requires a democratic institutional arrangement which should be based on political democracy in the form of periodic elections, adult franchise as well as the protection of ethnic minorities etc.

Referendums can be a tool for determining public opinion and encouraging public participation in determining the fate of Myanmar. Referendums at the same time may also enhance the legitimacy of the state or quasi-civilian government through multi-tasking its role to bring it closer to society rather than placing it above the society. Referendum is a useful mechanism for determining public opinion and encouraging people participation in policy making. It allows voters to make a choice between alternative courses of action on a particular issue.

The "Generals' will" must be replaced by the "General will" of the people of Myanmar which still remains unattained. President Thein Sein's quasi-civilian government, is based on the 2008 Constitution that was framed under the influence of the Military Junta. Even though Thein Sein occupied the position of President after the elections, but he could do that only through wearing a democratic mask later found to be failing to represent the masses. The rationale behind writing this paper is as follows:-

- (I) A democratic Myanmar rather than an autocratic Myanmar can bring peace, stability and prosperity not only in the region but the world at large. Militarism, violence and will to dominate cannot make any society civil and political.
- (II) Restoration of peace is the first step towards democratisation. In that context, it may be looked at as 'being and becoming the absence of conflict'- instead of the 'absence of violence'-, either in general (State atrocities) or in particular ethnic violence.
- (III) The Disciplined Democracy or indirect military rule where military converts it into a political party and through uncompetitive and un-periodic elections captures the political institutions. This Disciplined Democracy based on institutionalised powers only shared among the ruling elite, must pave the way for the establishment of the general will of the people of Myanmar. As some of the thinkers or philosophers argue that the current political transformation is not a deliberate process of liberalisation or democratisation but is a survival strategy of the military regime.<sup>1</sup> They further argue that authoritarian regimes adopt nominally democratic institutions in order to protect themselves against potential threats from both within the regime and in the society at

large. It suggests that these institutions are not an indication that countries are democratising, but that these institutions ironically help strengthen authoritarian regimes and forestall democratisation.<sup>2</sup> But it does not seem justifiably applicable in the case of Myanmar.

- (IV) The law of the land (Constitution) should be democratic instead of a military guide or document as it can be seen at present. The principles of the law of the land of 2008 are more autocratic and less democratic as section 6 (f) enables the defence services to be able to participate in the national political leadership role of the state.<sup>3</sup> Active involvement of the defence personnel in the national politics and leadership leaves the country vulnerable to internal and external destructive forces. Law of the land must be according to the wishes and aspirations of the people of Myanmar as a whole and not as per the wishes and opportunistic demands of authorities or a section of people. In that regard, rewriting of the constitution is another step towards democratisation of Myanmar. If the present constitution of 2008 (section-7) establishes a genuine, disciplined and multiparty democratic system,<sup>4</sup> it would be an inclusive system and thus the domination of the defence personnel would be limited.
- (V) Need for inter-community trust building, through greater harmonisation amongst all ethnic national minorities as also the majority of the Bamar community, in which civil society would perform its beneficial role of facilitator in trust building. So, the need of an inclusive democracy as well as more inclusive civil society remains relevant. Civil society firm and independent in its association will stand between citizen and state and will accordingly provide the fundamental conditions of liberty which is the prerequisite of the establishment of any democracy.

Ultimately the 'Military Government' or *Tatmadaw* has to transform itself into a 'Delivery Government', where the primary task would also be transformed into the role of service provider to the citizens from what the current role of ruling the citizens. As Gandhi said that the state is the best which governs the least. The two major functions that Gandhi attached to the state were the protection of the rights of its citizens and the guarding of their security from external aggression.<sup>5</sup>

# **Quest for Democracy**

Democracy is the only form of political system compatible with the five categories of rights- economic, social, political, civil and cultural. In the context of Myanmar since the task of restoring the democratic system is at the inception stage, the nation building process through democratic way would be a herculean task for the policy makers and the civil society. Myanmar is a multi-ethnic country made up of eight distinct ethnic nationalities namely- Kachin, Karenni, Karen, Chin, Mon, Arakan, Shan and Burman or Bama in Burmese. There is one dominant ethnic group that constitutes a clear majority. They are known as Burman or Bama that accounts for 68% of the entire population.<sup>6</sup> The union of Myanmar is delineated and constituted by seven regions, seven states and the union territories. Nay Pyi Taw is the capital of the union prescribed as union territory, under the direct administration of the president (see Section-49 and 50 of 2008 Constitution).<sup>7</sup>

There is no trade-off between diversity and state unity. The assimilationist approach as one of the forces had/has been seen and realised to work towards suppression of ethnicity and cultural identities in multiple forms. This very assimilationist approach of *Tatmadaw* procuring means to mar the sanctities of ethnicities and culture/s has been seen as responsible for fuelling the ethnic revolt or armed rebellion in Myanmar.

Military still holds a significant influence over the political process, though it does not act or rule directly. Military rule was first established in 1958 but finally in 1962, the military staged a coup. The reason cited for that was to prevent the break-up of the state and install military rule once and for all. Under the banner of socialism the military junta, the Revolutionary Council headed by General Ne Win, established direct military dominance. According to Barbara Geddes, Myanmar evolved into a military / personalist / single party authoritarian regimes.<sup>8</sup> Myanmar has been regarded as one of the most durable military regime world-wide. During the fifty years of military dominance, the country suffered only two coups d'etat (1962 and 1988). "Burmese way to socialism" ended in a dire economic crisis. Protest erupted in March 1988 and after a bloody crackdown on the demonstrators on 8<sup>th</sup> August 1988, segments of the *Tatmadaw* seized the political power in an "awkward" "self-coup".<sup>9</sup>

Since then, only two restricted general elections have taken place (1990 and 2010). The 1990s election results were, however, nullified when the National League for Democracy (NLD) headed by Aung San Suu Kyi,

THEORETICAL UNDERPINNINGS OF MYANMAR'S QUEST FOR DEMOCRACY

achieved a land slide victory. On the other hand the State Law and Order Restoration Council (SLORC, since 1997; State Peace and Development Council, SPDC) reinforced direct military rule. A referendum was held in 2008 and elections followed thereafter. NLD boycotted the elections and a new government headed by former General Thein Sein convened for the first time in 2011. Accordingly at the same time the military council was officially dissolved.<sup>10</sup>The dissolution of military council was taken as a ray of change to bring in the process of democratisation. However, the 2008 constitution still reserves 25 % of the seats in bicameral legislature for active members of the defence personnel. Under section 20 (f) the defence services are mainly responsible for safeguarding the constitution. Under section 299 (c) –

- (i) The president shall submit the nomination of the person suitable to be appointed as the chief justice of the union to the Pyidaungsu Hluttaw and seek its approval.
- (ii) The Pyidaungsu Hluttaw shall have no right to refuse the person nominated by the president for the appointment of the chief justice of the union and judges of the supreme court of the union.

Section 410- if the president learns that or if the respective local administrative body submits that the administrative functions cannot be carried out in accord with the constitution, in a region or a state or a union territory or a Self-Administered Area, he may, after coordinating with the National Defence and Security Council (NDSC), promulgate an ordinance and declare a state of emergency.<sup>11</sup> Such types of constitutional provisions indicate that the *Tatmadaw* though indirectly, has major control over all the three organs of the government-legislature, executive and judiciary. It is only the well understood functioning of democracy, which seeks to demand that the judiciary must be independent from any kind of association or influence. On the whole it is only judiciary that can guarantee the freedom to its citizens and make provisions to protect them from any arbitrary laws and orders.

In this way the present constitution has been perceived to leave no doors open for the process towards democratisation. Therefore for democracy to prevail it remains the call of the hour to rewrite the constitution of Myanmar. The general will of the people of Myanmar and Thein Sein government must constructively contribute to sow the seed of democracy through rewriting the constitution or the law of the land.

# **Road to Peace**

Peace in its simplest connotation is to be understood as the 'absence of

#### SUMIT KUMAR PATHAK

war'. In all its connotations peace rules out the use of violence to settle conflicts. The task of the present government should indeed be to take measures meant towards healing of deep wounds, changing violent attitudes borne out of conflicts for creating a culture of consensus, that are vital to the process of democratisation. Each actor must renounce violence as an exercise towards self-restraint. Peace remains focused towards caring to develop new avenues for co-operation. It also reduces violence, especially organised and increasingly destructive state sanctioned violence.

Noted British historian Michael Howard has devised the term *bellicist* to refer to cultures, in which the setting of contentious issues by armed conflict is regarded as natural, inevitable and right.<sup>12</sup> An armed conflict is defined by the Uppsala Conflict Data Programme (UCDP) as a contested incompatibility that concerns government or territory or both, where the use of armed force between two parties resulted in at least twenty five battle related deaths in a year. Of these two parties at least one has to be the government of the State.<sup>13</sup> (In 2012, the Uppsala Conflict Data Programme, Uppsala University recorded 32 armed conflicts with a minimum of 25 battle related deaths.)

The prime concern is to prevent all forms of revolts, because whether confronted or not none can provide a complete assurance for any revolt being ever controlled by a greater violence. In compliance to this the present government should stop the systematic suppression and alienation of their national minorities. It has been noticed that since coming to power of Thein Sein government in March 2011, there is liberal atmosphere without any perceptible signs of visible conflict. Hundreds of political prisoners have also been released to demonstrate that the democratisation process in the country is real. Freedom of the press is now greater in Myanmar than in some neighbouring countries. As is legislation on the right to demonstrate peacefully, organise labour unions etc. There are still many problems, such as land rights, but these are now publicly addressed and seen as political and socio-economic issues and rights.<sup>14</sup> In 2012, for the first time since 2004, the conflict over the Karen region in Myanmar did not cross the 25-fatality threshold for inclusion. The Karen National Union (KNU) subsequently held negotiations with the government and agreed to take steps to strengthen the ceasefire agreement.<sup>15</sup>

The Myanmar government's peace efforts and talks with the rebels of Shan region Restoration Council of Shan States (RCSS) signed a ceasefire on 2 December 2011 and in late January 2012 Shan State Progress Party/ Shan State Army-North (SSPP) also agreed to a truce. These were largely respected throughout 2012, and fighting in the conflict subsequently did not cross the twenty five battle related deaths threshold.<sup>16</sup> Any kind of developmental activities initiated by the so called civilian government in the ethnic areas must be with the consent of the local people. Otherwise such activities may in return be misread as threats instead of threads meant to weave the mechanisms for peaceful coexistence. And the steps to peace may result in violence to ignite and fuel the armed conflicts.

Although, some of the ethnic factions like Democratic Kayin Buddhist Army Brigades (DKBA) transformed themselves in 2009 into Burma Army Controlled Border Guard Force (BGF) battalions, but the three most armed ethnic ceasefire groups (Wa, Kachin and Mon) refused to transform themselves into BGF militias.<sup>17</sup>

Most recently from 30 October to 2 November 2013, an unprecedented meeting took place at the Kachin independence organisation headquarters in Laiza . The Laiza conference resulted in the creation of a thirteen member Nationwide Ceasefire Co-ordinating Team (NCCT) and the signing of an "11 point common position of Ethnic Resistance Organisations on Nationwide Ceasefire "or Laiza agreement.<sup>18</sup> The agreement accordingly sought to have provisions to discuss some contentious issue with Union Peace-making Work Committee (UPWC) at the meeting in Myitkyina. On 4<sup>th</sup> November 2013 in Myitkyina, the contentious issue between the two sides was in relation to the creation of a Federal Union Army. Further plan was to resolve the issues in Pa-an in Kachin state which could not take place till January 2014.<sup>19</sup>

Laiza agreement was extremely successful in re-enforcing ethnic unity. The Thein Sein government's effort was welcomed as one step towards nationwide ceasefire proposal and military's participation in designing a nationwide ceasefire as an essential task. From 20 to 25 January 2014 armed ethnic groups met to consolidate their position in relation to nationwide cease fire. The meeting was held in Law Khee Lah in Karen state to ensure peace in the country. The Law Khee Lah Agreement has shown that armed ethnic groups are prepared to compromise in the interest of all the people of the country, the government, and Burma army specifically, needs to show it is prepared to make the same commitment.<sup>20</sup> (See Law Khee Lah Conference)

Another vital point under prime consideration relates to the President and his negotiators always proclaimed that core problem is economic not political, which is false. If the core problem is only economic then what is Sumit Kumar Pathak

the need for the expansion of military personnel which costs a huge expenditure. Data shows that from 1988 until 1996, the *Tatmadaw* grew from an initial 186,000 to 370,000 soldiers, indicating the biggest transformation of the Myanmar Armed forces since the 1950's.<sup>21</sup> The increase in new recruits was achieved by propaganda, economic incentives, conscription and other coercive mechanisms.<sup>22</sup>It is very much indicative that the building of forces will be used to curb the internal conflict rather than external aggression. It has been proved by military forces in the 2007 Saffron Revolution, which was initiated by Buddhist Monks in the town of Pakokku rallied deteriorating living conditions. During these demonstrations the security forces used violence against the protesting monks which triggered nationwide demonstrations. The movement was purely economic but it was transformed into political one.<sup>23</sup> Such types of violence or suppression against peace loving monks or citizens describes the hidden intention and strong disciplined commanding ideology of military over the daily activities of Burmese citizens. Definitely, "Tyranny of majority" is better than 'Tyranny of the military'.

# Democracy and Democratization in Myanmar

Democracy has been accepted as a universal value in the contemporary world which is based on the relationship between state and its citizens. It is also based on the mutual agreement or social contract between government to subject and subject to government. This relationship only defines the quantum of political obligation. In the context of Myanmar the issue of political obligation has always been under questionable zone, why then a citizen of Myanmar need/s to obey the government/state of Myanmar? Does the state have the right to interfere in the individual's life in Myanmar? The core question of democratization is based on this which is indeed the balancing factor between state sovereignty and individual's liberty. Indeed, democracy depends on the contract between citizen and state where important feature of a citizen is his readiness to exert himself with others and be alert towards the exercise of state power. Citizenship therefore provides a main pivot on which depends the sustenance and deepening of democracy.<sup>24</sup>

The debate begins with the issue of trust, mainly political trust based on social capital theory as political trust means confidence in political institutions. Measures of political trust are civic mindedness and participation, citizenship, political interest and involvement, a concern with public interest, political tolerance, the ability to compromise and confidence in political institutions.<sup>25</sup> It's true that confidence in political institutions as a measure of political trust is an indicator of political capital. The present Thein Sein government has to earn the political trust and the earning of this political trust has begun. When the speaker of the lower house, Shwe Mann, began to promote democracy in the parliament in late 2011- A member of the lower house noted:

We (members of the USDP) also want democracy as well. However, those of us who worked under highhanded generals did not have the courage to talk about democracy freely, let alone can call for the government to be more accountable and transparent. When our speaker began to promote democracy in the parliament, we also came to have the courage to promote democracy ourselves. We can now talk about liberalisation without having to worry too much about the reactions of hardliners in the government.<sup>26</sup>

Another important action on part of the government that can be noticed in Myanmar is the freedom of press. For instance *Pyithukhit* a news journal, wrote in an editorial published in September 2011, "we want authoritarian rule no more."<sup>27</sup> Such types of slogans coming out through media and press have shown the suppressed voices of people of Myanmar. It came to notice when the government ordered for the suspension of the controversial Myistone Dam project, which the SPDC had implemented in collaboration with the China Power Investment Corporation in 2009. On 30 September 2011, the President informed the parliament that in response to public concerns, the government has decided to suspend the project. In a survey conducted in April 2012, 89% people said that they considered President Thein Sein to be an accountable leader after the suspension of the Myistone dam project.<sup>28</sup> Although some public concern decisions are taken by the government in recent days (as in the case of Myistone dam project) but democracy and democratisation is still far away from Myanmar.

Though the two liberals, President Thein Sein and the speaker of the lower house Shwe Mann have through their efforts and statements have hinted to the idea of a heightened projection of democracy to the masses, they still remain negligibly low as to be called contributions for any proclaimed sense of achievement towards democratisation. The process of democratisation in Myanmar faces multiple hurdles recording dismal low growth. Initial signs and statements may not prove sufficient for the establishment of political trust among citizens of Myanmar who have been reeling under age old authoritarian governance.

One of the most contentious issues remains the removal or demolition of Illegal Associations Acts, which is against the basic ethos of democracy.

#### Sumit Kumar Pathak

Next issue relates to the recognition of the rights of ethnic national minorities which is the biggest task before Thein Sein quasi-civilian government. In a way asymmetrical federation with a written constitution is the most possible and viable solution for Myanmar. The majority rule is not being the appropriate form of government for multilingual and multiethnic society like Myanmar. Any majoritarian force seeking to establish democracy perceptibly or imperceptibly negates minorities who get further excluded, discriminated and marginalised. Therefore, the ethnic national minorities continue to be excluded from the national politics. Only an inclusive democracy built on the principle of dispersion of political power and protection of minorities ensuring participation and free speech for all citizens would be the most suitable governance system for Myanmar. Inclusive democracy emphasises on the quality of representation by striving for consensus and inclusion and not the brute electoral force of the majority. It also appreciates the need to promote civil society organisations, open media, rights-oriented economic policy and separation of powers. It thus creates mechanisms for the accountability of the majority to the minorities.<sup>29</sup> Atrocities against the minorities are a burning political issue worldwide. It does not only violate the civil rights along with political rights but at the same time harms human rights. Countries in transition towards democracy generally face four challenges in protecting and advancing human rights:

- I. Integrating minorities and addressing horizontal inequality between ethnic groups or geographic regions.
- II. Minimising arbitrary exercise of power.
- III. Neglecting the economic dimension of human rights because this negligence does not hurt the electoral outcomes.
- IV. Failing to deal adequately with the legacy of an authoritarian past can lead to the recurrence of violence and the reversal of democratic rule.<sup>30</sup>

It seems that transition to a new order involves complex issues of human rights and civil liberties which need to be addressed adequately.

The present government of Myanmar can learn lessons from Malaysia on overcoming horizontal inequalities. Horizontal inequalities typically translate into discrimination and marginalisation of minority groups. The acute horizontal inequalities in access to political and economic resources lead to conflict. Incorporating minority groups requires a more enlightened view of sharing economic and political resources. The institutional frame work and values of inclusive democracy need to be promoted to prevent violence and civil war.<sup>31</sup> The multiple layers of people's identity and loyalty to their ethnic group, their religion, their region and their state have to be recognised and must be given opportunities for fair play in political, social and economic institutions. The Thein Sein government still has to learn how to celebrate diversity. Accommodating diversity remains the biggest challenge before the government.

Restoring democracy in Myanmar requires the identification of new areas of public activities. National ethnic minorities can redefine democracy or may opt for democratisation, devolution and federalism; these are not incompatible with self-determination. The national ethnic minorities should share a common platform to discuss and deliberate their ideas for a common minimum agenda that is suitable to them as well as for the whole nation. They have to generate a consensus on national issues, at the same time their regional autonomy must be protected through a legal way which is feasible only through political dialogue and deliberation with the government. The quasi-civilian government sooner or later has to accept it. The institutions of democracy should resist the banishing of the citizen's freedom of choice through the fiat of political authorities. An inclusive society always is the one which manages to be guided by peace, freedom and equality. Inclusive society in the contemporary context is that it should be a community of free and equal persons.<sup>32</sup> In the process of democratisation, the present government is striving to remain on the right track. As Samuel P. Huntington and many other philosophers have rightly pointed out that- "democratisation under an authoritarian regime might take place under the following conditions: When a regime is toppled by a social movement or seriously weakened by a crisis; when reformers from within the regime and liberals from the movement find a way to work together; or when the regime feels that it cannot survive without initiating political reform."33

# Mapping the Role of Civil Society

Cultural diversity of Asian region poses a challenge to civil society. Core "Asian values"<sup>34</sup> rooted in traditional culture militate against the establishment of liberal democracy in the region. The emergence of civil society, involving organisations independent of the government and giving expressions to a more complex and differentiated society, is seen as a crucial ingredient of democratisation. It is understandable that authoritarian leadership in underdeveloped countries of Asia might feel a little nervous about the patterns of change around them and would be anxious to

dissuade their own populations from emulating any such experiences.

Civil society is considered as a means of rejuvenating public life. It incarnates a desire to recover for society powers-economic, social, expressive which, at times, are illegitimately usurped by states. A radical position, locates civil society in a society independent of the economic domain and the state, where ideas are publicly exchanged, associations freely formed and interests discovered.<sup>35</sup> Authoritarian regimes never want civil society because it propagates the exchange of ideas based on capitalist development, which supports the formation of different associations apart from the state. In the name of the "Asian Values" authoritarian regimes avoided the process of liberalisation and the principal dynamic behind the revival of Asian values by authoritarian leaders is to negate the perceived appeal of liberalism within Asia.<sup>36</sup> But the contemporary world or any regime cannot disrespect the very idea of civil society.

During the rehabilitation process particularly after the Cyclone Nargis on 2 May 2008, the very presence of civil society organisations could be noticed in Myanmar. Civil society organisations (CSOs) have been working in two ways in Myanmar, firstly To help in the rehabilitation of people affected by Cyclone Nargis, and secondly, in the absence of protection by state or international agencies, community based organisations (CBOs) are playing important role in providing limited amounts of assistance to vulnerable communities in South eastern region of Myanmar. Civil society networks operating cross-border from Thailand include a range of CBOs, some of which are effectively welfare wings of armed ethnic groups, while others operate with a large degree of independence.<sup>37</sup> During the assistance, after the Cyclone Nargis, country's diverse civil society often worked in partnership with affected population to save lives and restore dignity and safety.<sup>38</sup> Although Myanmar is still at the early stages of democratisation, civil society groups now function more freely. President Thein Sein publicly noted that the government would work with civil society organisations to undertake poverty alleviation programmes.<sup>39</sup>

An elected government (as proclaimed by the Thein Sein government) must face institutional curbs to restrict arbitrary actions. Most countries making a transition from authoritarian rule to democratic rule still face this challenge. Curbing the arbitrary powers by institutional means promotes CSOs and open media which is vital for monitoring the violation of rights.<sup>40</sup> A flourishing pluralistic civil society and a strong democratic government are reciprocally supportive.<sup>41</sup> Metta Development Foundation, is one of the oldest civil society organisations working since 1998 in Yangon

to provide assistance to displaced persons in Myanmar's ethnic areas, a mission that expanded to helping the victims of natural disasters. The founder of the organisation, Daw Seng Raw, says that Metta Development Foundation was started in 1998 to enable the communities determine their own destiny. Amidst Myanmar's "democratic opening" today, she continues her humanitarian work and promotes her vision of an inclusive development that would unite all ethnic groups.<sup>42</sup>

The authoritarian legacy leaves little room for people to talk freely on all issues. Definitely Myanmar has no democratic space or civic-space to share their ideas with its citizens. At this juncture, government should create some democratic space as well as act as a catalyst for peace and development. She further argues, "We give priority to initiatives that are economically viable, technically appropriate and socially acceptable. We assist through a transitional integration programme that would allow the group to shift from a military organisational structure to a civic structure".<sup>43</sup> She vehemently told that to efficiently achieve this, it is important to our partner organisations to gain government recognition.<sup>44</sup>

Although liberal and Marxist schools have different interpretations about civil society, liberals view it as discredited state. Liberal democratic theory complacently assumes that civil society should act merely as a support structure for democracy 'proper' at the level of the state - shaping parliamentary deliberation by providing a voice to public opinion, educating citizens in democratic values and generally acting as "watchdog" over those in power, but otherwise leaving the real business of democracy to representatives.<sup>45</sup> On the other hand, Marxists see it as a capitalist hegemonic structure. According to the Marxist understanding, civil society is super structural, because it pertains to the sphere of ideological and political practices.<sup>46</sup> As in Marxist tradition civil society protects or provides a shield to the state. It is very much evident that civil society is the reality of today's diverse world and Myanmar is not an exception in that regard. Consolidating civil society is the unfinished business in Myanmar. To ensure their fullest utility, state and civil society must exist but independently. Civil society needs state because only the state can provide public goods. Conversely, the state needs civil society because the state is not competent as a direct producer at private goods.<sup>47</sup> There is no inherent conflict between state and the civil society as the authoritarian regimes often proclaim. In a way, state and civil society are based on mutual needs because civil society cannot exist without a strong state, because any associations cannot survive without a powerful state. Civil society cannot endure in a totalitarian or authoritarian state. Finally, the existence of civil society does not mean that it will always challenge the state or it will transgress the boundaries of the political domain of the state.

# Need of the Hour

The process of nation building is on the way. In that context certain strong measures are needed to ensure a democratic and stable Myanmar.

- I. Creation of democratic space or civic space and maintaining the ongoing political dialogue.
- II. Need for building intra-community trust.
- III. A strong and independent judiciary to keep check on arbitrary powers.
- IV. Minority participation in decision making structure should be promoted.
- V. The sanctity of the vote must be guarded by an autonomous election commission.
- VI. Government and people would be benefited when media is open and civil society institutions are free.
- VII. The Myanmar government should repeal the Illegal Association Act and enact a more democratic NGO or associations' law.
- VIII. Religious issues must be handled sensitively. For a democracy it is essential to take care of religious sentiments of the people.
  - IX. Middle class activists and elite or intelligentsia should work together to lay the foundation of democratic Myanmar.
  - X. Mitigation of rural urban divide as well as the borderlands is a long process but will be the backbone of Myanmar.
  - XI. A federal structure would be more viable for the diverse nation like Myanmar, which will re-evaluate the relationship between national minorities and state.
- XII. National League for Democracy (NLD) should start preparation and must become a part of proposed 2015 general elections. NLD can and should play a greater role in making a democratic Myanmar.
- XIII. Global community and neighbouring countries should play a major role in bringing peace and stability in the country.
- XIV. Global community as well as the UN should also ensure a Free, Fair and Fearless election-2015.

In the concluding remarks it can be said that an Authoritarian regime or quasi-civil government has to understand that cultivating citizenship or making a strong citizen is the most important thing rather than making a nation. By cultivating citizenship the process of nation-building starts. State alone cannot make or build a strong nation without active citizenry.

#### References

- 1. Aurel Croissant and Jil Kamerling, "Why do Military Regimes Institutionalize? Constitution Making and Elections as Political Survival Strategy in Myanmar. *Asian Journal of Political Science*, September 2013, Vol. 21 No.2, p. 107.
- 2. Dawn Brancati, "Democratic Authoritarianism: Origins and Effects". *Annual Review of Political Science*, 2014, p. 2.2. http://polisci.annualreviews.org
- 3. *Constitution of The Republic of the Union of Myanmar* (2008).Printing and Publishing Enterprise, Ministry of Information Myanmar, p. 3.
- 4. *Ibid*, p. 3. While Myanmar establishes a disciplined and multiparty democratic system then the involvement of defence personnel will lead Myanmar nowhere.
- 5. Anthony J. Parel, *Gandhi's Philosophy and the Quest for Harmony*. New Delhi, Cambridge University Press, 2007, p. 53.
- 6. Zaceu Lian, "Institutional Design for Divided Societies; A Blue Print for a Multiethnic Burma". Burma Centre for Ethnic Studies, working paper No.-1, May 2012, pp. 8-9.
- 7. Constitution of the Republic of the Union of Myanmar (2008). op cit., p. 13.
- 8. Aurel Croissant and Jil Kamerling, op cit., p. 106.
- 9. *Ibid*, pp. 106-107.
- 10. Ibid, p. 106.
- 11. *Constitution of the Republic of the Union of Myanmar (2008).* p. 165. Section 410 gives immense power in the hands of the president to rule over the country absolutely at any given point of time.
- 12. David P.Barash and Charles P. Webel, *Peace and Conflict Studies*. New Delhi, Sage Publication, 2002. p. 15.
- 13. LottaThemner and Peter Wallensteen, "Armed Conflicts 1946-2012". Journal of Peace Research, Sage, 1 July 2013, p. 520.
- 14. Robert H. Tylor, "Myanmar's 'Pivot' Toward The Shibboleth of 'Democracy'". *Asian Affairs*, Vol. 44,No. 3, 28 October 2013, p. 394.
- 15. LottaThemner and Peter Wallensteen, Armed Conflicts 1946-2012. Journal of Peace Research, 1 July 2013, p. 515.
- 16. *Ibid*.
- Ashley South, The Politics of Protection in Burma. *Critical Asian Studies* Vol.44, No. 2, 3 May 2012, pp. 184-185.
- Paul Keenan, The Laiza Agreement. Burma Centre for Ethnic Studies, Peace and Reconciliation, Briefing Paper No. 19, November 2013. p. 3 www.burmaethnicstudies.net
- 19. Ibid, p. 5.
- 20. Paul Keenan, The Law KheeLah Conference. Burma Centre for Ethnic Studies, Peace and Reconciliation, February 2014, pp.1-4 www.burmaethnicstudies.net
- 21. M.P. Callahan, *Making Enemies: War and State Building in Burma*. Ithaca, New York, Cornell University Press, 2005, p. 210.
- 22. Aurel Croissant and Jil Kamerling, op cit., p. 116.
- 23. Ibid, p. 117.

SUMIT KUMAR PATHAK

- 24. Ibid, pp. 74-75.
- 25. Kenneth Newton, "Trust, Social Capital, Civil Society and Democracy". *International Political Science Review*, 1 April 2001 p. 205. Confidence in institutions is deeper and fundamental than in particular governments.
- Kyaw Yin Haling, "Understanding Recent Political Changes in Myanmar". *Contemporary South East Asia: A Journal of International and Strategic Affairs*, Vol. 34, No.2, August 2012, p. 210.
- 27. *Ibid*, p. 207.
- 28. Ibid.
- 29. Human Development Report-2000, p. 57.
- 30. *Ibid*, p. 59.
- 31. *Ibid*, p. 64.
- 32. Rajeev Bhargava, Secularism and Inclusive Society. *Yojana*, August 2013, New Delhi. p. 22.
- 33. Sammuel P. Huntington, *The Third Wave: Democratisation in the Late Twentieth Century*. Norman, University of Oklahoma Press, 1991, p. 114.
- 34. Asian values do not denote a particular set of attitudes beliefs and institutions which all Asian people share in common, but rather refer to the great diversities which characterise Asian values as such and pose serious difficulties in the task of modernising Asia for social, political and economic development. These values are more appropriate for the region than western democracy with its emphasis on individual freedom.
- 35. Kaviraj, Sudipta and Sunil Khilnani (ed.) (2003), *Civil Society: History and possibilities.* New Delhi ,Foundation Books,2003.pp 11-14.
- Garry Rodan, "Civil Society and other Political Possibilities in South East Asia", in Carolyn M. Elliot (ed.), *Civil Society and Democracy A Reader*. New Delhi, Oxford University Press, 2003, p. 312.
- Ashley South, "The Politics of Protection in Burma". *Critical Asian Studies* Vol. 44, No. 2, 3 May 2012, p. 188.
- 38. *Ibid*, p. 192.
- 39. Kyaw Yin Hlaing, op cit., pp. 206-207.
- 40. Human Development Report-2000, p. 65.
- 41. Nancy L. Rosenblum and Robert C. Post (ed.) *Civil Society and Government*. New Jersey and London , Princeton University Press, 2002. p. 19.
- 42. Excerpts from A Conversation with Laphai Seng Raw, Founder Metta Development Foundation, Republic of the Union of Myanmar-"Myanmar Needs to Heal its Ethnic Divisions in Order to Achieve Peace and Democracy", *Praxis: A Review of Policy Practice, Asian Politics and Policy*, Vol. 6, No.1-2014, p. 134.
- 43. *Ibid*, p. 136.
- 44. *Ibid*, p. 137.
- 45. Gideon Baker, *Civil Society and Democratic Theory: Alternative Voices*. London and New York, Routledge, 2002. p. 1.
- 46. Neera Chandhoke, *State and Civil Society: Explorations in Political Theory.* New Delhi, Sage Publications Ltd., 1995. p. 149.
- 47. Steven Scalet and David Schmidtz, "State, Civil Society and Classical Liberalism" in Nancy L. Rosenblum and Robert C. Post (ed.) *Civil Society and Government*, New Jersey and London, Princeton University Press, 2002, p. 32.

# ECONOMIC DEVELOPMENT AND GROWTH PROSPECTS IN MYANMAR

Pankaj Jha

# ABSTRACT

Political transition in Myanmar has thrown open myriad questions about the course of economic development, financial reforms and the overall development of the country. The incremental opening up of economy has projected that Foreign Direct Investment(FDI) in Myanmar would increase exponentially. However, the intrinsic question is how Myanmar would make a transition from insulated to an integrated economy. Myanmar would have to get over the military elite family business conglomerates, military industrial nexus and the crony capitalism. Moreover, the FDI in the insulated country would come with its own set of criteria in terms of labour laws, production costs and the differential priority to many sectors. The moot question is whether economic superstructure of Myanmar is sound enough to withstand the sudden western splurge of capital in the nascent economy and whether any deficit in expected economic growth would undo the change. This paper deciphers these intricacies and tries to gaze the probable economic trajectory of the country.

In February 2014, Germany signed an agreement to write off half the 1.084 billion euro (US\$ 1.48 billion) debt owed by Myanmar, implementing a plan which Germany and other creditor nations had accepted. Earlier in January 2013, the Paris Club of 19, comprising mostly the Western creditor countries, agreed to forego a portion of debt owed by Myanmar in order to stabilise Myanmar's economy at a time when the country transitions to democracy after five decades of military rule.<sup>1</sup> Among the Asian nations, Japan agreed to assist Myanmar by providing a bridge loan to cover Myanmar's owed debt of about US\$ 900 million to the financial institutions such as World Bank and the Asian Development

Bank (ADB). Norway also made a commitment to write off its claims to money outstanding with Myanmar.<sup>2</sup>

Myanmar's economy, at this juncture, not only needs these economic doles but also needs to build institutional structures, greater equity participation from private sector and promote domestic savings. The predominantly state owned enterprises, military farms and lack of an integrated banking and financial institutional network, pose serious questions about Myanmar's economic health. Moreover, some studies suggest that the military spending of Myanmar's government would remain high in future despite the economic downturn owing to the financial crisis.<sup>3</sup> This paradox poses a question that whether political transition and economic efforts by the international community would create better future for Myanmar. Within Myanmar, there exists a possibility of better growth in few sectors such as real estate, automobiles, telecommunications assisted by intrinsic factors (quick returns and safe profits).

Myanmar has reached debt-rescheduling agreements with international financial institutions such as the World Bank, the Paris Club and the Asian Development Bank. In early January 2013, the World Bank and the ADB restructured the outstanding debt of US\$ 960 million, after the Japan Bank for International Cooperation (JBIC) provided a bridging loan.<sup>4</sup> During the same month, the Paris Club declared annulment of the outstanding loan worth US\$ 5.925 billion. The remaining instalments of the loans would be adjusted in the 15 years period including a seven-year grace period. Norway and Japan, in turn, have endorsed huge debt cancellations, which included Norway foregoing US\$ 534 million and Japan US\$3.58 billion. The waiving-off of loans has paved the way for new loans. Japan has already declared term extension of 50 billion Yen loan (approximately US\$ 550 million), to Myanmar. Further Japan has pledged another loan of 24 billion yen for setting up electricity supply networks in central Myanmar.<sup>5</sup>

The International Monetary Fund (IMF) has been closely monitoring and providing necessary assistance to the Myanmar government for developing and implementing policy reforms for ensuring macroeconomic stability and provided impetus under their SMP (Staff Monitored Programme) to strengthen reforms. In February 2013, the US Treasury Department issued a general license, which has authorised financial services with four of Myanmar's Banks: Myanmar Economic Bank, Asia Green Development Bank, Ayeyawady Bank and Myanmar Investment and Commercial Bank.<sup>6</sup> According to one of the ADB reports, economic growth in Myanmar is supported by investor optimism following the government initiated policy reforms, the re-induction of Myanmar in the European Union's Generalized System of Preferences (GSP) for duty-free and quota-free market access, and an incremental easing of restrictions on financial institutions, which provides credit to the private sector.<sup>7</sup> On 19 February 2014, the staff of International Monetary Fund completed the second and final review of the SMP with Myanmar. As per the IMF report, Myanmar's economic transition is undergoing positive changes. It has adopted key economic reforms which include adopting a floating exchange rate, waiving exchange restrictions; instituting an autonomous central bank; and significant increase in government expenditure on health and education.<sup>8</sup>

IMF assessment outlines the risks to Myanmar's economic future such as limited macroeconomic management capacity and relatively thin international reserve cushions. Inflation has remained high with increasing pressures from rapid money and credit growth, depreciation of *Kyat* (Myanmar's currency) and probable hike in electricity prices. The SMP programme focused on maintaining macroeconomic stability, building international reserves, and developing the institutions and tools needed for macroeconomic management.<sup>9</sup> The IMF initiative, undertaken in 2011, was aimed at building the Central Bank of Myanmar's reserves, appropriate fiscal deficit maintenance, foreign exchange market liberalisation, and building monetary and fiscal policy tools and institutions. Modernisation of the financial sector and increasing social spending were achieved. However, capacity constraints moderated achievements in some areas<sup>10</sup> but progress need to be made for achieving basic growth fundamentals.

## Health of the Economy

The select indicators, which project the health of the economy, are: the Gross Domestic Product (GDP), Net Exports, Foreign Exchange Reserves, Industrial Production, Government Expenditure and Foreign Reserves. Although there are other indicators, but because of Myanmar being a relatively less internationally integrated economy, the paucity of data hampers the analysis.

The signs of Myanmar's economic assimilation in international stage was given by the Obama administration during its first term. The dividends of that are now being seen in the domestic economy of the country.<sup>11</sup> However, Myanmar economy has faced innumerable questions with regard to data availability,<sup>12</sup> the availability of labour and the equity participation

#### Pankaj Jha

of the general public and government. The problem is that due to the lack of submission of accurate data owing to political and international reasons, the policy planning and the evaluation of the growth in economic terms of human capital would be an arduous task. Given its five decades history of coups and military rule, Myanmar's developmental challenges have grown stronger with time.<sup>13</sup> Myanmar's economy is heavily dependent on agriculture, which accounts for more than 58 per cent of the country's GDP. It contributes about 48 per cent of exports and employs more than 66 percent of country's working population. While Myanmar has abundant natural resources, it is still ranked as a low-income country in the World Bank classification. Moreover, as per the per capita estimates, the country's per capita income was only US\$ 1,400 in 2012.<sup>14</sup> The international sanctions imposed on the country, and the lack of trained manpower, has led to questionable economic data of the country. This precludes an objective scrutiny and more information about the socio-economic development in the country. As per the UN Human Development Report 2013, Myanmar's socio-economic indicators on literacy, roads, railways, poverty, health, and primary education are not very impressive. As per the UNDP Report, in terms of Human Development Index ranking, Myanmar stood at 149 out of 187 countries in 2012.<sup>15</sup> Myanmar's Human Development Index (HDI) value for 2012 is 0.498, which places the country in the low human development category. Between 1980 and 2012, Myanmar's HDI value increased from 0.281 to 0.498, an increase of 77 percent or average annual increase of about 1.8 percent.<sup>16</sup>

With regard to governance, the Berlin-based Transparency International organization puts Myanmar at 157 out of 177 countries surveyed for its Corruption Perceptions Index 2013. The ranking represents a significant improvement from Transparency International's survey in 2012, in which the country was ranked 172 out of 176 nations, ahead of only Sudan, Afghanistan, North Korea and Somalia.<sup>17</sup> However, there still exists a parallel economy, which thrives on drugs, gemstones, and timber smuggling activities. Myanmar has been left out of the value addition networks and the effective deployment of resources for optimising costs in international trade and commerce, which marred its robust economic development. In order to maximise economic benefits and absorb the impact of development assistance, Myanmar has to adopt international practices in better governance, and effective utilisation of resources and infrastructure. There has been a noticeable change after Thein Sein administration came to power and undertook serious image-building exercise to erase the image of a corrupt military dictatorship, promoting nepotism for contracts and government adhocism. It allowed competitive bidding and tendering process for telecommunication licences in Myanmar.

For Myanmar, the second phase of reforms were initiated in June 2012 (the first phase was initiated in 2011). With the promulgation of the foreign investment law in the country, the foreign investments have been endorsed as a way for making tangible progress and development. Despite being rich in natural resources, Myanmar has been facing deficit in capital, entrepreneurship, technology, skilled labour and human resources. The government has endorsed a people-centred approach, which is in sync with the Framework on Economic and Social Reform (FESR) aimed to reform the 10 priority areas. These areas are: finance and revenue, private sector development, education, health, development of the agricultural sector, easy procedures on trade and foreign investments, food security, promotion of transparency in government, telecommunication networks, internet penetration and basic infrastructure development.

Four economic policies, adopted as guiding principles for Myanmar Comprehensive Development Vision (MCDV),<sup>18</sup> which were laid down in June 2012, in order to accelerate economic development and raise the living standard of Myanmar people, are as follows:

- Inclusive growth for entire Myanmar's population;
- Emergence of reliable statistics and improvement of the statistical system;
- Development of agriculture and all round development;
- Balanced and proportionate growth among regions and states.

Two years after the transition from military dictatorship to relatively liberal governance, the country is benefiting from opening its doors to foreign investment.<sup>19</sup> The country appears to be moving into another stretch of its journey from military dictatorship to a democratic country with a market economy. Foreign investors are now getting more committed to the planned projects, thereby turning vague promises into reality. Some of the world's most prominent multinational companies such as Coca Cola, Unilever, General Electric, Philips, and Visa— have started doing business in the country.<sup>20</sup> However, it becomes pertinent to evaluate the Myanmar economy from the available data.

In terms of economic indicators, as shown in Table 1.1, it is apparent that the share of agricultural land has increased; while that of the forest land has decreased, though marginally, for the period 2007-2011. During

Pankaj Jha

Myanmar	2007	2008	2009	2010	2011
Agricultural land (% of land area)	18.33	18.79	19.04	19.17	19.22
Forest area (% of land area)	50.03	49.50	49.10	48.60	48.10
Agricultural irrigated land (% of total					
agricultural land)	24.75				
Cereal production (metric tons)	3,31,25,000.00	3,43,46,602.00	3,45,20,905.00	3,45,54,617.00	3,10,88,328.00
Trade in services (% of GDP)	Ι	Ι		I	
Communications, computer, etc.					
(% of service imports, BoP)	47.63	18.17	17.26	36.36	19.82
Goods imports (BoP, current					
US\$ million)	265.30	296.50	331.50	385.70	749.00
Service imports (BoP, current					
US\$ million)	65.31	61.72	61.72	78.90	109.00
Foreign direct investment, net					
outflows (% of GDP)					
Net trade in goods and services					
(BoP, current US\$ billion)	2.43	2.67	2.32	3.05	(2.10)
Foreign direct investment, net inflows					
(BoP, current US\$)	70,99,22,015.00	86,38,80,447.00	86,38,80,447.00 1,07,89,72,201.00	90,11,33,535.00	90,11,33,535.00 1,00,05,57,266.00
Reserves and related items					
(BoP, current US\$)	1,68,83,29,737.00	87,84,68,057.40	87,84,68,057.40 1,19,98,73,974.00	55,85,07,876.00	55,85,07,876.00 1,27,06,60,488.00
Grants, excluding technical					
cooperation (BoP, current US\$)	16,89,90,000.00	50,62,30,000.00	32,19,00,000.00	33,61,30,000.00	33,78,10,000.00
Exports of goods and services					
(BoP, current US\$)	5,73,73,36,232.00	5,73,73,36,232.00 6,26,20,76,520.00	6,25,26,40,446.00	6,25,26,40,446.00 7,70,39,69,923.00	8,37,07,97,360.00
Goods exports (BoP, current US\$)	5,40,24,94,812.00	5,90,53,67,870.00	5,90,34,49,906.00	7,33,47,34,735.00	7,69,90,35,580.00
Service exports (BoP, current US\$)	33,48,41,420.70	35,67,08,649.20	34,91,90,540.20	36,92,35,188.10	67,17,61,780.10

TABLE 1.1: SELECT ECONOMIC INDICATORS-MYANMAR

98 Himalayan and Central Asian Studies

Vol. 18, Nos. 1-2, January-June 2014

ECONOMIC DEVELOPMENT AND GROWTH PROSPECTS IN MYANMAR

the same period, the cereal production has dwindled showing the loss of crops due to natural calamities as also because of less cultivation of cereals crops. Myanmar has negligible outward FDI because of sanctions regime as well as lack of private sector participation in the outward investment. In terms of imports of goods, services and inward FDI, as per the available data, encouraging trends have been witnessed, clearly projecting rising purchasing power and incremental international acceptance for the regime. Moreover, during the above mentioned period, the grants from abroad have shown an increasing trend. Myanmar has been incrementally getting assimilated into the global economy. However, in terms of resilience of the economy, its foundations still remain weak. However, it is important to scrutinise the economic growth trends in Myanmar's sanctions imposed economy.

# **Economic Growth Trends**

Myanmar's economy grew 6.5 percent in 2012-13. The main drivers of growth during the year include: increased gas production, services, construction, foreign direct investment, and strong commodity exports. Inflation has been on the rise in recent months, reaching 7.3 percent in August 2013.<sup>21</sup> The budget deficit declined to 3.7 percent of GDP in 2012-13 from 4.6 percent in 2011-12. The 2013-14 budget (single year budget) provides for higher spending on social sectors, although the defence budget remains high. Gross international currency reserves increased incrementally to reach US\$ 4.6 billion at the end of 2012-13, equivalent to 3.7 months of imports, up from US\$ 4.0 billion in 2011-12.<sup>22</sup> As per the World Bank Economic Outlook, Myanmar economy is projected to grow at 6.8 percent in 2013-14, rising further to 6.9 percent in the mediumterm. This can be attributed to an augmentation in gas production, improved and expanded trade ties (primarily with the Western countries), and relatively better performance in the agricultural sector. However, there are also inherent risks, which included the challenge of maintaining the reform momentum and apprehensions about free and fair elections. Externally, a slowdown is expected in Chinese investment in Myanmar and imports from Myanmar. Decline in global commodity prices would be detrimental to the interests of commodity exporting countries such as Myanmar.<sup>23</sup>

Within Myanmar, the acceleration in economic growth is expected because of the strengthening of a few economic sectors. Strong growth has been registered in gas production, services, construction, as well as

#### Pankaj Jha

increase in Foreign Direct Investment and exports of commodities. The boom in services and construction is in response to the opportunities opening up, as the country continues with political and economic reforms and in preparation for the Southeast Asia (SEA) games that Myanmar hosted in December 2013. Foreign direct investment grew from US\$1.9 billion in 2011-12 to US\$2.7 billion in 2012-13. Most of the investment was in the energy sector, garment industry, information technology, and food and beverages.<sup>24</sup> Myanmar is well known for its rich endowment such as oil, coal, tin, antimony, gold, silver, zinc, tungsten and copper, apart from precious and semi-precious gems such as jade, ruby and emerald.<sup>25</sup>

According to the World Bank, Myanmar is expected to grow steadily in the short to medium term, with a projected growth of 6.8 percent in 2013-2014. The World Bank applauded the Southeast Asian nation's progress in making political and economic reforms.<sup>26</sup> However, Myanmar's economic growth would have an international significance and that is projected through a number of stakeholders which have invested in the country, and have been providing aid and assistance through various international programmes despite international economic sanctions.

#### Major stakeholders in Myanmar's Economic Growth

Given the fact that a number of nations have lifted financial and banking sanctions imposed upon Myanmar, the country is emerging as an important centre for the foreign direct investment as also a hub for low-cost manufacturing. However, Myanmar has a legacy and intrinsic deficit of infrastructure, electricity and governance institutions.

Aid donating Coun	tries				
(current US\$)	2007	2008	2009	2010	2011
Australia	1,29,40,000	4,71,40,000	1,78,90,000	4,44,00,000	4,44,30,000
European Union					
institutions	2,66,40,000	5,84,40,000	7,68,10,000	5,59,30,000	4,82,50,000
Germany	58,00,000	1,43,30,000	97,20,000	1,83,10,000	1,07,30,000
Denmark	78,90,000	1,90,80,000	97,80,000	1,09,00,000	1,10,70,000
France	16,60,000	58,20,000	20,60,000	19,90,000	33,40,000
United Kingdom	1,79,70,000	8,23,50,000	5,31,40,000	4,41,70,000	6,22,00,000
Italy	4,90,000	75,40,000	9,50,000	10,10,000	32,20,000
Japan	3,05,20,000	4,24,80,000	4,82,80,000	4,68,30,000	4,25,00,000

 TABLE 1.2: DEVELOPMENT ASSISTANCE COMMITTEE (DAC)

 AID (2007-2011) TO MYANMAR

100 Himalayan and Central Asian Studies

Vol. 18, Nos. 1-2, January-June 2014

Economic Development and Growth Prospects in Myanmar

South Korea	5,00,000	43,70,000	19,50,000	32,50,000	67,30,000
Netherlands	24,20,000	1,58,20,000	57,70,000	27,40,000	29,50,000
Norway	1,09,80,000	2,96,40,000	1,88,80,000	2,17,10,000	1,99,00,000
New Zealand	8,70,000	30,50,000	4,20,000	8,90,000	12,70,000
United States	1,53,50,000	7,15,90,000	3,52,20,000	3,12,80,000	2,90,40,000
Total <sup>27</sup>	15,68,60,000	48,13,20,000	311730,000	30,55,00,000	32,33,00,000

Source: Select indicators from World Bank Data at http://data.worldbank.org/country/myanmar (Accessed 7.4.2014)

A look at the table 1.2 clearly shows that European countries, apart from the EU institutions, have been the primary aid providers to Myanmar. The US has gradually increased its aid and now accounts for nearly 10-12 percent of annual aid to Myanmar. This clearly shows that among the countries which want Myanmar to get integrated into the international economy are from Europe and the US. Interestingly, Australia has been one of the primary aid giving countries in the Asia-Pacific region. This clearly shows that apart from the Asian countries, which have strategic and economic benefits from the integration of Myanmar into global economy and staggered lifting of economic sanctions, western countries would be looking forward for a cheap manufacturing destination as well as a country that can provide good dividends to FDI in future.

## **Possibilities for the Future**

Available select indicators show that the future seems much better for Myanmar, given the fact that there is partial lifting of economic sanctions and the economy is showing resilience in terms of improved exports and better fundamentals injected into the policy making. Few positive developments included in the better growth in export sector, relatively better contributions made to the GDP by gas, garments, and agriculture sector. Inflation in 2012-13 averaged a low 2.8 percent but has risen noticeably in recent months. There have been significant increases in broad money and private sector credit. The fiscal deficit in 2012/13 is estimated to have declined to 3.7 percent of GDP, down from 4.6 percent in 2011-12 due to strong revenue performance.<sup>28</sup> The approved budget for 2013/14 shows a continued increase in the allocation of resources to health and education, which have been significantly underfunded in Myanmar. Increased imports which create greater demand for foreign exchange have driven depreciation of Myanmar's currency since early 2013, but the exchange rate has now stabilized. In real effective terms, the exchange rate has also been depreciating in spite of the increase in inflation. The current account deficit is estimated to have widened to around 4.4 percent of GDP in 2012-13, up from 2.4 percent in 2011-12, but gross international reserves continued to accumulate. A recent joint World Bank-IMF Debt Sustainability Analysis assessed Myanmar as being at low risk of debt distress following the clearance of arrears.<sup>29</sup>

Moreover, there have been positive policies in the recent past, which are as follows:

- (a) Import and export license requirement has been waived off on more than 600 products.
- (b) The Parliament has approved new foreign investment regulations.
- (c) Myanmar has started drafting consumer protection and competition laws and has reorganised departments in the Ministry of Commerce.
- (d) The Central Bank of Myanmar Law was enacted by the Parliament on 11 July 2013, paving the way for a more autonomous Central Bank.<sup>30</sup>
- (e) Meanwhile, a Securities Exchange Law has been passed, amendment of the Financial Institutions Law (FI Law) is underway, and rules and regulations are prepared for regulating joint ventures in the Banking Sector.
- (f) Easing of restrictions on trading in foreign exchange amongst local private banks, while at the same time foreign nationals have been allowed to withdraw foreign exchange.<sup>31</sup>
- (g) Private sector has been issued Insurance licenses- the first time in the past 50 years.
- (h) A new Telecommunications Law has been enacted and licenses have been granted under the same law.
- (i) Myanmar's mining law is currently being drafted.
- (j) Enactment of a new Anti-corruption Law<sup>32</sup> has been completed in August 2013.

Myanmar government has proposed plans for rural development, poverty alleviation and structural macro-economic reform. Japan had doled out a loan of 50 billion Yen, out of which 10 billion Yen is proposed to be utilised for modernisation and upkeep of existing power plants; 20 billion would be allocated for critical infrastructure projects; and the rest 20 billion would be utilised for the development of the Special Economic Zone (SEZ) at Thilawa, located about 25 kilometres south of Yangon, in which Japanese companies Mitsubishi, Marubeni and Sumitomo have been participating as investors. Moreover, projects in Dawei<sup>33</sup> have been gaining momentum. However, issues related to clearing of forest land and continuous electricity supplies have been few of the irritants, which have slowed the project. In most of the projects, which have been initiated through joint ventures, the critical areas have been the environmental clearances, lack of skilled human resources, erratic power supply and bureaucratic inertia.

## Conclusion

Within Myanmar, the sixty years of military coups and the recent transition to democracy have created economic structures that are 'half-baked'. With the financial and economic institutions being relatively fragile, it needs to be seen that how the economy copes up with the deluge of FDI, as global private investors and foreign institutional investors always look for low labour costs and international production benefits. However, for the Myanmar government, the time between the two elections can be utilised for training and creating sustainable economic development models, which could regain people's trust and also boost international confidence. International investors are willing to take the plunge, but there is a need for international acceptance of Myanmar's government, bilateral investment protection agreements and greater disinvestment of State Owned Enterprises (SOEs).

The fundamentals of the economy are fragile with agriculture contributing nearly 60 per cent of the GDP, but the use of latest agricultural equipment and trained manpower is way below the regional standards. Moreover, with probable growth in the energy sector, as also the construction, mining and real estate sectors, Myanmar's economy would have to provide basic guidelines in terms of taxes, investment and legal assistance to the foreign investors. Myanmar needs an active assistance of the countries in its neighbourhood to provide skilled labour as well as trainers which can train Myanmar's semi-skilled labour in basic language skills as well as provide vocational training. This would help enterprises to start giving decent dividends so as to sustain the interest of the foreign investors and create incentives for local labour. Myanmar needs to reinvigorate its universities and institutions which can provide quality and literate labour at competitive costs within a five year period. Myanmar's middle class needs to be nurtured and for that the local labour and entrepreneurs needs to be promoted. A regime, which was Pankaj Jha

internationally isolated for more than 30 years, needs aid and assistance, training and expertise, in setting up health and educational institutions. The basic infrastructure needs a large-scale aid assistance programme, which can only come from the international financial institutions. Myanmar's economy needs western expertise; but first it will have to meet to the Asian standards. In order to achieve that, there is a need for the Asian networks as well as the ASEAN cooperation. The Asian networks would promote integrating Myanmar into Asian production and value addition networks, while the large market in Southeast Asia would provide the necessary impetus to Myanmar's exports. Myanmar can also draw important lessons from ASEAN countries in production, manufacturing and services industry.

### References

- 1. Germany forgives half of Myanmar's debt, 12 February 2014, at http:// zeenews.india.com/news/world/germany-forgives-half-of-myanmar-sdebt\_910809.html(Accessed 13 February 2014).
- 2. Ibid
- 3. Khin Maung Nyo, Myanmar's Response to the 20078 Global Financial Crisis.In Nick Cheesman, Monique Skidmore and Trevor Wilson Eds, *Ruling Myanmar-From Cyclone Nargis to National Elections.* ISEAS, Singapore, 2010, p.115
- 4. Myanmar Economic Monitor, October 2013. World Bank , p. 7.
- 5. Japan pledges 24 billion yen in fresh loans to Myanmar, 24 March 2014 at http://asia.nikkei.com/Politics-Economy/International-Relations/Japan-pledges-24-bil.-yen-in-fresh-loans-to-Myanmar.
- 6. Press Release, Treasury Issues General License To Allow Additional U.S. Economic Activity In Burma, 2/22/2013, at http://www.treasury.gov/press-center/press-releases/Pages/tg1859.aspx(Accessed 7.4.2014)
- 7. Asian Development Outlook 2013 update. ADB, 2013, p. 116.
- Myanmar—IMF Completes Second Review of Staff-Monitored Program, Press Release No. 14/142, 28 March 2014, at http://www.imf.org/external/np/sec/ pr/2014/pr14142.htm(Accessed 31.3.2014).
- Myanmar—IMF Completes Second Review of Staff-Monitored Program, Press Release No. 14/142, 28 March 2014, at http://www.imf.org/external/np/sec/ pr/2014/pr14142.htm(Accessed 31.3.2014).
- 10. *Ibid.*
- 11. David I. Steinberg, *Burma/Myanmar: What Everyone Needs to Know.* Oxford University Press, New York, 2010, p. 186.
- 12. David I. Steinberg, *Burma: The State of Myanmar.* Georgetown University press, Washington D C, 2001, p. xxxiii.
- 13. Peter John Perry, *Myanmar (Burma) since 1962: The Failure of Development.* Ashgate Publishing, Aldershot, 2007, p. 4.
- 14. CIA The World Fact Book, https://www.cia.gov/library/publications/theworld-factbook/geos/bm.html

- UNDP, International Human Development Indicators, http:// hdrstats.undp.org/en/countries/profiles/MMR.html. Accessed on 25 March 2013
- Myanmar, Human Development Report 2013, The Rise of the South: Human Progress in a Diverse World, http://hdr.undp.org/sites/default/files/Country-Profiles/ MMR.pdf (Accessed 31.3.2014)
- 17. Simon Lewis, Reforming Burma Moves Up Global Corruption Rankings. *The Irrawaddy*, 3 December 2013at http://www.irrawaddy.org/burma/reformingburma-moves-global-corruption-rankings.html(Accessed 31.3.2014)
- 18. Myanmar Comprehensive Development Vision (MCDV) is "a long-term development aspiration and a set of growth strategies, which provide the foundation for a comprehensive and consistent set of economic policies, infrastructure and HRD plans, industrial sector-wise growth paths, Region and State development master plans and so forth."
- 19. Burma Benefits From Foreign Investment Drive, 9 September 2013 at http:// manufacturingmyanmar.com/category/latest-news/(Accessed on 28.3.2014)
- In Myanmar, Flirtations by Investors Turn Into Commitments, 9 July 2013 at http://manufacturingmyanmar.com/category/latest-news/(Accessed on 28.3.2014)
- 21. Myanmar Economic Monitor, October 2013 at http://www.worldbank.org/ content/dam/Worldbank/document/EAP/Myanmar/ Myanmar\_Economic\_Monitor\_October\_2013.pdf(Accessed on 28.3.2014)
- 22. Myanmar Economic Monitor, October 2013 at http://www.worldbank.org/ content/dam/Worldbank/document/EAP/Myanmar/ Myanmar\_Economic\_Monitor\_October\_2013.pdf(Accessed on 28.3.2014)
- 23. Myanmar Economic Monitor, October 2013 op. cit.
- 24. *Ibid*. Also see Khin Maung Nyo, Taking Stock of Myanmar's Economy in 2011 in Nick Cheesman, Monique Skidmore, Trevor Wilson eds, *Myanmar's Transition: Openings, Obstacles and Opportunities.* ISEAS, Singapore,2012,p.121
- 25. Myat Thein, Economic Development of Myanmar. ISEAS, Singapore, 2004, p. 38.
- 26. Sophie Song, Myanmar Economic Growth: Strong 6.8% For 2013-2014 But The Poor May Fare Worse, 7 November 2013at http://www.ibtimes.com/myanmareconomic-growth-strong-68-2013-2014-poor-may-fare-worse-1460618(Accessed 4.4.2014).
- 27. This includes other aid donating countries such as Spain, Greece, Switzerland and Belgium etc.
- Myanmar Economic Monitor, October 2013 op. cit. Also see Myanmar—IMF Completes Second Review of Staff-Monitored Program, Press Release No. 14/ 142, 28 March 2014, at http://www.imf.org/external/np/sec/pr/2014/ pr14142.htm(Accessed 31.3.2014).
- 29. Myanmar Economic Monitor, October *op. cit.* Also see Myanmar—IMF Completes Second Review of Staff-Monitored Program, Press Release No. 14/142, 28 March 2014, at http://www.imf.org/external/np/sec/pr/2014/pr14142.htm (Accessed 31.3.2014).
- 30. Myanmar Economic Monitor, October 2013 op. cit.
- 31. Ibid.
- 32. Ibid.
- 33. Dawei Project Overview at http://www.daweidevelopment.com/index.php/ en/dawei-project/project-overview-(Accessed on 28.3.2014)

# Configuring Myanmar in India's Look East Policy

RAHUL MISHRA

# Background

With Narendra Modi assuming the office of the Prime Minister of India, speculations about his foreign policy priorities are doing the rounds. While it is apparent that East Asian region would be one of his priorities, Southeast Asia in general and Myanmar in particular, will continue to occupy an important place in new Indian Government's foreign policy agenda. The fact that Atal Bihari Vajpayee had made the largest number of visits to this region, five in about three years to seven out of the ten countries during his tenure as the Prime Minister, is a prominent sign that India sent that its relations with Southeast Asia are very important.<sup>1</sup> Apparently, Modi, who also belongs to the same political league of which Vajpayee is a part, is likely to follow his footsteps vis-ë-vis Southeast Asian region.

# India's Look East Policy

It is important to note that India's association with Southeast Asia is centuries' old. India's influence on Southeast Asia has been such that G. Coedes termed them as *The Indianized State of Southeast Asia*.<sup>2</sup> In the years following India's independence, its neutralist/non-aligned policy had considerable appeal in Southeast Asia, even as the Cold War rivalry had overarching impact on the region.<sup>3</sup> However, changes brought about by the Cold War, India's successive wars with Pakistan and the 1962 war with China, and personality clashes between the leaders made India and Southeast Asia overlook each other. On one hand, while India was struggling to combat two-way threat from China and Pakistan; Southeast

#### Configuring Myanmar in India's Look East Policy

Asian region was also coping up with the radical elements. In the post-Cold War world, when India initiated its policy of economic liberalisation, economic considerations coupled with the politico-strategic elements compelled India to look towards its East. At that point of time, India's very own multilateral arrangement, South Asian Association of Regional Cooperation (SAARC) was dying a slow death. Though SAARC is still functional, the slumberous status of the organisation made former Prime Minister, P.V. Narasimha Rao initiate India's much acclaimed "Look East policy" in 1992. In the last two decades, the success of India in engaging Association of Southeast Asian Nations (ASEAN) and its ten member states is monumental. India-ASEAN dialogue partnership has grown significantly over the years. India was given the status of full dialogue partner by ASEAN in December 1995. Today, after the completion of two successful decades of the Look East Policy, India and ASEAN have become Strategic Partners. Their relations were transformed into a full-fledged strategic partnership at the 11th ASEAN-India Summit held in New Delhi in December 2012. India engages ASEAN by participating at various consultative meetings and Summits every year. Additionally, India is an active member of the ASEAN Regional Forum (ARF), East Asia Summit (EAS) and ASEAN Defence Ministers Meeting (ADMM) Plus. All these multilateral arrangements are ASEAN-led initiatives. The major development in the relationship was the signing and the full implementation of India - ASEAN Free Trade Agreement (FTA) in Goods. Another major development for India is the finalisation of the Agreement in Services. The Agreement in Services has also been approved of and is reaping benefits for India and the member countries of the ASEAN. India's keenness to have robust ties with ASEAN can be gauged from the fact that it was one of the first few countries to accede to the Treaty of Amity and Cooperation (TAC) during Second ASEAN-India Summit in 2003.

While the Look East Policy was religiously adopted and followed by all the political dispensations that followed the Rao's Government, it remains to be seen whether the new government in India will carry on with the policy with the same zeal. Seemingly, in all likelihood, the answer is yes, for the reasons mentioned above. Given that the policy has fruitfully entered in the third decade of its existence, it is the most apt time to give more preference to the countries of utmost importance to India. Out of 10 ASEAN member states, Myanmar holds a special place in India's foreign policy maneuvers as well as domestic calculations. Myanmar is the only country in the Southeast Asian region to have a land border as well as

#### Rahul Mishra

maritime border with India. It shares more than 1,600 km long border with Myanmar on the northeastern side. India shares the second longest border with Myanmar. It has the largest border with India after China which is approximately 4,000 km long. Another important point is that India has long historical, cultural and religious ties with Myanmar. In fact, two major religions of Myanmar, Buddhism and Hinduism came to Myanmar from India. Majority of the population in Myanmar follows Buddhism which is a strong link between these two countries. More importantly, Myanmar, which is strategically located at the tri-junction of South Asia, East Asia and Southeast Asia, is India's gateway to the Southeast Asian region. And, India's willingness to engage Southeast Asia has been a vital component of India's strategic thinking since 1990s. It is in this context, this paper seeks to make an attempt to situate the position and vitality of Myanmar in the broader framework of India's Look East Policy.

# Myanmar's Moment in Southeast Asia

The year 2014 is quite eventful for Myanmar and it is excited about the changes it is experiencing in the current year. Although Myanmar joined ASEAN 17 years back in 1997, Myanmar had never got the opportunity to chair the ASEAN Summit. It was attributed to Myanmar's tarnished image at the global level due to alleged human rights violations. Though Myanmar was supposed to take up the chairmanship in 2006, but regional powers in Southeast Asia persuaded Myanmar to repudiate its chairmanship. This was forced on Myanmar due to the mounting pressure from the West, which was against Myanmar to take up such a responsibility particularly when the country was under several sanctions. Nevertheless, after half-a-century of self-imposed isolation, Myanmar opened up to the global concerns on issues of human and individual rights. While the US decided to restore full diplomatic ties, Australia partially lifted sanctions and ASEAN permitted it to hold the 2014 ASEAN Summit.<sup>4</sup> Finally, historical moment in Myanmar's history arrived when in May 2014, Myanmar took up the rotating chairmanship of ASEAN chair. Once a 'Pariah' state, Myanmar is welcomed by almost all the countries of the world now. Its rejuvenated engagement has made the 2014 ASEAN Summit all the more stimulating. Interestingly, the countries that were opposing Myanmar's bid for the chairmanship since 1997, are examining these developments closely. While, this is a positive development in terms of projecting Myanmar's international image, there is another side to it. Given that Myanmar is undergoing peaceful transition and national reconciliation, these new developments at the regional and global level present Myanmar with a mix bag of challenges and opportunities.

Amongst the ten ASEAN member states, Myanmar is the second largest nation. Considering that ASEAN is the largest stakeholder in Myanmar's transition, ASEAN's 'Constructive Engagement' policy towards Myanmar was largely responsible in alienating mutual suspicions, and also, inched Myanmar and ASEAN member states closer. The policy was initiated in 1991 when Thai Foreign Minister Asra Sarasin coined the term 'Constructive Engagement'. Although ASEAN, before 1991, followed the policy of non-interventionism in Myanmar's domestic affairs, it began to move towards Myanmar when the West began to pressurise ASEAN and raise questions on its position on Myanmar. Both ASEAN and the military junta of Myanmar worked diligently to improve the relations and the accession of Myanmar to the ASEAN was a clear result of their joint efforts. Thus, the relationship was normalised.

1990s proved to be the decade of rapprochement for Myanmar. While ASEAN constructively engaged Myanmar in 1990s, India, like ASEAN, also adopted the similar approach and began to work towards building robust ties with Myanmar. Myanmar's strategic location has played a crucial role in shaping its domestic politics and foreign policy calculus. As aforementioned, Myanmar's location has been shaping India's decision making process also since a very long time. Myanmar is strategically very important for India, mainly because of its littoral state status in the Bay of Bengal and wider Indian Ocean Region (IOR). Another important reason why Myanmar is one of the most important neighbours for India is the latter's security impacts upon the security situation of India's Northeastern states. Given the close proximity between India's northeast, which has been infested by insurgents, and Myanmar, the 'pagoda' nation, is bound to be of critical importance to India. Security reasons including insurgency, drug trafficking and transnational crimes compel India to gain cross-border cooperation from Myanmar. While cross-border cooperation is important for India, close proximity with Myanmar is challenging for India on a few counts. This is due to the fact that Myanmar has been used by separatists and insurgents as a source of regional instability, including acting as a safe haven for separatist groups in India's northeastern states, as also for its potential to facilitate a Chinese presence in the IOR which is an area of utmost strategic importance for India.<sup>5</sup>

Though the main objective of the article is to locate Myanmar's position in overall India-ASEAN relations in general, and situate Myanmar in

#### RAHUL MISHRA

India's Look East Policy; however, it is vital to briefly touch upon the salient features of the ongoing transitions in Myanmar which makes it all the more clear why Myanmar is increasingly getting important for India.

# Myanmar's Political Transitions

Much to the astonishment of the international community, since March 2011, Myanmar leadership is taking steps towards democratising the country. In the process, Myanmar is also attempting to minimise the cases of human rights abuses in the country while embarking on the economic reforms. The recent changes in Myanmar make one believe that this is the first time in the country's modern history that a civilian government and military are working hand-in-hand to improve the deteriorating condition of the country. The reforms, initiated by President Thein Sein's government have the backing of the military. More importantly, the international community has appreciated this new evolution in Myanmar's policies. Interestingly, to some extent, there seems to be a kind of never before coordination between the opposition party and the government. Even the opposition leader, Aung San Suu Kyi, who was under house arrest for more than two decades, has also received well the reformist steps taken by Myanmar's government.

Saffron revolution, a series of anti-government protests in Myanmar, took place in August 2007. The trigger for the protests was government's decision to remove fuel subsidies. Though the government ruthlessly crushed down the protests, this was the beginning of a new phase of democracy in Myanmar. On 7 November 2010, General Elections, which were country's first multi-party elections in 20 years, took place in Myanmar. The elections were boycotted by the opposition party, National League for Democracy (NLD) because the 2010 elections were based on the 2008 constitution which does not allow Suu Kyi to compete for the topmost positions in the country. As per the Article 59 of the 2008 constitution, a Myanmar citizen who has any foreign association can neither be country's Prime Minister nor President. Though the elections were low-key and tightly controlled, it was a first step towards democratisation after so many years of self-imposed isolations. Such a change in Myanmar is attributed to the political turnaround in the recent past. For a period of five years, from 2007 until 2011, Thein Sein served as the Prime Minister of Myanmar. In 2010, he took voluntary retirement from the military to run the Union Solidarity and Development Party. Thein Sein, a retired military officer, who is regarded as a reformist, became the President of Myanmar in March 2011. Since the beginning of his tenure as the President, Sein is moving towards settling differences with Suu Kyi. Later, in April 2012, when the by-elections were held, Suu Kyi decided to contest the elections. Suu Kyi's party won 43 out of 45 seats,<sup>6</sup> and Suu Kyi got elected from the Kawhmu constituency.

Since 2011, the main aim of the Myanmar's government has been to bring back the restive ethnic communities and their leaders to the mainstream, thereby, minimising tensions at all fronts. Towards that end, several ceasefire agreements were also signed between the government and the ethnic minority groups. Strengthening of provincial legislatures also showcases that piecemeal changes are being put in place. Clearly, the ongoing reform process in Myanmar has been a success and has garnered appreciation for the government of the day. It is widely believed that such an initiative will lead to a more democratic, prosperous and peaceful Myanmar.

So far as the responses from the West and international community is concerned, all key players such as the US, UK and the United Nations have appreciated the ongoing reforms in Myanmar. The US was the first to lift the sanctions imposed on Myanmar and the US along with a few other western countries have restored full diplomatic ties with Myanmar. More than a dozen high-profile visits to Myanmar is a testimony to the fact that the western countries are re-engaging Myanmar in the last two years. For instance, the US sent former Secretary of State Hillary Clinton to Myanmar in November 2011 so as to make sense of the situation in Myanmar. This was the first such high profile visit from the US in 54 years. Within a few weeks after the visit, the US restored diplomatic ties with Myanmar. The importance of Myanmar for the US can be estimated by looking at the trajectory of Myanmar-US relations. It suggests that the US never cut-off ties with Myanmar as it did with countries such as Iran and North Korea; it had simply downgraded relations with Myanmar in 1990.<sup>7</sup> However, the US decision to re-engage Myanmar has not come out of nowhere; rather it has come in response to the Sein government's decision to release hundreds of political prisoners, a move that was hailed by Barack Obama as a substantial step forward for democratic reforms'.<sup>8</sup> Two years after the release of Suu Kyi, in November 2012, as a part of its acclaimed Rebalancing to Asia strategy, the US President Barack Obama paid a high-level visit to Myanmar. In fact, Hillary Clinton's visit itself had indicated the possibility of the US wooing the military backed Sein government and securing political maneuvering space for Suu Kyi. It

#### RAHUL MISHRA

appears that the US has realised that sanctions were not effective in bringing Myanmar on to the democratic path. The Obama Administration has employed a calibrated engagement strategy to recognise the positive steps undertaken and to incentivize further reforms. The guiding principles of this approach have been to support Myanmar's political and economic reforms; promote national reconciliation; build government transparency, accountability and institutions; empower local communities and civil society; and promote responsible international engagement and human rights.<sup>9</sup> Additionally, anxiety over a possible North Korea- Myanmar axis may also have played a part in changed stance of the US.<sup>10</sup>

In essence, the elections held in November 2010 gathered scathing criticism from the US and other Western countries due to lack of fairness in the election procedure. Nevertheless, the formation of a military-backed nominally civilian government proved to be a turning point with the Sein government initiating steps towards providing greater freedom and rights to its people.<sup>11</sup> In the meantime, the US has been active in networking with pro-democracy Myanmarese leaders based in the West. The US seems to be working on the idea that given Myanmar's lack of experience with democracy and its weak institutional mechanisms, any sudden military intervention or peoples' movement supported by external powers might not yield the desired results.<sup>12</sup>

# India-Myanmar Relations: An Overview

Myanmar has been one of the most important immediate neighbours for India. Their relations are more than two millennia old. The mutual understanding and close contacts between the leaders of the independence struggle contributed to the friendly relationship after India and Myanmar achieved independence from the British on 15 August 1947 and 4 January 1948, respectively.<sup>13</sup> Both countries were the colonies of the British; hence, the freedom struggle by both countries strengthened their bond. India and Myanmar were the two countries, which were at the forefront of the struggle against colonialism in Asia. On the day of Myanmar's independence, India's first Prime Minister Jawaharlal Nehru stated that, "As in the past, so in the future, the people of India will stand shoulder to shoulder with the people of Burma, and whether we have to share good fortune or ill fortune, we shall share it together. This is a great and solemn day not only for Burma, but for India, and for the whole of Asia".<sup>14</sup> In addition to that, personal bond between leaders from both sides further brought these two countries together. For instance, linkages between Netaji Subhash Chnadra Bose and General Aung San, personal rapport between Pandit Jawaharlal Nehru and Burma's U Nu and later Aung San Suu Kyi's personal experiences while studying in India have shaped the perception of the leaders of these two countries. Bandung Conference of 1955 further brought these two countries closer than ever before. Nonalignment policy adopted by both India and Myanmar made them realise their mutual interests in the world of uncertainties when the Cold War had just begun. In fact, non-alignment was the basis of Nehru's relations with U Nu and both the visionary leaders shared a common perspective on the world issues. In July 1951, so as to strengthen their relations, both sides inked the Treaty of Friendship.

However, political upheavals and the restlessness among ethnic minorities led the military to seize power in Myanmar. This made Myanmar a single-party state with the Burma Socialist Programme Party (BSPP) becoming the lone political party in the country. With the coming of General Ne win to power in Myanmar in 1962, the country shut its doors to the world at large and that left the interaction between India and Myanmar to the bare minimum level. At the same time, India was also undergoing turmoil at the external front. It was the same year when India-China war of 1962 broke out which left India shattered. Myanmar adopted the policy of neutralism which further shook the confidence of the Indian leadership. China was quick enough to resolve its lingering border dispute with Myanmar in 1960 and its close proximity with Myanmar made India realise that it was on the verge of losing a close friend. As a repercussion of China-Myanmar border dispute, India also moved towards resolving its border dispute with Myanmar in late 1960s. 1960s was also the decade when India-Myanmar began to inch closer all over again. Though China was trying hard to win Myanmar's confidence, apprehensions continued to linger on. Eventually, in 1965, General Ne Win paid a visit to India and subsequently, on 2 March 1967 India and Myanmar inked the muchawaited 'Burma-India Boundary Treaty' so as to formally demarcate their common boundary. On 23 December 1986, their maritime boundary was also settled through the "Agreement between the Socialist Republic of the Union of Burma and the Republic of India on the Delimitation of the Maritime Boundary in the Andaman Sea, in the Coco Channel and in the Bay of Bengal". In 1987, the then Prime Minister Rajiv Gandhi visited Myanmar. While the visit proved to be a landmark, it could not yield substantive results for the simple reason that Myanmar was struggling to maintain internal stability. To make matters worse for state-to-state

#### Rahul Mishra

relations, after the 8888 incident, the 1990 elections and the brutal suppression of democracy, India took a firm stand against the military junta and sided with the pro-democracy groups in Myanmar. The Indian Embassy in Rangoon was active in helping pro-democracy activists and officials were in touch with opposition groups like the All Burma Federation of Students' Unions (ABFSU), Aung San Suu Kyi and U Nu during the uprising<sup>15</sup> and actively supported the democratic movement. In 1992, India along with the western countries sponsored a United Nations resolution calling on the military junta to restore democracy by respecting the 1990 elections.

Later, in early 1990s, India began to engage the military junta. There were at least four reasons for India to take such a stand. First, when the ethnic unrest and insurgency along India-Myanmar border began to escalate, India had no other option but to review its Myanmar policy. Second, China's burgeoning economic and military presence in Myanmar, and its attempts to use Coco Island as a military post posed substantial challenges to India's strategic interests. Third, in early 1990s, India, with the advent of globalisation, introduced economic reforms in the county. In such a situation, India wanted to normalise its relations with all its immediate neighbours, particularly the Southeast Asian neighbour, so that its economic interests are not hampered. Fourth, India was very well aware of the fact that maintaining cordial relations with Myanmar is crucial so as to give a boost to its Look East Policy. It is important to note that since 1990s, Myanmar has been India's one of the foremost priorities.

More recently, former Indian Prime Minister Manmohan Singh visited Myanmar in May 2012. That was the first visit of an Indian Prime Minister to the country in 25 years and after a 25-year hiatus, India was all set to embrace Myanmar again. In 1987, when former Indian Prime Minister Rajiv Gandhi visited Myanmar, it was at the cusp of momentous change; eventually resulting in a disturbing democratic setback.<sup>16</sup> Nevertheless, during his 2012 visit, in only three days, India and Myanmar signed as many as 12 agreements on a wide-ranging issues including providing Myanmar with a US\$ 500 million line of credit, establishing a Border Area Development Program, and setting up a rice bio park. The two nations also agreed to develop a border 'haat' (a common marketplace along their common border), a joint trade and investment forum. India has also stated its willingness to help Myanmar improve democratic practices through parliamentary- and electoral-process training and the strengthening of human rights institutions. India also pledged to give US \$ 500 million line Configuring Myanmar in India's Look East Policy

of credit to Myanmar.<sup>17</sup> During Indian Prime Minister's visit to Myanmar in May 2012, an MoU for Line Of Credit aggregating to US\$ 500 million was signed between Export Import Bank of India (EXIM) and Myanmar Foreign Trade Bank. Under this MoU, 16 ongoing irrigation schemes, 2 irrigation projects, project for procurement of rolling stock, equipment and upgradation of three major railway workshops in Myanmar are covered.<sup>18</sup> Less than a year after Manmohan Singh's visit, in January 2013, India's the then Defence Minister, A. K. Antony visited Myanmar. The visit was clearly aimed at reaffirming New Delhi's politico-strategic commitment to Nay Pyi Taw.

Later, in March 2014, on the sidelines of third Bay of Bengal Initiative for Multi Sectoral, Technical and Economic Cooperation (BIMSTEC) Summit, Manmohan Singh paid another visit to Myanmar, which was his last overseas visit as the Prime Minster of India. During his visit, he announced that India would be soon starting direct shipping lines to Myanmar. These visits clarified India's balanced stance towards Myanmar. India made it clear that it is keen to maintain cordial ties with Myanmar and protect its internal security, while whole-heartedly welcoming ongoing democratic reforms. Manmohan Singh's statement, given during his 2012 Myanmar visit, substantiates India's stand. He stated that, "India welcomes Myanmar's transition to democratic governance and the steps taken by the government of Myanmar towards a more broad based and inclusive reconciliation process. We stand ready to share our democratic experiences with Myanmar".<sup>19</sup>

The path, chosen by India in the last two decades, indicates that India endeavours to re-engage Myanmar. Given that Myanmar is India's gateway to the Southeast Asian region, it is a lynchpin of India's Look East policy.

## India-Myanmar Institutional Engagement

India's institutional engagement with ASEAN is commendable. While India is engaging the Southeast Asian countries at the regional level through ASEAN and its affiliate institutions, it is proactively engaging Myanmar and Thailand - the two ASEAN member countries, through many multilateral arrangements such as Bangladesh, China, India, Myanmar (BCIM) initiative, Mekong Ganga Cooperation (MGC) and BIMSTEC. Amongst the three sub-regional groupings, BIMSTEC is particularly interesting as it attempts to connect South Asian countries with those falling in the Southeast Asian region. The idea of a grouping of

#### Rahul Mishra

Bay of Bengal littoral countries was first mooted by Thailand so as to give a much-needed boost to its 'Look West Policy', somewhat related to India's own Look East Policy. It came into existence in May 1997. It was conceptualised first as the grouping for Bangladesh, India, Sri Lanka, and Thailand Economic Cooperation (BIST-EC). A few months after the initiation of BIST-EC, in December 1997, Myanmar was admitted to the grouping and it was further expanded in February 2004 when Nepal and Bhutan were given the status of that of members'. With these developments, the name of the groups was rechristened as BIMSTEC. Comprising of seven geographical contiguous countries- Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand, BIMSTEC aims to coalesce energies of South Asian countries with those from Southeast Asia, thereby acting as a bridge between the two regions. The BIMSTEC Summit is a positive development for the grouping in general and South Asian states in particular as it offers a new ray of hope to the idea of regional cooperation for these countries. While Southeast Asian countries are engrossed in a number of multilateral engagements, South Asia's only multilateral organisation, SAARC has failed to deliver mainly due to differences among members and worse condition of almost all the economies of the region. For instance, Pakistan has always acted as a spoiler in SAARC, time and again, raising the issue of bilateral dispute with India. The Kashmir dispute has become a sole agenda of the SAARC Summits. In such a situation, it is imperative for India and other South Asian countries to look east. Barring Pakistan, Maldives, and Afghanistan, all SAARC members are part of BIMSTEC.

The first BIMSTEC Summit was held in 2004 in Bangkok, second Summit was hosted by New Delhi in 2008 and the third was chaired by Myanmar in 2014. Manmohan Singh took keen interest in attending the third BIMSTEC Summit and his visit endorsed the ongoing democratic transitions in Myanmar in several ways. Though Myanmar also hosted ASEAN Summit this year, BIMSTEC Summit became the first multilateral meeting hosted by Myanmar in 2014. Chairing BIMSTEC Summit not only gave Myanmar international exposure, it also gave authenticity to Myanmar's efforts towards democratising the country. BIMSTEC provides India with an opportunity to address the concerns of its eastern states including the Northeastern states of India. In fact, BIMSTEC is an important component of Look East Policy. In such a situation, considering that it is the only Southeast Asian country to share land border with India, Myanmar is critically important for India The grouping is equally important for Myanmar for the simple fact that Myanmar's inclusion into the multilateral organisation gives legitimacy to Myanmar's reforms and under the framework of BIMSTEC, Myanmar attempts to enhance its relations with other countries of the grouping.

BCIM is another institutional arrangement through which India and Myanmar look forward to cooperate effectively. It is a sub-regional organisation comprising of four nations- Bangladesh, China, India and Myanmar. It aims at bolstering economic integration of these four Asian nations. Though India and China are driving forces of this initiative, Myanmar and Bangladesh play important roles in pushing forward the ambitious plan of constructing an economic corridor among these four countries. The corridor will run from the Indian state of Kolkata to Kunming in China via Mandalay in Myanmar and Dhaka in Bangladesh. Once completed, this economic corridor will give a boost to the economies of all the four countries.

India-Myanmar institutional engagement is not only limited to these two sub-regional organisations; these two countries are also engaging each other under the framework of the MGC (Mekong Ganga Cooperation). The MGC was initiated by India along with five ASEAN countries, Cambodia, Laos, Myanmar, Thailand and Vietnam in November 2000. Both Ganga and Mekong are civilisational rivers. Hence, the MGC initiative aims to facilitate closer contacts among the people inhabiting these major river basins and is also indicative of the civilisational, cultural and commercial linkages among the member countries of the MGC down the centuries.<sup>20</sup> Interestingly, this initiative also gives a fillip to Look East Policy. To substantiate this, it is most apt to quote Former India's Minster of State in the Ministry of External Affairs. In January 2006, he termed the MGC as one of the pillars of Look East Policy.<sup>21</sup>

In summation, it can be said that though India and Myanmar are cooperating through ASEAN and its other affiliated institutes, these three multilateral arrangements form the basis of institution engagement between these two countries. Institutional engagement between India and Myanmar is cardinal to India's Look East Policy and it further facilitates the integration of these two countries.

# India-Myanmar Economic Cooperation

Since 2011, due to opening up of Myanmar's economy, Myanmar is increasingly becoming a favourite destination for foreign investors. According to a study by the Asian Development Bank (ADB) in 2012,

#### Rahul Mishra

Myanmar could follow Asia's fast growing economies and register an economic growth of seven to eight percent a year, become a middle income nation, and triple its per capita income by 2030, if it can surmount substantial development challenges by further implementing across-the board reforms.<sup>22</sup> Myanmar, an energy-rich country, is being perceived as a potential market for investment by several countries. The foreign investments in Myanmar focus on key areas such as oil and gas, manufacturing sector and mining. Recently, it was noted that about 30 countries have invested immensely in Myanmar. The largest investor in Myanmar is China. Other important investor countries are: Thailand, Hong Kong, South Korea, Britain, Singapore, Malaysia, France, Vietnam and India. Trends clearly show that India is missing out on Myanmar economically. By August 2013, India's investment in Myanmar was approximately US\$ 273.5 million.<sup>23</sup> However, a sigh of relief for India is that its investment in Myanmar's timber industry is increasing. Foreign investment in Burma's timber industry reached US \$51 million in 2013 and India was the biggest investor with six investment projects representing about half of all investments, as per the government figures.<sup>24</sup>

So far as its bilateral trade with Myanmar is concerned, it has increased from US\$ 12.4 million in 1980-81 to US\$ 1.3 billion in 2010-11 and US\$ 2 billion in 2012-13 (Table 1). Though the increase is four-fold and is indeed impressive to look at the trajectory of India-Myanmar trade relations, India still maintains a trade deficit with Myanmar.

			(in US\$ Million)				
S.							
No.	Year	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	
1.	EXPORT	221.64	207.97	320.62	545.38	544.66	
2.	%Growth		-6.17	54.17	70.10	-0.13	
3.	India's Total Export	185,295.36	178,751.43	251,136.19	305,963.92	300,400.68	
4.	%Growth		-3.53	40.49	21.83	-1.82	
5.	%Share	0.12	0.12	0.13	0.18	0.18	
6.	IMPORT	928.97	1,289.80	1,017.67	1,381.15	1,412.69	
7.	%Growth		38.84	-21.10	35.72	2.28	
8.	India's Total Import	303,696.31	288,372.88	369,769.13	489,319.49	490,736.65	
9.	%Growth		-5.05	28.23	32.33	0.29	
10.	%Share	0.31	0.45	0.28	0.28	0.29	
11.	TOTAL TRADE	1,150.60	1,497.77	1,338.29	1,926.52	1,957.35	

TABLE 1: INDIA'S TRADE WITH MYANMAR

Source: Department of Commerce, Government of India.

A careful study of the data in the Table 1 reveals that several efforts need to be taken to improve the economic cooperation between India and Myanmar. It is important to throw light on one of the important yet neglected aspects of economic relations; and that is border trade. In the case of India and Myanmar, which are so geographically contiguous to each other that an event in one country affects another country, border trade constitutes a major part of their overall economic relations. India and Myanmar signed a border trade agreement in 1994 and have two operational border trade points, Moreh-Tamu and Zowkhatar-Rhi. In 2010-11, the estimated border trade between these two countries was US\$ 12.8 million.<sup>25</sup>

On the positive side, the Government of India is actively involved in over a dozen projects in Myanmar, both in infrastructural and noninfrastructural areas. These include up-gradation and resurfacing of the 160 km. long Tamu-Kalewa-Kalemyo road; construction and up-gradation of the Rhi-Tiddim Road in Myanmar; the Kaladan Multimodal Transport Project etc. An ADSL project for high speed data link in 32 Myanmar cities has been completed by TCIL. M/s RITES is involved in development of the rail transportation system and in supply of railway coaches, locos and parts.<sup>26</sup>

Though the situation is not that bad on the economic front, further actions will prove to be beneficial for both India and Myanmar. With growing energy consumption, increasingly advancing domestic energy production and resource availability, energy security has become a central theme for enabling economic growth and in this situation, Myanmar is well positioned, both geographically and in terms of available resources to help supply the region's energy needs.<sup>27</sup> Hence, further bolstering the presence of Indian companies in Myanmar's energy sector especially ONGC Videsh Limited (OVL) will boost India's presence in Myanmar on one hand and give a fillip to India-Myanmar economic cooperation on the other hand. Reliance Industries Limited (RIL) has already won two hydrocarbon blocks and shallow water blocks M-17 and M-18 in Myanmar. Oil India Limited (OIL) and its partner Mercator Petroleum Limited and Oilmax energy Private Limited won two of the three blocks it had bid for. These blocks are M-4 and YEB. According to Ambassador Rajiv Bhatia, "India's trade and investment linkages with Myanmar are far lower than they should be. Trade, in fact, has gone down and investment is not rising fast enough. So something effective needs to be done.

Apart from cooperation on the energy front, people-to-people contact

#### Rahul Mishra

should be established. Furthermore, contacts between businesses establishments from both sides need to be initiated so as to give a desired boost to the economic relations. Joint working groups comprising CEOs and officials of the Indian Ministry of Commerce requires to be set up. As far as India-Myanmar border trade is concerned, both sides need to actively engage the locals residing along the border areas. The full potential of India's ties with a vital eastern neighbour cannot be realised without involving businesses, natives, artists, scholars and civil society."<sup>28</sup>

## Conclusion

India's engagement with Myanmar is a testimony to the fact that Myanmar is an integral part of its Look East Policy and without reaching out to Myanmar; India would not be able to engage ASEAN proactively. Myanmar is indeed India's gateway to Southeast Asia. As far as Myanmar is concerned, its rejuvenated policy towards ASEAN member states and India has proved beyond doubt in crafting a foreign policy, which helps the country to portray its benign image at the international fora. The US has acknowledged these changes in swiftly changing Myanmar and has been taking into account the suggestions made by Myanmar's neighbours including India and the member countries of ASEAN.<sup>29</sup> India played an active role in convincing the West particularly the US that the sanctions are not going to work in the case of Myanmar and hence, a shift in policy is a prerequisite. Driven by this belief, India has been building bridges with Myanmar through trade, investment and regular high-level visits by political and military delegations. Therefore, it goes without saying that while Myanmar and its leadership are being applauded, it is also evident that the country sitting at the junction of China, India and Southeast Asia, has to go in for more decisive steps on the domestic front — and soon.<sup>30</sup> Though crystal-gazing Myanmar's future is quite difficult at this stage, a variant of managed democracy with "Myanmarese features" seems most probable for Myanmar in coming years.<sup>31</sup> Power sharing between Aung San Suu Kyi and Thein Sein will ensure such a mechanism. However, there are no two views on the point that Suu Kyi will remain one of the most important reference points for democracy in the near future.32

While Myanmar is getting back on track and India-Myanmar relations are at their highest at the moment; there are still a few irritants in their relations. Their relations are still marred by problems like the volatility of the porous border between India and Myanmar and the northeast CONFIGURING MYANMAR IN INDIA'S LOOK EAST POLICY

insurgency. Illegal movement of goods and arms, drug trafficking and insurgency are common problems with which both countries are trying to deal with. On the aspect of northeastern India, it can be said that the importance of Myanmar for India and for Indian policy makers depends on the importance of northeast India for Indians and if Myanmar has to be a gateway for India to Southeast Asia, then an imaginative focus on northeast India is going to be critical.<sup>33</sup> In essence, the rising momentum of India-Myanmar relations should not be dampened by the problems at the border; while Myanmar's democratisation process continues, the cooperation and collaboration of the two countries is critically important.<sup>34</sup> India and Myanmar must endeavour to beef up the joint mechanism to deal with insurgency issues and enhance connectivity between India and Myanmar through the northeast. Given that India's northeast plays a crucial role in India's policy towards Myanmar and ASEAN, enhancing connectivity between Myanmar and the northeastern region and between India and ASEAN still poses a challenge to India's Look East Policy. India needs to address the issue of poor connectivity between India and ASEAN. High-level mechanism should be put in place to enhance connectivity between India and Myanmar and thereby, India and ASEAN.

Both India and Myanmar will have to make sure that the objectives of gaining short-term peace do not hamper their long-term national security interests.<sup>35</sup> Thein Sein government's ethnic reconciliation process may lead to a greater understanding for more mature talks, ethnic reconciliation, and long-lasting peace in Myanmar.

Myanmar is swiftly gaining traction in India's Look East policy. With regular exchange of high-level visits, deepening economic cooperation and cross-border rail, road and air connectivity, the relationship is likely to strengthen. A carefully crafted Myanmar policy, which is practical and implementable, is a must if India does not want to miss the fresh opportunity to engage the 'Golden land'.

#### References

- 1. G. V. C. Naidu, "Whither the Look East Policy: India and Southeast Asia", *Strategic Analysis*, Vol. 28, No. 2, April-June 2004, pp. 331-346.
- 2. For details refer to G. Coedes, *The Indianized States of Southeast Asia*. Hawai'i, University of Hawai'i Press, 1986.
- 3. op. cit., No. 1.
- 4. Rahul Mishra, 'Road Ahead for Myanmar', *The Indian Express*, 23 January 2012 http://www.indianexpress.com/news/road-ahead-for-myanmar/902773/

(accessed on 23 January 2012).

- 5. David Brewster, Indian Ocean The Story of India's Bid for Regional Leadership, Oxon, Routledge, 2014. p. 138.
- 6. For further details, see, 'Aung San Suu Kyi Welcomes All Parties to Join Myanmar's National Reconsolidation', *Xinhua*, 2 April 2012, http://news.xinhuanet.com/english/world/2012-04/02/c\_131504210.htm (accessed on 3 April 2012).
- 7. After the then ambassador Burton Levin?s retirement in September 1990, the US never sent a new ambassador.
- 8. For further details, see 'US and Burma to Swap Ambassadors :Substantial Step for Reform, *The Guardian*, 13 January 2012, http://www.guardian.co.uk/world/2012/jan/13/us-burma-swap-ambassadors-reform (accessed on 6 February 2012).
- 9. U.S. Relations with Burma, http://www.state.gov/r/pa/ei/bgn/35910.htm
- Rahul Mishra, "Myanmar and the United States: On a Reconciliatory Path?", *IDSA Comment*, 14 February 2012, http://www.idsa.in/node/8615/3466 (accessed on 14 February 2012).
- 11. Rahul Mishra, 'Road Ahead for Myanmar', *The Indian Express*, 23 January 2012 http://www.indianexpress.com/news/road-ahead-for-myanmar/902773/ (accessed on 23 January 2012).
- 12. *Ibid*.
- 13. Thin Thin Aung and Soe Myint, "India-Burma Relations", in Soe Myint (ed.), *Burma File: A Question of Democracy*, New Delhi, India Research Press, 2003. p. 480.
- 14. Quoted in Thin Aung and Soe Myint, "India-Burma Relations", in Soe Myint (ed.), *Burma File: A Question of Democracy*, New Delhi, India Research Press, 2003. p. 480.
- 15. Thin Thin Aung and Soe Myint, "India-Burma Relations", in Soe Myint (ed.), *Burma File: A Question of Democracy,* New Delhi, India Research Press, 2003. p. 488.
- Rahul Mishra, 'Revitalising India-Myanmar Relations', *East Asia Forum*, 3 July 2012, http://www.eastasiaforum.org/2012/07/03/revitalising-india-myanmar-relations/ (accessed on 3 July 2012).
- 17. For more details, see "Joint Statement on the occasion of the visit of Prime Minister of India Dr. Manmohan Singh to Myanmar" *Press Information Bureau*, 28 May 2012.
- 18. EXIM, "India's Trade and Investment Relations with Cambodia, Lao PDR, Myanmar and Vietnam (CLMV): Enhancing Economic Cooperation", Export-Import Bank of India, Occasional Paper No. 161, September 2013, p. 23.
- 19. Statement by Prime Minister prior to his departure for Myanmar, 27 May 2012 at http://pibmumbai.gov.in/scripts/detail.asp?releaseId=E2012PR3374.
- 20. Mekong-Ganga Cooperation (MGC), http://www.mea.gov.in/Portal/ ForeignRelation/Brief\_on\_MGC\_for\_MEA\_website-Final.pdf
- 21. Reinforcing 'Look East' Policy {An article by Minister of State for External Affairs Mr. E. Ahamed}, 17 January 2006 at http://www.mea.gov.in/interviews. htm?dtl/4777/Reinforcing+Look+East+Policy+An+article+by+Minister+of+ State+for+External+Affairs+Mr+E+Ahamed.
- 22. EXIM, "India's Trade and Investment Relations with Cambodia, Lao PDR, Myanmar and Vietnam (CLMV): Enhancing Economic Cooperation", Export-Import Bank of India, Occasional Paper No. 161, p. 16.

- 23. Subir Bhaumik, "Look East policy: India Underpinning its role in Myanmar", *The Economic Times*, 2 October 2013.
- 24. FDI in Timber Processing Tops \$51 Million, India Biggest Investor, *The Irrawaddy*, 5 March 2014 http://www.irrawaddy.org/business/fdi-timber-processing-tops-51mln-india-biggest-investor.html (accessed on 6 March 2014).
- 25. India-Myanmar Relations, http://mea.gov.in/Portal/ForeignRelation/ myanmar-july-2012.pdf
- 26. Ibid.
- 27. Soe Myint, "The Geopolitical Challenge for Myanmar's Energy Sector", *The Myanmar Times*, 20 August 2012 at http://www.mmtimes.com/index.php/special-features/151-energy-spotlight/2958-the-geopolitical-challenge-formyanmar-s-energy-sector.html (accessed on 4 March 2014).
- 28. Rajiv K. Bhatia, "Changing Myanmar", The Indian Express, 11 April 2012.
- 29. Op. cit., No. 10.
- 30. *Ibid*.
- 31. Ibid.
- 32. Ibid.
- 33. U. Myint Thant, "If Myanmar has to be a gateway, focus on North-East India critical: Thant", *Live Mint*, 6 June 2013 at http://www.livemint.com/ Companies/jEYTfK0Jz6dZ6ZmYE5eEkO/Myint-Thant—China-can-roll-outbig-infra-projects-much-fas.html (accessed on 2 March 2014).
- Nehginpao Kipgen, "Easing the India-Myanmar Border Tiff", *The Bangkok Post*, 21 January 2014 at http://m.bangkokpost.com/opinion/390593 (accessed on 5 March 2014).
- 35. op. cit., No. 10.

# INDIA-MYANMAR-NORTHEAST INDIA CHALLENGES AND THE WAY FORWARD

Sampa Kundu

## ABSTRACT

India requires a comforting relation with Myanmar for several reasons including factors related to Northeast India. In this backdrop, the present article deals with the challenges faced by India in securing fine relations with Myanmar with a special focus on Northeast India.

India's relations with Southeast Asia dates back to the ancient times. Buddhism plays a significant role in creating a bond between India and Myanmar. Traders from India used to go to Burma vis-a-vis other Southeast Asian nations through ports in present day Bangladesh, Kolkata and South India. Ethnic communities living in present day Northeast India used to share close affinity with those living in present day Myanmar. During the period of colonisation, Indian migration to Burma (present Myanmar), Cambodia, Malaysia, Singapore, Indonesia was a regular phenomenon.<sup>1</sup> In the modern era, independent India's first Prime Minister Jawaharlal Nehru articulated his vision of a pan-Asian solidarity through Non-Aligned Movement and Asian Relations Conferences. However, due to several reasons including lack of uniformity in requirements and thoughts as well as Cold War dynamics, the Nehruvian idea of a pan-Asian identity failed to materialise. Instead, India's relations with countries in East Asia expanded on bilateral terms. Hence, it can be said that the Look East Policy (LEP) as visualised by the then Prime Minister P.V. Narasimha Rao strengthened and revived India's relations with Southeast Asia vis-ë-vis East Asia.

In the given background, this article tries to explain why India cannot

afford to lose its footprints in Myanmar; its closest Southeast Asian neighbour and identify the stake of Northeastern states of India in this state of affairs.

# India and Southeast Asia: A Brief Background

There are many reasons that explain India's motivation for rejuvenating friendly relations with Southeast Asia. In its immediate neighbourhood, India has Pakistan with which it has fought three wars. Besides Pakistan, India also has bilateral tensions with almost all of its South Asian neighbours. On the contrary, China has very carefully managed its relations with India's immediate neighbours like Myanmar, Sri Lanka, Nepal, Pakistan, Maldives and Bangladesh.<sup>2</sup> The so-called Chinese string of pearls strategy against India is aimed at encircling India and having an easy access to the Indian Ocean. As most of the world's sea-bound trade travels through the sea lanes connecting the Indian and Pacific Oceans, China's interests in keeping a watch over them can be easily understood. The disputed claims on various islands of South China Sea have created an environment of mistrust between China on the one hand and some of the Southeast Asian nations on the other hand. India, on the contrary, does not share any political-strategic tension in Southeast Asia. Hence, the countries in the Association of Southeast Asian Nations (ASEAN) want India to play a kind of a counter-balancer against China. Therefore, it can be said that both India and ASEAN are interested in cultivating close relations with each other. Hence, the last two decades of India's Look East Policy have seen India's integration with East and Southeast Asia in the strategic, political, economic, cultural and people-to-people facet.<sup>3</sup> While China enjoys considerable presence in Southeast Asia in terms of economic and financial might and manpower, India, on the other hand, clearly enjoys certain advantages for its democratic heritage back at home as well as the English speaking capacity of majority of Indians involved in economic and financial transactions with Southeast Asia which is recognised as the international language for communication world-wide.

# India's Myanmar Compulsions

India's engagements with Myanmar have mostly been discussed within the frameworks of the realist approach of Indian foreign policy and ideological perceptions favouring democratisation in Myanmar.<sup>4</sup> Scholars have for long debated on what should be India's right approach towards Myanmar; should it be based on realpolitik or based on idealistic indicators.

#### Sampa Kundu

Even without going into much detail about this debate, one can easily sum up that India's policies towards Myanmar have seen a much commendable shift especially since Cyclone Nargis hit peripheral Myanmar in 2008. India is now keen on developing Myanmar's soft-power along with fulfilling its own strategic interests in terms of security, energy and connectivity. In 2011, the then External Affairs Minister of India S.M.Krishna told that India now wants to fund projects which would directly benefit the common people of Myanmar.<sup>5</sup> India claims that by expanding trade and investments with Myanmar, by building roads and ports, by funding educational and skill enhancement projects and by improving connectivity with Myanmar, it would benefit the people of Myanmar.<sup>6</sup> This argument of India was in stark contrast to the ideas of the US and other western countries who believed that avoiding all sorts of engagements with the Junta is an answer to their undemocratic way of government. However, a crucial question is whether it was the engagement policies followed by India and ASEAN that helped them in getting the Junta rulers of Myanmar in confidence and prompted their actions favouring democratisation in the country; or, it was the west-led sanction policy that forced Myanmar to embark on the path of election and establish a civilian government under President Thein Sein. Both sides have their own arguments and counter-arguments. It seems that the rulers of Myanmar themselves have chosen the destination of Myanmar and the means to achieve it without giving much attention to what the foreign countries and neighbours want them to do. In other words, Myanmar knows its significance in terms of geography, strategy, natural resources and its potential to become the last frontier of globalisation and hence, it is unavoidable for its immediate neighbours, if not for others. This enables Myanmar to balance pressures coming from the outside world. World's topmost multinationals are now in queue to enter Myanmar's markets. This explains well why India's engagement policies towards Myanmar seem to be timely and appropriate. However, Myanmar too needs India and other international donor agencies for its development and other reasons like counter-balancing China's over-felt presence in the country. Egreteau (2011) has put it rightly that Myanmar plays its 'India card' very well.

"... the Burmese generals eventually opted to skilfully play their 'India card' during the 2000s. Even if China remains the most loyal partner, Naypyidaw feels increasingly more confident and cognizant of its regional interests as well as policy bargaining abilities. Ö at the dawn of the twenty—first century, the

India-Myanmar-Northeast India: Challenges and the Way Forward

courting of India- and Russia- has only become a major component of Burma's adroit economic diplomacy, but also a useful strategic bargaining chip against rising Chinese".<sup>7</sup>

Besides these, there are three more particular reasons which make Myanmar an undeniable neighbour of India. To quote a recent report, published by Stratfor, "India has three interests related to the country: quelling ethnic militancy along the Indo-Myanmar border, integrating its remote northeast region and increasing its energy production to meet domestic demand".<sup>8</sup> Besides, China is another factor which makes India alert about its own position in Myanmar.

The geography of Northeast India makes it most vulnerable despite having in possession potential for development in terms of various resources. Historically, Northeast India was neither a susceptible area nor an isolated one as it is now. Supplies from Myanmar including imports of rice among many other essential goods for everyday sustenance were vital for Northeast India. Sittwe port was one of the important ports used to ferry supplies to Northeast India. Maritime trade used to be held through the ports of Kolkata, Sittwe, Chennai and Colombo.<sup>9</sup> Between 1885 and 1937, India and Burma were parts of British India and Northeast India used to enjoy considerable advantages in terms of advanced trade and connectivity conditions in an undivided India. The connection between Northeast India and Burma faced an initial jolt in the wake of separation of Burma from British India and the second blow came in 1947 when the partition made Northeast India detached from East Pakistan (present Bangladesh). Northeast India, Myanmar and Bangladesh, who, at one point of time, were natural neighbours of each other, have now become disconnected from each other. Northeast India has now become fully dependant on mainland India with which it is physically connected through a narrow Siliguri Corridor, often described as the chicken neck.<sup>10</sup>

Northeast India, sandwiched between Bangladesh, Nepal, Bhutan, China and Myanmar, has been overwhelmingly disturbed by problems such as domestic and cross-border insurgency, trafficking of narcotics, arms and weapons, poverty and unemployment, insufficient infrastructure in the cases of transportation and communication, industries and tourism and sevaral other unaddressed issues. Myanmar shares a border of 1,643 kms with four North-eastern states and China shares an 1,125 kms of border with Arunachal Pradesh.<sup>11</sup> In the opinion of Sikri, Northeast India's future can be re-shaped through giving it substantial opportunities for trading with the outside world as well as the rest of India.<sup>12</sup> Opportunities

#### Sampa Kundu

in trade and improved connectivity help the local populace to enhance their own lives and lessen the chances of insurgency in the region.<sup>13</sup> As Bangladesh is not keen to provide transit facilities to India, New Delhi should try to exploit opportunities lying with Myanmar more vigorously. However, there are seen and unseen challenges which do not permit creating an ideal situation where Northeast India can benefit from trade and investment relations with Myanmar and common people can cross the border to avail facilities on the either sides.

### **Challenges Ahead**

Northeast India shares a huge border with Tibet Autonomous Region of China. India is already wary of influx of Chinese products in Northeast India. India neither wants China to have any claims over Arunachal Pradesh nor does it want Northeast India to become a dumping ground for Chinese goods as well as drugs and arms.<sup>14</sup> However, to what extent, India can control China's actions in Northeast India, is another question of debate. China's building of highways to link Tibet, setting up camps in areas within the Indian territory in Arunachal Pradesh, giving stapled visas to athletes visiting China from Arunachal Pradesh signal its assertive position regarding its 'claims' over Arunachal Pradesh.<sup>15</sup> In order to check Chinese infiltration in Arunachal Pradesh and rest of Northeast India, New Delhi has preferred to not to open the region fully to the outer world.

Insurgency is considered as a major challenge curbing the chances of Northeast's integration with Myanmar and other countries in its neighbourhood. It is the frequent problem of insurgency in the region which, when correlated with issues like kidnapping, extortion, killing, strikes, curfews and armed clashes, creates an extreme negative image about the region. According to a study, conducted by the Federation of Indian Chamber of Commerce and Industries (FICCI), in eastern India, terrorism, political instability and crime account for 12.55, 9.62 and 8.76 percent of all sorts of possible risks faced by the industries respectively.<sup>16</sup> Such unlawful activities jeopardise developmental activities also.

Reasons may be varied. Troublesome factors are the cross-border linkages of insurgency and other trans-national criminal activities along India's borders with Myanmar and Bangladesh and also the Bangladesh-Myanmar border. The cross-border nexus of the insurgent groups is, however, not any new phenomenon. NSCN had established its camps inside Burma long back. United Liberation Front of Asom (ULFA) used to send its cadres to receive training from the Kachin Independence Army (KIA) who are fighting against the government in Yangon since late 1980s. ULFA 'chairman' Arabinda Rajkhowa was reportedly seen in a camp of the Kachin Independence Organisation (KIO), the political wing of KIA in 1989.<sup>17</sup> Security forces of India and Myanmar launched several joint counter-insurgency operations such as the Operation Golden Bird to tackle the issue. As the problem of insurgency in Northeast India is waning gradually, the question is whether any improvements can be expected in terms of lessening impact of insurgency on Northeast's integration with Southeast Asia vis-ë-vis Myanmar in terms of economy and other arenas of development. According to a report prepared by *India Today*, the total of 3,121 violent incident which took place in Jammu and Kashmir and insurgency affected Northeast India, was lesser than the number of violent incidents that happened in the 'red corridors' of India, i.e. the Maoist affected districts and states.<sup>18</sup>

Infrastructural deficiencies are another major lacunae in Northeastern states of India. The Central government gives special assistance to the region. Ninety percent of their plan allocations are considered as grants and ten percent as loans from the central government. Northeastern states are allowed to use up to twenty per cent of the central assistance for nonplan expenditure also. North-eastern Council (NEC) enjoys an additional budget provision for different projects to be undertaken in the region. All central ministries are mandated to allocate ten per cent of their budget for Northeastern states. In case of non-use of that fund, the money goes to a separate fund for development of the region.<sup>19</sup> The creation of the Ministry of Development for the North -Eastern Region (MDONER) under the supervision of a Cabinet Minister in 2001 was another important step taken towards consolidating developmental activities for the region. Unfortunately, the situation remains same with a few exceptional improvements. Lack of infrastructure has become a synonymous word for North-eastern Region. Authors like Shrivastav (2008), therefore, argue for development of human infrastructure building in the region in accordance with the needs of groups of people to whom the region belongs<sup>20</sup>. This is corelated with taking people's desires into considerations while mapping out future plans of actions for the region. This author's visits to parts of Manipur, Meghalaya and Assam revealed that common people often feel humiliated when authorities sitting in the state capitals and New Delhi conceptualise plans for the region without any consultations with them. However, with the coming of MDONER, expectations have become high regarding some changes in the present situation.

## Sampa Kundu

The low level of border trade between Northeast India and Myanmar is another area of concern for New Delhi. After the India-Myanmar Border Trade Agreement of 1994, both sides expected a boom in the border trade. According to Northeastern Development Finance Corporation (NEDFI) (2012), Northeast India has potential to export products like tea, spices, fishing nets and some varieties of fabrics to neighbouring countries like Myanmar.<sup>21</sup> Unfortunately, contrary to the ideal situation, in 2011-2012, while Myanmar's border trade with its neighbours like China, Thailand and Bangladesh was estimated at US\$ 2.985 billion, US\$ 343.305 million, and US\$ 26.8 million respectively, the volume of border trade between India and Myanmar was estimated at a mere US\$ 15.409 million in the same financial year.<sup>22</sup> Indian Chamber of Commerce (ICC) has reported that Northeast India's share in India's exports stands at a mere US\$ 0.01 billion.<sup>23</sup> Management of Land Customs Stations, absence of food testing laboratories, lack of banking facilities, lack of proper usage of communication systems, presence of 'authorities' who forcefully take 'taxes' from the traders, absence of good quality roads and other transportation systems, presence of informal trade are some of the reasons that hold the region back from exercising the practice of border trade to its maximum potential.<sup>24</sup>

# BIMSTEC: A Crucial Component of India's Myanmar Policy

This article has discussed in brief why India needs Myanmar and how insufficient development of Northeast India leaves the region without any substantial benefit. Since 2000s, efforts have been made to popularise facts on how better connectivity between Northeast India and Southeast Asia via Myanmar can benefit the entire region vis-a-vis rest of India. One of the prominent attempts has been India's cooperation with its neighbours in South and Southeast Asia who share common border with Northeast India through various platforms of regional/sub-regional initiatives. One such initiative is the creation of the Bay of Bengal Multi-sectoral Technical and Economic Cooperation (BIMSTEC). India leads four priority sectors in BIMSTEC; transportation and communication, tourism, environment and disaster management and counter-terrorism and trans-national crime.<sup>25</sup> In 2008, India hosted the second BIMSTEC Summit in New Delhi. India would be hosting BIMSTEC Weather and Climate Centre at National Weather Forecasting Centre at NOIDA and BIMSTEC Energy Centre in Bangalore. The BIMSTEC Tourism Center is already functional from New Delhi.<sup>26</sup> At the third Summit of BIMSTEC, Prime Minister, Dr Manmohan Singh said,

"For India, our bilateral relations with our BIMSTEC partners are among our most important in the world. We also have a robust engagement with them in regional contexts – in SAARC as well as in the India-ASEAN Strategic Partnership and Free Trade Agreements. Each of us is endowed with abundant skills, resources and opportunities. We are, therefore, confident that BIMSTEC can prosper and grow as a group and make an important contribution to peace, harmony, security and prosperity in Asia and the world".

Northeast India should have a prominent position in India's BIMSTEC policy too. By virtue of its geographic location, Northeast India shares border with four of the total seven BIMSTEC countries and those are Myanmar, Bangladesh, Nepal and Bhutan. Hence, BIMSTEC gives India another avenue to be engaged with Myanmar. On the other hand, Myanmar and Northeastern states too are keen to develop direct trade and transportation linkages with each other. Imphal-Mandalaya bus service, Jiribam-Tupul-Imphal rail line, Kaladan Multimodal Transit and Transport Project, India-Myanmar-Thailand Trilateral Highway, ICPs in the border towns will definitely help Northeast India to be integrated with countries like Myanmar and Thailand. In brief, successful implementation of these projects will support India's wish to have closer alliances with Myanmar and other Southeast Asian countries on one hand and on the other, Northeast India will be free from its isolation and stagnation.

## Conclusion

India is a natural partner of ASEAN and BIMSTEC has the potential to serve as one of the components through which India can be connected with the region in a more comprehensive way. On the one hand, it provides India an additional platform to keep Myanmar on the same board and on the other hand, it ensures development for Northeastern states of India. However, delays in project implementation and lack of political will are to be blamed on the part of India. Hence, a slight shift in its attitude towards Northeast India will ensure its active participation in the regional integration processes followed by India.

## References

1. V. Shivkumar J.E.R. Delgado, 'Look East Policy of India: The Myths and Reality'. *Portes: Revista Mexicana de EstudiosSobre la Cuenca del Pacific*, Vol. 5, No. 10, Jul-Dec 2011, pp. 107-132.

<sup>2.</sup> *Ibid*.

<sup>3.</sup> op. cit., No. 1.

Sampa Kundu

- 4. Renaud Egreteau, 'A Passage to Burma? India, Development, and Democratization in Myanmar'. *Contemporary Politics*, Vol. 17, No.4, 2011, pp. 467-486.
- 5. 'India gifts 10 Silos to Myanmar'. Press Trust of India, 22 June 2011.

- 7. Ibid.
- 8. 'The Limits of India's Moves in Myanmar'. *Stratfor*, 2013. http://eds.b.ebscohost.com/eds/detail?vid=3&sid=43abcb5b-ccc5-48fb-bc0e-64bd4fea83f6%40sessionmgr115&hid=105&bdata=JnNpdGU9ZWRzLWxpdmUmc 2NvcGU9c2l0ZQ%3d%3d#db=tsh&AN=87618320.
- 9. Syam Saran 'India's Strategic Interests in Myanmar'. *IPCS Special Report*, February 2011, New Delhi.
- 10. op. cit., No. 8
- 11. Ranjit Gupta, 'China, Myanmar and India: A Strategic Perspective'. *Indian Foreign Affairs Journal*, Vol. 8, No. 1, 2013, pp. 80-92.
- 12. Rajiv Sikri, Challenge and Strategy: Rethinking India's Foreign Policy. New Delhi, Sage, 2009.
- 13. Ibid.
- 14. op. cit., 12.
- 15. Ankit Panda, 'India's Other Border Problem', *The Diplomat*, 2 November 2013, http://thediplomat.com/2013/11/indias-other-border-problem/.
- 16. FICCI, India Risk Survey 2012, http://ficci.com/SEDocument/20186/ IndiaRiskSurvey2012.pdf.
- 17. Wasbir Hussain, 'Insurgency in India's Northeast Cross-Border Links and Strategic Alliances'. *SATP*, http://www.satp.org/satporgtp/publication/faultlines/volume17/wasbir.htm.
- 18. Abhishek Bhalla, 'India Loosing More Soldiers in Red Corridors than J-K', India Today, http://indiatoday.intoday.in/story/india-insurgency-crpf-army-maoists/1/343867.html.
- 19. P.P. Shrivastav, 'Infrastructure Development in the North eastern Region'. ASCI Journal of Management, Vol. 37, No. 2, 2008, pp. 56-70.
- 20. Ibid.
- 21. NEDFI, North East Development and Financial Institute, Government of India, 2012.
- 22. RIS, Expansion of North-East India's Trade and Investment with Bangladesh and Myanmar: An Assessment of the Opportunities and Constraints. New Delhi, 2011.
- 23. ICC, India's Northeast: Diversifying Growth Opportunities, 2013, http:// www.pwc.in/en\_IN/in/assets/pdfs/publications/2013/north-east\_summit-2013.pdf.
- 24. op. cit., No. 22
- 25. For details see, http://bimstec.org/
- MEA, 'Brief on BIMSTEC', http://www.mea.gov.in/Uploads/Publication Docs/23022\_BIMSTEC\_Brief\_February\_2014.pdf.
- 27. MEA, 'Statement by Prime Minister at 3rd BIMSTEC Summit, Nay Pyi Taw, Myanmar', URL: http://www.mea.gov.in/in-focus-article.htm?23028/ Statement+by+Prime+Minister+at+3rd+BIMSTEC+Summit+Nay+Pyi+Taw+Myanmar.

<sup>6.</sup> op. cit., No. 4.

# PROFILING NON-STATE ARMED INSURGENT GROUPS OF MYANMAR

ANURAG TRIPATHI

Since its independence, Myanmar has been plagued by insurgencies and civil strife. The country has been massively affected by infighting amongst three main components: the government, the Communist Party of Burma (CPB), and several ethnic groups seeking regional autonomy through armed insurgencies. Diverse ethnic groups have been pressing for ethnically determined regional autonomy. The national government, led mostly by ethnic Burmese, rejected such demands. Several new Non-State Armed Insurgent Groups (NSAIGs) have emerged in Myanmar after the split or disintegration of the CPB in 1989. At present, at least 17 armed NSAIGs (about 7 major and rest minor) claim to represent the interests of Myanmar's plethora of ethnic groups, along with the Burman, which is the largest or the majority group in a predominantly Buddhist society (about 89%) as per the last Census data taken in 1983. In February 2011, twelve of these seventeen ethnic groups came together under an umbrella organization-the United Nationalities Federal Council (UNFC) headquartered at Chiang Mai of Thailand, formed with the purported objective of establishing a 'Genuine Federal Union, which guarantees full rights of National Equality and Self-determination within the States'. It was renamed and reformed from the Committee for the Emergence of Federal Union (CEFU), founded in November 2010. The UNFC wants to represent all ethnic armed forces during peace negotiations with the government.

The UNFC has two levels of membership depending on the strength of the political and armed wings, control area and the number of supporters. While six groups have been given full membership, the other six are associate member groups. Full members include: Kachin

## ANURAG TRIPATHI

Independence Organisation (KIO), Karen National Union (KNU), New Mon State Party (NMSP), Karenni National Progressive Party (KNPP), Chin National Front (CNF) and the Shan State Progress Party/Shan State Army (SSA). The associate members are the Kachin National Organization (KNO), Palaung State Liberation Front (PSLF), Lahu Democratic Union (LDU), National United Party of Arakan (NUPA), Pa-O National Liberation Organization (PNLO) and Wa National Organization (WNO).

## 1. UNITED WA STATE ARMY (UWSA)

# Formation and Objectives

An ethnic Chinese mountain tribe, *Wa* is an officially recognised ethnic group of Myanmar. The Wa population is located in two parts: the North Wa part in the north-east of Myanmar near the China border where the majority live, and the South Wa part near the Thai-Myanmar border. The total population of ethnic Wa in Myanmar is estimated to beabout 800,000. The working language of UWSA is Chinese. The *Wa* tribe is also present in China and Thailand, though in lesser numbers. In May 1989, after the Communist Party of Burma (CPB) was disintegrated, UWSA was formed, leading to the creation of several armed ethnic groups in the far north of Myanmar. UWSA is Myanmar's largest ethnic insurgent group with cadre strength of about 30,000.<sup>1</sup> The UWSA is the military wing of the political party called the United Wa State Party (UWSP). The UWSA is a wellequipped and organised non-state armed group. The UWSA has 5 "divisions" deployed along the Thai-Myanmar border as well as three "divisions" along the China-Myanmar border.<sup>2</sup> It has 30,000 active service men with 10,000 auxiliary forces.

The main objective of UWSA is to have an 'autonomous Wa State within Myanmar's national borders exclusively for the Wa ethnic minority community', which is not recognized by the Government of Myanmar at present. UWSA announced its controlled territory as the "Wa State Government Special Administrative Region on 1 January 2009".<sup>3</sup>

# Leadership and Area of Operation

The UWSA was founded and led by Chao Ngi Lai (1939-2009) and later BaoYouxiang.<sup>4</sup> Xiao Minliang is the Vice-President of the Wa State Government Special Administrative Region. The group's Deputy Commander-in-Chief is Zhao Zhongdang. AungMyint is the spokesperson. Co-founder was Xuexian Ai, who formed the Wa National Council (WNC) with Hsang Maha Ngeun Wiang, his brother-in-law, in 1984. His group was the nucleus of UWSA 171 Military Region near the Thai border.<sup>5</sup>

The towns of Panghsang and Mong Pawk are within the area of this special region. The UWSA negotiated a cease-fire agreement with the Burmese military in the 1990s, and currently backs a counter-insurgency strategy of the Myanmar Army against the Shan State Army-South (SSA-S). The UWSA defied the military regime's recent demand to disarm and participate in the 2010 elections, and instead proposed to declare the territory under their control as a special autonomous region. According to 2008 constitution, 6 townships are designated as Wa Self-Administered Division. Those are Mongmao, Pangwaun, Namphan, Pangsang aka Pangkham, Hopang and Matman Township. Mong Pawk is not part of it. It is part of Mong Yang Township. UWSA is strongly against to give away these areas to the government, which have been under its control.<sup>6</sup>

## **Internal Dynamics**

On 17 April 1989, ethnic *Wa* soldiers established the UWSA and tried to put an end to the long-running Communist insurgency in Burma. On 9 May 1989, the Burmese government signed a cease-fire agreement with UWSA, formally ending the conflict. The cease-fire agreement has allowed the UWSA to freely expand their logistical operations with the Burmese military, including the trafficking of drugs to neighbouring Thailand and Laos.<sup>7</sup>

The UWSA is globally known more for its drug trade, in opium, heroin and amphetamines. The US Government named the UWSA as a narcotic traffic organisation in May 2013. The UWSA has also been indentified as the conduit for supply for arms from the grey market in China to the insurgent groups of Northeast India. It is the main supplier of drugs to China, Thailand & Northeast India. The UWSA has declined to join the UNFC, an umbrella body of the ethnic groups founded in 2011. This could not have been done without Chinese acquiescence.<sup>8</sup>

Wei Hsueh-Kang founded the "Hong Pang Group" in 1998 as the over ground "front organization" of the underground UWSA, with revenues from the drug trade after taking advantage of the privileges offered in the cease-fire deal by Khin Nyunt. Its position in the country's economy, not just the Wa State, is reflected by the multitude of businesses it owns and controls in construction, agriculture, gems and minerals, petroleum, electronics and communications, distilleries and department ANURAG TRIPATHI

stores. The group is based at Panghsang with offices also in Yangon, Mandalay, Lashio, Tachilek and Mawlamyine.<sup>9</sup>

## Links

The UWSA is strongly supported by China. According to *Jane's Intelligence Review* (April 2008) China has become the main source of arms to the United Wa State Army, replacing traditional black market sources in Southeast Asia such as Thailand and Cambodia.<sup>10</sup> A Jane's report in December 2008 stated that the UWSA had turned to arms production to supplement their income from arms and drug trafficking, and started a small arms production line for AK 47s. It reported in 2001 that the UWSA had acquired HN-5N Surface-to-air missile (SAMs) from China as part of the build-up near the Thai border where they were reported to be operating 40-50 laboratories manufacturing yaa baa. It is also the middleman between Chinese arm manufacturers and other insurgent groups of Myanmar.<sup>11</sup> By 2012, Chinese support had increased to the point of supplying armored vehicles. On 29 April 2013, Janes IHS reported that China supplied several Mil Mi-17 helicopters armed with TY-90 air-to-air missiles to UWSA. The allegations were dismissed by China, Thai military sources, other Myanmar ethnic sources and the UWSA themselves.<sup>12</sup>

The UWSA has links with ULFA (United Liberation Front of Assam, Independent) under Commander-in- Chief Paresh Barua, an outlawed insurgent group of Assam based in Myanmar with close links with China. It has close military cum commercial business links with former Thai Prime Minister Thaksin Shinawatra and the top brass of Thai military.<sup>13</sup>

# **Current Situation**

Following its split from the CPB, UWSA signed a ceasefire agreement with the central government, which recognised the group's territory in northern Shan state and its headquarters in Panghsang and Mongpawk. This tactical arrangement with the military regime allowed UWSA commanders to profit from involvement in the narcotics trade while running an essentially autonomous state in its area of control with little interference from the junta. In return, the UWSA acts as a proxy force against other ethnic rebel groups who remain militarily opposed to the junta, such as the Shan State Army - South.

However, China seems to be playing a double game by arming the UWSA as more of a deterrent, while professing to respect the sovereignty of Myanmar in encouraging the peace efforts of the government. The

PROFILING NON-STATE ARMED INSURGENT GROUPS OF MYANMAR

Myanmar Government is most unlikely to accede to the request for establishing a separate Wa State, as some other major ethnic groups might also come up with such a demand. The UWSA/UWSP is not planning to participate in the nationwide ceasefire, as it does not want to be bound by the present proposal, which will entail disarming and denying the prospects of a separate Wa State. It perhaps wants to wait and watch the reactions of other armed groups. The Myanmar Government is not insistent on the participation of the UWSA/UWSP in the nationwide ceasefire because it does not want the other groups to be influenced by the UWSA and also because of the UWSA-China nexus. China, for its commercial interests and border security, is using the UWSA as leverage and at the same time maintaining good relations with Myanmar. Myanmar does understand this position.

The UWSA had helped the Myanmar military fight against the Shan State Army in Southern Shan State in 1996-1997, which led to the surrender of the drug lord Khun San and his Mong Tai Army. It also participated in the regime's national convention, the 14-year on-againoff-again process between 1993 and 2007, which produced the draft of the 2008 constitution.

In exchange for its loyalty the Myanmar military regime created a "Wa Self-Administered Division," with six townships in Northern Shan State in the 2008 constitution. However, tension between the regime and the UWSA has increased since 2009. The UWSA refused to accept the regime's plan to reduce its troops and transform them into Border Guard Forces (BGF) under the command of the Burmese army while renewing its demand for granting the 'Wa region' the status of an almost 'independent State' within the territory of Myanmar.<sup>14</sup> Although it does not have good relations with the government at this juncture, UWSA did not join other ethnic armed groups in forming the UNFC either.

## 2. KACHIN INDEPENDENCE ARMY (KIA)

## **Formation and Objectives**

KIA, the military wing of the Kachin Independence Organization (KIO), was founded in 1961 to gain independence. It is the second largest and best-organized armed group in Myanmar. As the armed wing of the KIO, the KIA effectively controlled Kachin State during the 1960s-1990s. Until 1994, the cease-fire with the Myanmar government was under the

## Anurag Tripathi

Panglong Agreement of 1947.<sup>15</sup> Initially, the prime objective of the KIA was to establish an 'Independent Kachin State' separated from Myanmar. However, after signing the cease-fire agreement with the government run by the military junta, it has since renounced its goal of independence and seeks 'autonomy within the federal union of Myanmar', instead. The ceasefire with the government troops allowed the organisation to control a large swathe in northern Myanmar, making them the *de facto* rulers.<sup>16</sup>

# Leadership, Command Structure and Area of Operation

The KIO High-Command, under a strong centralized command, commands the leadership of KIA. The KIO maintains an extra-legal bureaucracy in the Kachin State and has exclusive control over pockets of territory along the Chinese border. Within that territory, the KIO maintains a police department, fire brigade, educational system, immigration department and other institutions of self-government.<sup>17</sup>

The KIO headquarters are on a hillside overlooking the border town of Laiza with a population of approximately 7,500. KIO headquarters were moved to Laiza in 2005 from the previous headquarters, located at Pajau.<sup>18</sup> KIA has around 10,000 regular troops and 10,000 as reserves.<sup>19</sup> There are four KIA brigades stationed in Kachin State, with an additional KIA brigade in northern Shan State. A mobile brigade has also been maintained as also a military academy and officer training school near the capital of Laiza.<sup>20</sup>

The KIO collects taxes at border crossings with China and engages in various business deals throughout Kachin State, often related to the exploitation of natural resources such as jade, timber and gold. Some of the KIO's senior leadership is also allegedly involved in corruption owing to their business dealings with the military junta.

# **Internal Dynamics**

KIA is well organised in true military command structure with an overarching extra-legal bureaucratic set up, centralised under the High Command of the KIO. The KIA also maintains a military academy and officer training school near the capital of Laiza.

# Links

KIA has links with China as the Kachin province of Myanmar borders with China for its commercial cum military purposes. Although, like almost all the major NSAIGs of Myanmar, it has been alleged that KIA too has strong military links with China, the evidence for the same is yet to be unearthed.

## **Current Situation**

The KIO "provide power, roads and schools funded by taxes on the brisk trade from China as well as the jade and gold mines and teak."<sup>21</sup> In 2002, the KIO embarked on an ambitious opium eradication program that has drawn recognition from international observers.<sup>22</sup> It also started rearming itself after rejecting the government's offer to integrate itself with the BGF in 2009, after the 1994 ceasefire agreement. Here, it is worth mentioning that it enjoys full membership of the United Nationalities Federal Council (UNFC), an umbrella organisation of all the major NSAIGs of Myanmar formed in 16 February 2011, as mentioned earlier in this article.

# 3. THE KAREN NATIONAL UNION (KNU)

# Formation and Objectives

The KNU (Karen National Union) is a political organisation with an armed wing called the Karen National Liberation Army (KNLA) that represents the Karen people, an ethnic minority group of Myanmar. It operates in mountainous eastern Myanmar, and has underground networks in other areas of Myanmar where Karen people live as a minority group. It is also one of the oldest NSAIG of Myanmar formed in as early as 1949 itself with an objective of setting up an 'independent Karen State'. However, since 1976, it has called for a federal system rather than an independent Karen State.

It describes itself as "a democratic organisation representing the Karen people of Burma" and its goal as "peace and prosperity in a democratic federal Burma". This predominantly Christian insurgency has been fighting the central government since the very early days of the country's independence from Britain six decades ago.<sup>23</sup>

# Leadership, Command Structure and Area of Operation

Its longtime leader Bo Mya, who was president from 1976 to 2000, dominated the KNU for three decades. The leadership of the KNU is largely Christian, with majority of Karen soldiers belonging to Buddhism. For several years, the KNU was able to fund its activities by controlling illegal trade across the border with Thailand, and through local taxation. After

the '8888 Uprising' of 8 August 1988, the military junta of Myanmar turned to China for help in consolidating its power in combating KNU's armed insurgency. Various economic concessions were offered to China in exchange for weapons. The Myanmar Army was expanded massively and offered the choice of cooperating with the military junta.

The KNU has been one of the strongest ethnic insurgent groups in Myanmar. At one time, they boasted of a 14,000 personnel strong army and controlled much territory along the eastern border. However, in recent years, their operations have been reduced to relatively small-scale guerrilla attacks on army troops. Large numbers of Karen villagers have fled their homes, in one of the world's least reported refugee crises, and about 100,000 still live in rudimentary camps along the Thai side of the border.

#### **Internal Dynamics**

In 1994, a group of Buddhist soldiers in the KNLA, citing discrimination by the KNU's overwhelmingly Christian leadership against the Buddhist Karen majority, broke away and established the Democratic Karen Buddhist Army (DKBA). The DKBA quickly agreed to a ceasefire with the Myanmar army and was granted business concessions at the expense of their former KNU overlords. The KNU and DKBA have since been involved in regular fighting, with the DKBA actively supported by the Myanmar army. The KNU's effectiveness was severely diminished after the fall of its headquarters at Manerplaw, near the Thai border in 1995.

Soldiers of the DKBA shot Padoh Mahn Sha La Phan, the Secretary General of the Union, dead, in his home in Mae Sot, Thailand, on 14 February 2008.<sup>24</sup> Since then, the KNU and KNLA have continued to fight the *Tatmadaw* by forming guerrilla units and basing themselves in temporary jungle camps along the Thai-Myanmar border. Following its principle of no surrender, the KNU is persevering despite a precarious state of existence. Nonetheless, their fight continues to garner the sympathy of people around the world since the KNU has been fighting for the Karen people, one of the many ethnic nationalities of Myanmar that are experiencing ethnic cleansing under the military regime's Four Cuts campaigns (Pyat Lay Pyat), a strategy where intelligence, finances, food and recruits are eliminated through a scorched-earth policy.<sup>25</sup>

In 2010, the DKBA itself split into two factions after its Brigade 5, with an estimated 1500 troops walked away from the mother group of 6000 cadres and restarted armed conflict with government troops. The move followed after DKBA was forced by the government to join the BGF

and observe a ceasefire agreement with the government since 1995. On 7 November 2010, DKBA Brigade 5 temporarily took control of several government buildings in the town of Myawaddy on the Thai border and the fighting that followed forced over 20,000 people to flee to Thailand.<sup>26</sup> God's Army is yet another splinter group of KNU/DKBA.<sup>27</sup>

# Links

The KNU is believed to be enjoying the support of the European Union, especially by the United Kingdom, as Nant Bwa Bwa Phan, its representative-in-charge foreign liaison, is based in London. Allegations of foreign funding with help rendered by the evangelical Christian missionaries can't be denied as KNU, after its split on religious line in 1994, is now wholly commanded and run by its Christian leadership and soldiers. It has strong military and commercial links with Thailand as the Karen province of Myanmar borders the country.

# **Current Situation**

The Karen conflict is one of the longest internal wars in the world, having been waged since 31 January 1949.<sup>28</sup> The KNU wants a political settlement and supports a federal structure in Myanmar. Following the assassination of Padoh Mahn Sha, elections were held and the current Secretary General of the KNU, Naw Zipporrah Sein assumed the control of the organisation. She was formerly head of the Karen Women's Organisation.

On 2 November 2010, the Karen National Union became members of an alliance, which includes: the Karen National Union (KNU), Karenni National Progressive Party (KNPP), Chin National Front (CNF), Kachin Independence Organisation (KIO), New Mon State Party (NMSP) and the Shan State Army North (SSA-N).<sup>29</sup> Since February 2011, it has been full member of the UNFC. In February 2012, it signed an informal peace agreement with the Government of Myanmar.<sup>30</sup>

# 4. THE NEW MON STATE PARTY (NMSP)

# Formation and Objectives

It is a NSAIG belonging to the Mon province of Myanmar. It was formed in July 1958 under the leadership of NaiShweKyin alias NaiBaLwin, after the Mon People's Front (MPF) surrendered to the central government. The MPF had launched an armed rebellion since 1948 and surrendered

#### Anurag Tripathi

after the government promised an autonomous Mon state. Few MPF dissidents were not convinced and went on to form the NMSP. The Mon National Liberation Army (MNLA), NMSP's military wing, formally founded as its armed wing on 29 August 1971, is one of the smaller armed ethnic minority groups in the country with about 1000 cadres based in the hills of Southeast Myanmar.<sup>31</sup> The objective of the NMSP/MNLA is to establish autonomy for the Mon-inhabited areas of southeastern Myanmar. The group claims that it is fighting to "establish an independent sovereign state unless the Burmese government is willing to permit a confederation of free nationalities exercising full right of self-determination inclusive of the right of secession".<sup>32</sup>

# Leadership, Command Structure and Area of Operation

With around 700 troops, it signed the ceasefire agreement in 1995 but refused to join the Border Guard Force (BGF). It is mainly a Buddhist armed insurgent group of the ethnic Mon minority group, with centralised command structure operating from the Mon province of Myanmar.

# **Internal Dynamics**

In 1947, the Mon sought self-determination from the yet to be established Union of Burma. Burmese Prime Minister U Nu refused, saying that no separate national rights for the Mon should be contemplated. The Burmese army moved into areas claimed by the Mon nationalists and imposed rule by force, which resulted in armed conflicts with the rebels. Mon separatists formed the Mon Peoples Front, which was later superseded by the New Mon State Party (NMSP) in 1962. Since 1949, the eastern hills of the state, as well as portions of Thaninthaya Division, have been under control of the NMSP and its military arm, the Mon National Liberation Front (MNLF). In addition to fighting the central government, the MNLF has fought the Karen people over control of lucrative border crossings into Thailand.<sup>33</sup>

# Links

It is homegrown non-state armed insurgency movement with no proven external links till date, wholly supported internally by the minority Mon people of predominantly Buddhist religion of *Theravada* tradition. Although, a hidden Thai link for arms acquisition cannot be denied out rightly.

## **Current Situation**

In February 2011, it joined the UNFC seeking to establish 'Genuine Federal Union, which guarantees full rights of National Equality and Selfdetermination within the States'. It enjoys full membership of the grouping. In January 2012, it entered a peace agreement with the Myanmar government.

# 5. THE SHAN STATE ARMY (SSA)

# Formation and Objectives

It was formed in 1964 to resist the military government of Burma in Shan State. It later split into two factions, usually known in English as the Shan State Army-South or SSA-S, which continues to oppose the government, and the Shan State Army-North or SSA-N, which is more conciliatory towards the government. The Burmese government wishes the SSA-N to join its BGF. Two of the three brigades are reported to have agreed to join the BGF, while the other has refused.<sup>34</sup>

# Leadership, Command Structure and Area of Operation

Lieutenant General YawdSerk formed the SSA-S in 1996 after Mong Tai Army/Shan State Restoration Council (MTA/SSRC) which was led by KhunSa surrendered to Burmese Army in January 1995, in Homong Eastern Shan State.<sup>35</sup>

SSA-S is increasing its membership profile (around 6,000 to 10,000) under Serk and continues to give stiff resistance to the Government forces in Shan state of Myanmar while SSA-N has joined the BGF after 1989 ceasefire agreement. The SSA-S has five bases along the Thai-Myanmar border.

Shan State is the largest state in Myanmar with more than 60,000 square miles and nearly five million people. Although the Shan are a major ethnic group, there are several other ethnic groups living in Shan State as well, and all of them want a piece of the state as their own territory with state-level status. Both the groups continue to operate from the Shan state of Myanmar.

# **Internal Dynamics**

There is also an Eastern Shan State Army (ESSA), which is more commonly

#### ANURAG TRIPATHI

known by the title National Democratic Alliance Army (NDAA), established in 1989 by SaiHleng. The name NDAA-ESSA is also used. It is reportedly based in Mongla near the Chinese border in Eastern Shan State region. It has reported to be led by SaiLeun, a former senior figure in the Communist Party of Burma (CPB) or Yang Mao-liang. The ESSA was in a cease-fire agreement with the government from 1989 to 2009.<sup>36</sup>

On 21 May 2005, the SSA-S pledged to work with the Shan State National Army (SSNA), another splinter armed insurgent group, against the ruling State Peace and Development Council (SPDC), the official name of the ruling military junta government in Myanmar, to achieve the Independence of the Shan State.<sup>37</sup>

In December 2008, the Shan State Congress (SSC) was formed at LoiTaileng under the aegis of YawdSerk. It includes non-Shan groups as well with members from Lahu Democratic Union (LDU), Pa-O National Liberation Organisation (PNLO), Restoration Council of Shan State (SSA's political arm), Tai Coordination Committee (TCC) and Wa National Organisation (WNO).<sup>38</sup>

There was a Six State Military Alliance with Arakan Liberation Party (ALP), Chin National Front (CNF), Kachin National Organization (KNO), Karen National Union (KNU), Karenni National Progressive Party (KNPP) and YawdSerk expressing the need to revive this in anticipation of the 2010 elections.<sup>39</sup>

# Links

SSA-N is with the Government run BGF with no external links, while SSA-S under Serk has managed to procure large quantities of weapons (such as M16 rifle, AK-47, RPD, FN MAG, RPK, M79, USAS-12, Mortars, RPG-7 and M203 etc) from both China and the United States.<sup>40</sup>

# **Current Situation**

SSA-N has been under ceasefire agreement since 1989 and was integrated into a combined force since May 2011, while SSA-S has entered into a ceasefire agreement with the government in November 2011.<sup>41</sup> The SSA-S is a member of a parallel ethnic alliance called National Democratic Front, which was formed in 1976. Since February 2011 the Shan State Progress Party/Shan State Army (SSA) is a full member of the UNFC.

#### 6. THE CHIN NATIONAL FRONT (CNF)

It was formed on 20 March 1988. Its military wing, the Chin National Army (CNA), was constituted on 14 November 1988.<sup>42</sup>

It seeks autonomy for Chin State within Myanmar. According to a CNF statement, the group was "founded out of a desire to the history of ethnic armed rebellions, centered around issues of cessation and greater rights over natural resources, has been marked by unending upheavals in the forms of splits, opportunistic alliances and intense conflicts with the central forces."<sup>43</sup>

On its Facebook page, it states, "The Union of Burma has been ruled by illegitimate military regimes that have suppressed all peaceful demands for democratic political change since 1962. The regimes have not only violated the basic canons of democracy, freedom and human rights, but have also denied the Chin people to enjoy the right of self-determination to promote, protect and preserve the Chin national identities and Chin national interests through peaceful political life."<sup>44</sup>

In the same page on Facebook, it is further mentioned, "Chin National Army provides security for the Chin National Front to implement restoration of democracy, Chin self-determination, and establishment of federal union of Burma to end ethno-political conflict and constitutional crisis in the Union of Burma."In recent years, the group has broken up into several factions, leaving the mainstream CNF with only about 200 cadres.<sup>45</sup>

Since February 2011, CNF has been a full member of UNFC and signed a peace agreement with the Myanmar Government in January 2012.<sup>46</sup>

## 7. KARENNI NATIONAL PROGRESSIVE PARTY (KNPP)/ KARENNI ARMY

#### **Formation and Objectives**

It was formed in 1957, with the main objective to seek independence from Burma, and is now demanding more autonomy within the State of Myanmar.<sup>47</sup>

#### Leadership, Command Structure and Area of Operation

At present, KNPP has a Central Executive Committee with Abel Tweed as the Chairman and others in top echelon posts, plus some others as ANURAG TRIPATHI

members.<sup>48</sup> General Bee Htoo is the Commander-in-Chief of the Karenni Army that has an estimated strength of 600 and more with its area of operation in Loikaw, SharDaw, Ho Yar (Pharu So township), and DawTamagyi (Dee Maw So township).<sup>49</sup>

# **Internal Dynamics**

The conflict between the KNPP's armed wing- the Karenni army and Myanmar military has resulted in thousands of civilians being displaced from their homes, many of whom have sought shelter in Thai refugee camps. After the protracted civil strife continued over three decades, some lost hope of ever returning to their homeland, and have already resettled in third countries.<sup>50</sup>

# Links

It has commercial and military links with elements within Thailand as its area of operation lies along the Thai border. Since September 2012, KNPP started the KayahHtarnay (Kayah Land) company (lead exploration) and TamawHtar (import/export of teak wood).

# **Current Situation**

It is a full member of UNFC since February 2011, and since March 2012, it offered to have a peace accord with the Myanmar Government for fulfillment of its demands. In March 2012, the KNPP submitted a 20-point position paper for consideration by the Union government. They agreed in principle to 14 of these points in May; the remaining contentious issues are related to demarcation and separation of troops, and large scale development projects. A KNPP statement that said the political party would focus on improving living standards for its constituents as opposed to business opportunities was well received.<sup>51</sup> But fresh fighting again broke out in June 2012 highlighting the need for both parties to focus on resolving military conflicts in upcoming peace talks.<sup>52</sup>

# OTHER MINOR NSAIGS OF MYANMAR AND THEIR BRIEF PROFILE

1. Democratic Karen Buddhist Army (DKBA): It has 6,000 troops and split from the parent organization KNU in 1994. Its political wing is Democratic Karen Buddhist Organisation (DKBO), and it was the first ethnic armed group to join the BGF. Many defections including complete units have been reported since it joined the BGF. In November 2011, it entered a peace agreement with the government but in February 2012, it resumed fighting.<sup>53</sup> (For more on DKBA, please see the KNU section in this article.)

- 2. The Arakan Liberation Army (ALA): It is the military wing of the Arakan Liberation Party (ALP), which was established in 1967 demanding the independence of the western Rakhine state from the then Burma. The ALA was formed in the early 1970s with assistance from the KNU through 'agreement of assistance'. The ALA had a long history of skirmishes with the troops till the first week of April 2012, when it signed a ceasefire agreement with the government. The ALA's cadres' strength, however, has been estimated at only 100 fighting men.<sup>54</sup>
- **3. National Democratic Alliance Army (NDAA):** It is also called the Mongla Group and has troop strength of 1200. It signed a ceasefire agreement in 1989.<sup>55</sup>

Apart from these, there are still some other minor but powerful NSAIGs like Lahu Democratic Union (LDU), Arakan National Council (ANC), Pa-Oh National Liberation Organization (PNLO), Ta-ang National Liberation Army (TNLA) also known as Palaung State Liberation Front (PSLF), Wa National Organization (WNO) who have since February 2011 been made as associate members of UNFC.

# MUSLIM ROHINGYAS AND THE ISLAMIST MOVEMENT OF ARAKAN ROHINGYA NATIONAL ORGANIZATION (ARNO)

The Rohingya conflict in Western Burma is a conflict between the State of Burma and its mostly Bengali speaking Rohingya Muslim minority since 1947 with their roots in Bangladesh living in the Rakhine state in the western Myanmar. The Rohingyas are a Sunni Muslim ethnic group, which is *not* among the 135 recognised indigenous ethnic groups of Myanmar. They are of south Asian descent and speak a dialect of Bengali. In 1982, General Ne Win stripped the Rohingyas of their citizenship rights under a new law, effectively classifying them as illegal migrants. Bangladesh has refused to accept them as their citizens as majority of the group have lived in the Northern Rakhine state for centuries.<sup>56</sup>

Around 800,000 Muslim Rohingyas live in Burma with around 80 percent living in the western state of Rakhine. Most of them have been

denied citizenship by the Burmese government.<sup>57</sup> Their initial ambition during Mujahideen movements (1947-1961) was to separate the Rohingyapopulated Mayu frontier region of Arakan from western Burma and annex that region into newly formed neighbouring East Pakistan (present-day Bangladesh).<sup>58</sup>

In the 1970s, their uprisings appeared again during the period of the Bangladesh Liberation War in 1971. Recently, during the Arakan State Riots, the aspiration of the Rohingya militant groups (most prominently the ARNO), according to various media reports, is to create northern part of Arakan an independent or autonomous state. With ARNO on the reckoning, allusion for an independent Islamic state can no longer be brushed aside; if not prevented in time, it can well be the reality in near future.

Since 2012, violence has been on the increase. A UN Special Rapporteur said that discrimination against the Rohingya Muslims was one of the underlying causes of the outbreak of violence, while the majority Buddhist population of the Rakhine state put the onus on the anti-social subversive activities of Rohingyas calling them 'Bangladeshis' and asking them to go back to Bangladesh.<sup>59</sup> The Myanmar Government has refused to grant them citizenship status in 1982/'83 Citizenship Law/Census besides grouping them under 'Bengali or Bangla speaking foreigners' in its new ongoing Census of 2014.

# The Islamist Secessionist Movement of the ARNO

# Historical Background

Muslim Terrorist-Insurrection groups such as the Rohingya Solidarity Organization (RSO), Arakan Rohingya Islamic Front (ARIF) and HakKavt group combined and established the Rohingya National Council (RNC) on 28 October 1998. The RNC was then reorganized as the Arakan Rohingya National Council (ARNC). Combining all the armed insurgents of the groups also formed the Rohingya Liberation Army (RLA). The Arakan Rohingya National Organization was formed to organize all the different Rohingya insurgents into one group under pressure from Muslim groups outside Burma.<sup>60</sup>

# Organization of ARNO

The headquarters of ARNO was opened at No. 30 Ju-ma-khar Street, Juma-khar ward, Chittagong in Bangladesh. Their camps are based at ZaiLar-Saw-Ri HQ camp—map reference (PG-2916), Daw-Maw-Sri camp map reference (P6-0537) and Kyar-Laung-Taik camp—map reference (PG-2026). ARNO group had an estimated strength of about 200 insurgents, of whom about 170 are equipped with a variety of arms.<sup>61</sup>

# **Internal Dynamics**

Under pressure from Bangladesh, the Arakan Rohingya National Organization (ARNO) contacted the Karenni National Progressive Party in late August 2002 regarding the possibility of relocating its bases to KNPPcontrolled territory on the border between Thailand and Burma. According to a report prepared by Burmese military intelligence, ARNO also sought membership in the Democratic Alliance of Burma, a loose confederation of Burmese insurgent groups now operating on the Thai/Burmese border. KNPP reportedly refused ARNO's request. The DAB also rejected ARNO's application for membership, but has forged a "military alliance" with ARNO, according to the paper.<sup>62</sup>

# Dangerous Liaison: ARNO and Its Links with Al-Qaeda

Five members of ARNO attended a high-ranking officers' course with Al Qaeda representatives on 15 May 2000 and arrived back in Bangladesh on 22 June. During the course, they discussed matters relating to political and military affairs, arms and ammunition, and financing with Osama Bin Laden.<sup>63</sup>

The Burmese also report that ARNO's Chairman Nurul Islam has received a U.S. visa and is en route to the United States via Saudi Arabia. The facts in the Burmese paper appear plausible. Its purpose is probably to draw a connection between Al Qaeda, which has supported ARNO and Burmese insurgent groups active on the Thai border.<sup>64</sup>

It has bases in Myanmar and Bangladesh and close ties with Pakistan ISI and all major Islamist Mujahideen/Jihadi groups of South East Asia. ARNO has established contact with Al-Qaeda and five Central Committee members of ARNO paid a visit to Afghanistan in April 2001. Besides, ARNO has also cooperated with Republic of Islam Aceh (RIA) of Indonesia and Egyptian Jammah Jihad Mesir (JJM). It is believed that there exists a small community of Rohingyas in Patuwat, Malaysia.<sup>65</sup>

# **Current Situation**

The Government of Bangladesh "advised" ARNO in May 2012 to clear out its bases in southeastern Bangladesh and, shortly thereafter, 195

members of the Arakan Army turned themselves in to the Burmese. As yet, ARNO has not moved from Bangladesh.<sup>66</sup> The Myanmar Government termed ARNO as "terrorist group" of non-Burmese origin appealing the international community to take note of it stating that all violence in the western Myanmar is started and perpetuated by ARNO taking the innocent Rohingyas as diversionary shield.

# FINDING THE ELUSIVE PEACE IN MYANMAR: AN APPRAISAL OF INSURGENCY AND PEACE PROCESS

Plagued by the virus of ethnic insurgency since 1949 along its borderline with its neighbouring countries, Myanmar since 1989 has started resolving it through peace talks, dialogues and signing peace agreement showing the urgency of peace making for over all economic development of the state. The ceasefire agreements that the Myanmar government signed with 17 ethnic armed groups between 1989 and 1997 brought the signatories under the government's Border Area Development Programme (BADP).<sup>67</sup>

Gen Khin Nyunt, former chief of intelligence in the Myanmar army, who was subsequently put under house arrest in 2004 for criminal charges against him, was the brain behind this strategy. This allowed the junta to focus its energies away from the armed insurgents in the ethnic areas and the territories under their control. Some of the ethnic groups which signed the ceasefire agreements were Kachin, Mon, Karenni, Wa, Pa?O, Palaung and Rakhine. The Panglong Agreement under the leadership of Gen Aung San in 1947 was the pivotal point in the ethnic history of Myanmar. The agreement brought to the table representatives of the government and the Shan, Kachin and Chin ethnic minorities to reach a consensus on the future course of action for Myanmar. However, before his efforts could bear fruit, Aung San was assassinated in July 1947. The Panglong Agreement promised complete autonomy to the frontier regions post independence in return for their support for the formation of the Union of Burma. However, with Gen Aung San's assassination, that promise also died.68

Successive governments' failure to implement the Panglong Agreement caused immense dissatisfaction and mistrust in the people of the ethnic areas forcing them to take up arms to demand their rights. Peace agreements have never been sustained in Myanmar. These ethnic minorities have, from time to time, reiterated that their demand is for regional autonomy and not disintegration of the Union of Myanmar. However, the ruling junta always felt that granting autonomy to them might lead to the collapse of the Union.<sup>69</sup>

This is the root cause in the metamorphosis of ethnic insurgency in Myanmar. While scramble for the greater pie of the lucrative opium trade of the golden triangle as a means to fund this insurgency led more and more ethnic minorities to jump in the insurgency bandwagon, peace remained elusive all these years from 1949 till 1989. Since the civilian government took over in Myanmar post?elections in November 2010, there have been talks of a possibility of a second Panglong?like conference and Aung San Suu Kyi, the head of Myanmar's National League for Democracy (NLD), gave indications about it after her party's landslide victory in 2010. If undertaken, the peace initiative can prove to be the last nail in the coffin to end decades long bloody insurgency.

In February 2011, United Nationalities Federal Council (UNFC), a reformed version of coalition of ethnic armed organizations (total 11, 6 full members and 6 associate members) was formed from the previously formed Committee for the Emergence of Federal Union (CEFU) which was founded in November 2010, seeking a 'Federal Union of Myanmar' with greater autonomy to its constituting states as well as ethnic minorities of Myanmar.

After taking office in March 2011, President Thein Sein declared that the ethnic conflicts are rooted in "dogmatism, sectarian strife, and racism," and established 'Myanmar Peace Center' (MPC) for initiating a four stagestep plan for peace with the insurgent groups that involved a preliminary and then durable ceasefire stage; initial political dialogue; resolution of underlying political problems with national reconciliation; and finally political participation. The government also offered more flexible terms, including dropping the demand for the groups to become BGFs. This appeared to have convinced some of the major ethnic groups to sign peace agreements and others to agree to verbal ceasefires and subsequently ink written agreements. By December 2012, 13 rebel groups had signed some form of agreements with the government and more is expected to follow suit.<sup>70</sup>

The UNFC, which has emerged as the last flicker of hope to arrest the long elusive peace in Myanmar, has welcomed the formation of MPC in finding political solution to end ethnic insurgency and also the political problem. It has urged to hold political dialogue with all ethnic armed organizations as one and not separately for the sake of trust and transparency.

#### Anurag Tripathi

The profiling of the major and some significant minor ethnic insurgent groups active and operating from Myanmar help us in doing a SWOT analysis vis-ë-vis ethnic insurgency and 'Project Peace' across the Myanmar borders.

There is an obvious need to take the peace process beyond the ceasefires. The government would be ill advised to drown ethnic grievances with either economic incentives or military action. On the other hand, the rebels would have to learn to adapt to a possible new political agreement if the ceasefires hold, entailing the demobilisation of generations of troops. Both projects need time and immense patience from both sides. In these circumstances, a true federal structure may be the best inclusive and peaceful option for Myanmar's myriad ethnic groups to pursue. To that extent, certain aspects of the 2008 constitution would have to be amended and more power devolved to the regional parliaments.<sup>71</sup>

## **Concluding Remarks**

Myanmar, indeed, stands at the crossroads today. After a spate of reforms, superficial or otherwise, the responsibility of carrying forward 'Project Peace' in the country is the responsibility of both the government and the ethnic insurgencies. While seeking favours from the western capitals might have spurred Naypidaw's proclivity for change, for the ethnic insurgencies the change in time represents a unique opportunity to be a part of the broad movement for democracy, federalism and peace.<sup>72</sup>

Last but not the least, the Rohingya insurgency and the rise of Islamist Jihadi organisations such as ARNO with proven Al-Qaeda links have the potential to both *delay* and *derail* the ongoing 'Project Peace' in Myanmar and the very idea of a 'Federal Union of Myanmar', because unlike other ethnic insurgency groups seeking greater autonomy, these Islamists insurgent organisations are seeking creation of an 'independent Islamic State', thus destroying the very idea of a 'Federal Union of Myanmar' itself. This important aspect cannot be undermined while dealing with profiling NSAIGs of Myanmar and unending quest for peace there.

# References

- 1. Johnson, Tim, "China Urges Burma to Bridle Ethnic Militia Uprising at Border". *The Washington Post*, 29 August 2009.
- 2. Chouvy, Pierre-Arnaud, "Myanmar's Wa: Likely Losers in the Opium War". *Asia Times* 24 January 2004.

- 3. http://www.dvb.no/uncategorized/uwsa-declares-autonomous-region/1782 (Accessed on 13 April 2014)
- 4. http://www.ucdp.uu.se/gpdatabase/gpcountry.php?id=112& regionSelect=7-Eastern\_Asia#, UCDP Conflict Encyclopedia, Myanmar (Burma)
- 5. www.burmanet.org/news/2012/04/17/dvb-united-wa-state-army-markanniversary---nang-mya-nadi/
- Lawi Weng, "AK-47s Made in Wa State". *The Irrawaddy*, 16 December 2008. Also see Lawi Weng. "UWSP Proposes Wa Autonomous Region". *The Irrawaddy*, 5 January 2009.
- 7. Kramer, Tom (April 2009). "Twenty Years on, the Wa-Burmese Cease-fire looks shakier". Transnational Institute. 19 February 2012.
- 8. "As Burma Reforms, Its Narcotics Trade Might Be Worsening". *The Atlantic*. 18 February 2012. Also see "UWSP: The Bondage of Opium a proposal and a plea" in www.ibiblio.org. as well as in Bertil Lintner. "The Golden Triangle Opium Trade: An Overview". *Asia Pacific Media Services*, March 2000.
- 9. "The Hong Pang Group". Bangkok Post, 6 July 2008.
- 10. Kramer, Tom (April 2009). "Twenty Years on, the Wa-Burmese Cease-fire looks shakier", *op. cit*.
- Pubby, Manu, "China emerging as main source of arms to N-E rebels: Jane's Review", in www.indianexpress.com. Also see Davis, Anthony (28 March 2001). "Myanmar heat turned up with SAMs from China". Jane's Information Group.
- 12. "After Chinese Arms Allegations, UWSA Shows Off 'Thai' Military Hardware". The Irrawaddy, 14 May 2013.
- 13. http://www.nationmultimedia.com/opinion/Assassination-claimmanipulated-for-political-gain-30194168.html
- 14. Bibhu Prasad Routray, "Myanmar's National Reconciliation: An Audit of Insurgencies and Ceasefires". *IPCS Special Report*, No 138, March 2013, p 3.
- 15. Medha Chaturvedi, "Myanmar's Ethnic Divide: The Parallel Struggle". *IPCS Special Report* No 131, August 2012, p 6.
- 16. Bibhu Prasad Routray, "Myanmar's National Reconciliation: An Audit of Insurgencies and Ceasefires". *IPCS Special Report*, No 138, March 2013, p. 3.
- 17. www.en.wikipedia.org
- 18. *Ibid*.
- 19. www.en.wikipedia.org/wiki/kachinindependenceorganization
- 20. Bibhu Prasad Routray, "Myanmar's National Reconciliation: An Audit of Insurgencies and Ceasefires". *IPCS Special Report*, No 138, March 2013, p 3.
- 21. Ibid.
- 22. www.en.wikipedia.org/wiki/kachinindependenceorganization
- 23. Bibhu Prasad Routray, op. cit.
- 24. Radnofsky, Louise, "Burmese rebel leader shot dead". *The Guardian* (London), 14 February 2008. Also see, "Burmese rebel leader is shot dead", BBC News. 14 February 2008.
- 25. http://en.wikipedia.org/wiki/Karen\_National\_Union
- 26. See Saw Yan Naing, "Peace May Prove Elusive As Divisions Sap Strength Of Karen National Union". *Bangkok Post*, 14 October 2012.
- 27. www.start.umd.edu/tops/
- 28. "Burma's Longest War: Anatomy of the Karen Conflict". Retrieved from www.tni.org.
- 29. Armed ethnic groups denied vote form historic alliance". Mizzima.com. 3 November 2010.

Anurag Tripathi

- 30. Medha Chaturvedi, "Myanmar's Ethnic Divide: The Parallel Struggle". *IPCS Special Report* No 131, August 2012, p. 6.
- 31. Bibhu Prasad Routray, op. cit.
- 32. Ibid.
- www.en.wikipedia.org/wiki/monstate and www.nmsp.info (official website of NMSP)
- 34. www.en.wikipediaorg/wiki/shanstatearmy
- 35. www.en.wikipedia/wiki/shanstatearmysouth
- 36. www.en.wikipediaorg/wiki/shanstatearmy
- 37. "Shan rebels unite against Rangoon", BBC Burmese, 24 May 2005.
- 38. "Shan State Congress formed", S.H.A.N., 24 December 2008.
- 39. Ibid.
- 40. www.en.wikipedia/wiki/shanstatearmysouth
- 41. Medha Chaturvedi, op. cit. p 7.
- 42. Ibid. p 4.
- 43. Ibid.
- 44. www.facebook.com/chinnationalfront/army
- 45. *Ibid*.
- 46. *Ibid*.
- 47. www.myanmarpeacemonitor.org/knpp/
- 48. *Ibid*.
- 49. *Ibid*.
- 50. *Ibid*.
- 51. *Ibid*.
- 52. www.bnionline.net/index.php/news/kantarawaddy/13840-karenni-peacetalks-must-include-two-key-points-to-preserve-ceasefire.html
- 53. Medha Chaturvedi, op. cit. p 7.
- 54. Ibid.
- 55. *Ibid*. p 8.
- 56. Ibid.
- 57. "Myanmar, Bangladesh leaders "to discuss Rohingya", Agence France-Presse (AFP), 29 June 2012.
- Yegar, Moshe , Muslims of Burma. Wiesbaden, Verlag Otto Harrassowitz, 1972. p. 96.
- 59. Ibid.
- 60. www.ireport.cnn.com/people/tinkoko11/, posted on 15 June 2012.
- 61. *Ibid*.
- 62. Ibid.
- 63. Ibid.
- 64. Ibid.
- 65. Ibid.
- 66. Ibid.
- 67. Medha Chaturvedi, op. cit. p 8.
- Tinker, Hugh (1984), "Burma: The Struggle for Independence 1944? 1948"., London: HMSO, 1984. Vol. II, pp 404?405.
- 69. Ibid.
- 70. "Myanmar Peace Process", EBO Briefing Paper, January 2013, http://euroburma.eu/doc/EBO\_Brief\_No\_1\_2013\_Peace\_Process.pdf
- 71. Bibhu Prasad Routray, op. cit., p 14.
- 72. Ibid.

# ENERGY DYNAMICS OF INDIA-MYANMAR Relations

Rohit Pattnaik

### ABSTRACT

Myanmar has been showing encouraging trends, in recent years, in terms of assimilating with the international community. As part of its efforts to strengthen ties with neighbours, Myanmar has also given much attention to India. India, on the other hand, has been looking to deepen its ties with Myanmar. In the context of India-Myanmar relationship, energy as the bedrock of bilateral relationship can be strengthened further. Stronger India-Myanmar bilateral relations are important, not only for both the countries but also for ASEAN, as India's closer integration with ASEAN is of tremendous economic value to Asia. India is seen by many scholars as an ideal counter-weight to China in Myanmar. As Myanmar expands its relationship with the world, India and Myanmar can begin a symbiotic relationship with energy and geopolitics driving their common futures. India has an opportunity to shape its relationship based on pragmatic project implementation and build a strong linkage with a neighbour that could act as a 'marker for geo-economic alliances'.

This paper discusses Myanmar's emergence as an energy exporter and argues that the energy dynamics of India-Myanmar relationship will also impact security dynamics of the relationship. The paper also attempts to explain how a carefully calibrated approach could dynamically enhance India's Look East Policy and New Delhi's diplomatic clout across Asia.

#### Introduction

The rapprochement between Myanmar and the West- led by the US, in 2011, did not occur only due to a sudden course-correction by the junta. There were, rather, other critically important factors also. One of the prime factors was: Concerns in Washington that Myanmar could end up in China's fold and become a problem similar to North Korea if not allowed to develop normal relations with the world. This clearly indicated that

#### Rohit Pattnaik

the geopolitical considerations were more decisive than the issue of democratic transition in the country. India was criticised by the western countries when India resumed a normal relationship with Myanmar. The first major signal for the normalcy in relationship between Myanmar and Washington was not the sudden transformation of the political landscape but the suspension of the multi-billion Chinese funded Myitsone dam. This single stroke of action sent out a signal that Myanmar desired a pragmatic relationship with Beijing as equals rather than as a subordinate. After normalisation of the relationship between the US and Myanmar, several countries have started jostling to tap the Myanmar market.

# Intensifying Competition for Energy Resources

Myanmar has an estimated 283 billion cubic metres of proven gas reserves.<sup>1</sup> As per the information available, sizable reserves are estimated to be present in its deep waters. Myanmar's offshore bidding process for 19 deepwater offshore fields in November 2013 elicited a lot of interest amongst global energy companies due to the fact that they had freedom to operate without local partners that are required to develop shallower fields, and the biggest prize is the proximity to the energy hungry Chinese and Indian markets.<sup>2</sup> The rush to get a slice of the acreage was based on the success already enjoyed by first movers in the exploration.<sup>3</sup> Myanmar holds immense potential for increasing its gas production. The bulk of its output currently comes from the offshore Yadana and Yetagun fields, which mainly export to Thailand. Production is also ramping up at the offshore Shwe field. Myanmar is also a net importer of Liquid Natural Gas (LNG) and substitution is likely if gas production ramps up as anticipated.

In that context, it is important to evaluate the energy dynamic, primarily among China, ASEAN, Japan and South Korea and how these relationships will have a bearing on Indo-Myanmar ties. The reason for the focus on Asian countries is due to the fact that because of close geographical proximity, and rising hunger for energy in Asian countries, the scramble for Myanmar's energy is also higher amongst the Asian countries.

# Current Offshore Gas Projects in Myanmar

• Yadana Gas Field: The gas produced is exported through two pipelines. The first is a 409 kilometre long pipeline that runs 346 kilometres underwater from Yadana to Daminseik at the coast.

From there, a 63 kilometre onshore section runs upto the Thaiborder. The second is a 287 kilometres long pipeline runs from the Yadana to Yangon. The Yadana gas field and pipelines are operated by Total S.A., a French energy group, with Chevron Corporation, a United States-based company, as its junior partner along with PTT, a Thai state-owned oil and gas company, and Myanmar Oil and Gas Enterprise (MOGE), a state-owned enterprise of Myanmar. Total operates the gas field. Total has working interest of 31.2%, Chevron 28.3%, PTT 25.5% and MOGE 15%.<sup>4</sup>

- The Yetagun gas field is an offshore gas field. The gas is linked with the Yadana pipeline which exports gas to Thailand. The Yetagun gas field was a joint venture of Texaco (50%), Premier Oil (30%), and Nippon Oil (20%). After Texaco withdrew in 1997 and Premier Oil withdrew in 2000, Petronas became the operator.<sup>5</sup>
- Shwe gas field: From Shwe gas field, gas is exported through the Yunnan gas pipeline. Daewoo holds a 51% stake in the project. Other stakeholders are India's Oil & Natural Gas (ONGC) Corp., 17%; Myanmar Oil & Gas Enterprise, 15%; and Gas Authority of India Limited (GAIL) and Korea Gas Corp., 8.5% each.<sup>6</sup>
- Zawtika gas field: Natural gas is expected to start flowing from the site soon.<sup>7</sup>

# China's Perspective

China gained the most, since 1998, from Myanmar's decades long selfimposed isolation. However, with Myanmar's restoration of ties with the rest of the world, China no longer rules the roost. Nevertheless, considering the amount of investments already made, it will continue to have the biggest bearing on India's quest for energy as it remains an energy hungry market like India. A historical analysis of pipelines from Myanmar to China shows that after Beijing vetoed a 2006 UN Security Council resolution condemning Myanmar's human rights record, it clinched the deal for the gas pipeline to Yunan.

Kyaukpu is where the 800 km gas pipeline originates connecting Kunming, the capital of Yunnan province. Natural gas from Myanmar's Shwe offshore gas fields is being transported to China. The gas pipeline has an annual capacity of 12bn cubic metres, 6% of China's current gas imports. From Myanmar, the pipeline delivers a windfall due to the increased natural gas revenues. The parallel oil pipeline will generate

#### Rohit Pattnaik

US\$13.6 million from rent and an estimated US\$ 22 million, if used in full capacity.<sup>8</sup> Apart from that, a parallel crude oil pipeline is being built, which will commence operations in late 2014. According to China National Petroleum Corporation, which is building the pipeline, the capacity is 440,000 bpd.<sup>9</sup> Oil storage tanks are being built at Kyaukpyu. There are 12 storage tanks being constructed with a capacity of 10,000 cubic metres, each amounting to nearly 7.5 million barrels of oil. From a strategic perspective, Kyaukpu offers an excellent opportunity for China to get a coastline on its western front. It offers a coastal outlet for its remote interior provinces.<sup>11</sup> It also answers China's "Malacca Dilemma".<sup>10</sup> An estimated 37% of China's oil goes through the narrow strait between Malaysia and Sumatra, a chokepoint. When fully operational, the new oil pipeline, built parallel to the gas pipeline, will reduce China's dependence on the Malacca straits by a third.<sup>12</sup> This has great strategic significance for China's energy diversification and energy security. Shipping crude oil through the Myanmar pipeline rather than the Strait of Malacca, which lies between Malaysia and Indonesia, could cut transport distances by as much as 1,000 km for shipments from the Middle East and Africa. Once the pipeline starts transporting crude, it would help China diversify its energy sourcing and also open up a new energy corridor as most of the existing pipeline infrastructure bring Central Asian and Russian crude/gas to China.

The Chinese state owned companies have been investing heavily in port facilities across the Indian Ocean, notably in Sri Lanka and Pakistan, expanding China's strategic influence over an area it considers critical to its energy supplies. The port investment in Maday Island fits we in that strategy.<sup>13</sup> Apart from investment in ports and pipelines, China is building a parallel road and railway lines to the pipelines, connecting China to the Bay of Bengal. China also has made sizeable investment in mining and dam building across Myanmar. What is clear is that with a less isolationist Myanmar, a level playing field has come through for other players including India.

# **ASEAN Perspective**

Myanmar joined ASEAN in 1997.<sup>14</sup> As per the World Economic Outlook, between 2013 and 2035, Southeast Asia's energy demand is expected to increase by over 80%, a rise equivalent to current demands in Japan. Energy policies across the ten ASEAN member states vary considerably, reflecting differences in political direction, economic development and natural resource endowments. Common themes include improving energy security

Energy Dynamics of India-Myanmar Relations

(driven by increasing reliance on imported energy), reducing economic costs (linked to rising imports during this period of persistently high energy prices) and improving the sustainability of energy use. In terms of intraregional co-operation, ASEAN countries have an active agenda on many energy policy fronts. They continue to strive towards implementation of long-standing projects aimed at establishing interconnected grids for electricity and natural gas, namely the ASEAN Power Grid and the Trans-ASEAN Gas Pipeline. To match the full potential of these initiatives, efforts are required to synchronise technical and regulatory standards, phase out end-user price subsidies, ensure third-party grid and pipeline access, and work towards the establishment of a regional regulator.<sup>15</sup>Limitations in pipeline connections across ASEAN mean that piped gas trade in the region consists of Indonesia and Malaysia exporting gas to Singapore, and Myanmar exporting gas to Thailand and China.

ASEAN has been favourably inclined towards Myanmar for energy, and is connected to the ASEAN energy grid, supplying gas to Thailand through the Yadana pipeline which delivers gas from the offshore Yadana gas field. Myanmar is part of the Trans-ASEAN Gas Pipeline Project (TAGP) which links producer countries with consumer nations across the ASEAN region. Thai firms have also invested in the offshore gas sector in Myanmar, and prior to Myanmar's gas exports to China, were the biggest importer of gas from Myanmar. The Yadana and Yetagun offshore gas fields supply Thailand through the Yadana pipeline. In 2013, Thailand imported 990 million cubic feet of natural gas per day from Myanmar. The imports are expected to increase as energy demand increases in Thailand.<sup>16</sup> Gas imported from Myanmar accounts for nearly 30% of Thailand's consumption.

A Myanmar more interconnected to the ASEAN would be beneficial to the region as it would enable it to have a more prudent and independent strategy which would mean that it would be economically integrated with its neighbouring economies rather than being strongly dependent on China.

# Japan's Perspective

Japanese investments in the offshore gas sector in Myanmar have increased and a host of Japanese firms bid for drilling rights in the offshore blocks auction announced by Myanmar. What is interesting to note is that Japan never disengaged with Myanmar, even when Myanmar was facing sanctions from the international community, particualry the West. Japan has unilaterally written off US\$ 6.3 billion in debt as a prelude to what

#### Rohit Pattnaik

could be a wave of investments in Myanmar. Although no large scale projects have been announced, Japan has evinced interest in the Dawei port and the industrial zone. Japan is also committed to develop the Thilawa Special Economic Zone close to Yangon.<sup>17</sup> Japan is also constructing a 500 MW gas-based power plant near Yangon, which is expected to commence operations in 2015. Per capita consumption of energy is low in Myanmar and only 13 percent of Myanmar is connected to the electricity grid.<sup>18</sup> As Myanmar industrialises, Japanese investments and presence in the energy sector is expected to increase. This would be beneficial as it enables industrialisation of the economy and also would ensure that Myanmar benefits strategically.

### South Korean perspective

South Korea has maintained diplomatic relations with Myanmar since the mid-1970s. However, bilateral ties were downgraded in 1980s as leaders in Seoul joined international efforts to encourage democratic reforms in Myanmar. Furthermore, Myanmar's close relations with North Korea was a major stumbling block to normalisation of bilateral ties.<sup>19</sup> In the last few years, Daewoo has spent over US\$ 1.7 billion in developing the Shwe gas field for exports to China. Furthermore, there was a noticeable presence of the South Korean companies bidding for the another round of offshore exploration rights held in 2013.

### India's perspective

Indian companies have an active presence in the oil and gas sectors of Myanmar economy. OVL and GAIL have announced US\$ 1.3 billion investment in China-Myanmar gas pipeline project. Phase I of 200 km Kyaukpyu-Kunming Oil & Gas pipeline worth US\$ 475 million for construction of two parallel pipelines for gas and oil is being constructed. It is to be noted that India lost out from benefitting from the Sittwe gas project due to lack of infrastructure.

Further, as part of its efforts to bolster refinery capacity in Myanmar, India renovated the Thanlyin Refinery in 2005-06, and is currently upgrading the Thanbayakan Petrochemical Complex. India also offered US\$ 150 million of credit for project exports forestablishing a SEZ at Sittwe in Myanmar.

Apart from investments in the energy sector, India is also actively engaged with Myanmar to upgrade infrastructure in Myanmar as this would enhance the economic ties between the two countries. India has undertaken a few key projects to improve connectivity between the two countries. They are:

- 1: The Kaladan multi modal project.
- 2: The Tamu-Kalewa-Kalemyo road.
- 3: Trilateral Highway Project.

**1.** *The Kaladan multimodal project*: In an effort to develop closer economic ties and also provide access to the landlocked Northeast states, the Kaladan multimodal transport project was initiated which would ensure three key points:

- Development of infrastructure in Myanmar;
- Sea connectivity to India's Northeast, and roads connecting India to ASEAN;
- Greater economic cooperation between the two and ensuring an alternate market for Myanmar's gas supplies.

The project involves development of a trade route between the two countries along the river Kaladan. The river Kaladan is navigable from its confluence point with the Bay of Bengal near Sittwe up to Setpyitpyin (Kaletwa) Myanmar, on its North. Beyond that point, the river is not navigable owing to shallow water depth and frequent rapids. Therefore, transportation by road is proposed for this stretch. From Sittwe Port to Kaletwa, transportation is to be managed through waterways; and from Kaletwa to India-Myanmar border, transportation will be by road.<sup>20</sup> The project has been undertaken in three phases:

- 1. Dredging and modernising Sittwe port
- 2. Dredging sections of Kaladan river
- 3. Construction of roads from Palewta (Myanmar) to Mizoram.

Although the deal was signed between the two governments in 2008, work on the project commenced in 2011. The sea link of the project is to connect Kolkata with Sittwe, and Sittwe port is being developed by India and work is expected to be completed by June 2014.<sup>21</sup> Work on the port was delayed as the Myanmar government took time to handover the land at Sittwe port. The port-cum-inland waterway project involved building of the port and dredging of the Kaladan river upto the length of 158 km to make it navigable.

2. *The Tamu-Kalewa-Kalemyo road:* The road is nearing completion and is to be handed over to Myanmar; nearly 71 bridges on this stretch

#### Rohit Pattnaik

are to be upgraded under the Trilateral Highway project.<sup>22</sup>

3. **Trilateral Highway Project:** The trilateral highway project will be a game changer for India, particularly its Northeastern states. The highway is expected to connect Moreh in India to Mae Sot in Thailand via Myanmar. Myanmar has asked India for building the highway connecting Mandalay, which is an important commercial city in Myanmar.

The project's importance can hardly be underestimated, as it would connect the Mekong sub-region with India. It would enhance connectivity between ASEAN and India, benefitting the ASEAN bloc and India, as it will further boost the trade between the two sides. Also, from an economic viewpoint, it would benefit the Northeast states of India.

From Myanmar's perspective, enhanced connectivity between India and ASEAN would mean more trade opportunities and greater access to each other's market. Myanmar has been consistently supportive of India's deepening relationship and ties with ASEAN and it sees itself as a bridge between India and the ASEAN. There is a considerable level of convergence between India and Myanmar in developmental ties through multilateral institutions such as the MGC (Mekong-Ganga Cooperation).<sup>23</sup> Further, Japan has been eager to build road corridors between India and Southeast Asia. Multilateral organisations like ADB too have been eager to fund trans-border projects between India and its eastern neighbours.<sup>24</sup> It would be in India's interest to harness the goodwill and build trade corridors across its neighbourhood so that its neighbours have a vested economic interest in India's economic growth which would then translate to symbiotic growth for them as they get access to Indian markets. The pace of development needs to be increased to build the necessary infrastructure. With Japan also keen on developing Myanmar's infrastructure and a strong Japanese industrial presence in Thailand, India has an ally to ensure pragmatic implementation to reap the benefits, provided it gets it act together quickly.

While the project is being built along planned routes, much more needs to be done by the Indian government to make the road functional. The Asian Highway needs to be interlinked with other critical projects that are envisaged to be completed as part of the Look East Policy such as the Kaladan Multimodal Transit Project. Expansion of the road network in Northeast India will be beneficial as with better connectivity with ASEAN, the local economies will benefit tremendously. Thus, a carefully calibrated approach connecting India with ASEAN will have a multiplier effect in developing the economy of Northeast. India's private sector participation in Myanmar has been limited and primarily focussed in the energy sector and trading. However, once connectivity improves between the two countries, trade is bound to increase with increased engineering exports likely to take place from India.

# Security paradigm

Energy ties and security ties with Myanmar are two important facets of India's evolving bilateral relationship. No energy ties can be discussed without the dynamic of security, as the success of energy projects will depend on a secure environment in Myanmar. Energy and strategic ties have a symbiotic relationship and it will impact India's internal and external security. Although security ties have flourished between the two neighbours in the last two decades, it has not been without its share of hurdles. A Myanmar, more aligned to India's security, has been a gain for India in the last two decades.

# **Internal Security**

Most of the Northeastern states are stuck in a vicious cycle of insurgency, which hampers development. Unless the security dynamic in Myanmar improves, there are fears that similar situations could be seen in Myanmar also, which is also battling its share of insurgencies. Unless the Myanmar government cracks down on United Wa State Army (UWSA), which is the largest gun running group in Asia and the source of weapons to many armed groups in the Northeastern states of India, the security environment shall not improve.<sup>25</sup> There exists a possibility that insurgent groups battling the state in Myanmar could actually increase attacks on state machinery or target energy infrastructure in Myanmar so as to get a share of funds from the energy pie. The biggest benefactor of many armed groups in Myanmar and Northeast India remains China. As more nations engage with Myanmar economically, China is losing its stronghold it enjoyed during the period when Myanmar was under international sanctions. Myanmar also continues to battle armed insurgencies domestically, and the majority of its Army battalions are taking part in low intensity conflict operations. An economically stronger, democratic Myanmar would be in India's interest as there would be a commonality of interests notably relating to armed groups that are inimical to either state.

# **External Security**

China was Myanmar's sole supplier of weaponry when it was under

#### Rohit Pattnaik

sanctions, but with resumptions of ties which Myanmar, India has also begun to supply weapons to Myanmar. Myanmar clearly is reasserting its autonomy and nationalism as it allies itself closer to the Indian armed forces. For India's armed forces closer engagement with Myanmar is a very important security strategy. The Indian Army has provided artillery guns, tanks and ammunition to Myanmar and the Navy four Islander maritime patrol aircraft and naval gun-boats to 105mm light artillery guns. Apart from that Myanmar has sought Indian knowhow in building offshore Patrol Vessels and sensors and sonars for its corvettes.<sup>26</sup>

A closer working relationship has helped iron out worries about the usage of the Coco Island by China as a listening post.<sup>27</sup> Myanmar has also acted against armed groups inimical to India based in their territory but has not done it in a concerted manner.<sup>28</sup> India also provides training to Myanmar's armed forces and has agreed to Myanmar's request of stationing an Indian Army Training Team there.<sup>29</sup>

#### Conclusion

A calibrated strategy to expand the strategic partnership between India and Myanmar would result in a paradigm shift in regional geopolitics. It is absolutely paramount that India pursues its energy diplomacy with Myanmar through pragmatic project implementation as the benefits that would accrue could be a game changer and lay down an important marker for global energy diplomacy. An economically powerful and integrated India is the best bet for ASEAN and will enable India to expand its footprint in a region that will have a tumultuous decade as China strives to consolidate its hold on the region.

A stronger economic linkage between India and Myanmar would also accrue economic benefits to Northeast states in India as they would benefit from increased economic ties and the strategic benefits would be significant too. While there has been considerable progress between the two countries, the relationship needs to be cemented further. A stronger and more diversified relationship between Myanmar and India will not only promote mutually beneficial relationship, but will be hugely beneficial for the region as a whole.

#### References

- 1. BP Statistical Review of World Energy, 2013.
- 2. "Foreign companies prepare to bid on Myanmar oil and gas rights". Financial

*Times*, 3 November 2013, http://www.ft.com/intl/cms/s/0/dd475210-42f6-11e3-9d3c-00144feabdc0.html#axzz2teS8EM00

- 3. "Regional Energy Corperation", Ministry of Energy of Myanmar. http:// www.energy.gov.mm/index.php/en/component/content/article/215 (Accessed on 19 February 2014)
- 4. For details see "Yadana Project", http://burma.total.com/myanmar-en/totalin-myanmar/yadana-project-200159.html (Accessed on 19 February 2014)
- For details see http://www.pttep.com/en/ourBusiness\_EAndPprojects Detail.aspx?ContentID=21(Accessed on 19 February 2014)
- "Daewoo International kick-starts gas operation in Myanmar". Korea Herald, 21 July 2013 http://www.koreaherald.com/view.php?ud=20130721000164, (Accessed on 19 February 2014)
- For details see, http://www.pttep.com/en/ourBusiness\_EAndPprojects Detail.aspx?ContentID=18 (Accessed on 19 February 2014)
- "Kyaukpyu Oil Terminal Faces Fallout From Kunming Protests". *Ramree.com*, 22 November 2013 http://www.ramree.com/2013/11/22/kyaukpyu-oilterminal-fallout-kunming-protests/, (Accessed on 19 February 2014)
- 9. *Ibid*.
- 10. Robert D. Kaplan, *Monsoon: The Indian Ocean and the Future of American Power*. London, Random House, 2011. p. 226.
- 11. Thant Myint U, Where China Meets India: Burma and the New Crossroads of Asia. London, Faber and Faber, 2011. p. 136.
- "China Leads Peers in Resolving Malacca Energy Shipping Dilemma". Wall Street Journal, 13 May 2013, http://blogs.wsj.com/searealtime/2013/05/13/ china-leads-peers-in-resolving-malacca-energy-shipping-dilemma/, (Accessed on 20 Feb, 2014)
- "Construction of Myanmar-China crude oil pipeline nearly complete". Arakan Oil Watch, 19 November 2013, http://arakanoilwatch.org/2013/11/ construction-of-myanmar-china-crude-oil-pipeline-nearly-complete/, (Accessed on 20 Feb, 2014)
- 14. "Myanmar Prepares for Leadership of the ASEAN Economic Community". ASEAN Secretariat. http://www.asean.org/news/asean-secretariat-news/ item/myanmar-prepares-for-leadership-of-the-asean-economic-community#, (Accessed on 20 Feb, 2014)
- 15. Maria van der hoeven, "Southeast Asia Energy Outlook", http://www.iea.org/ publications/freepublications/publication/SoutheastAsiaEnergy Outlook\_WEO2013SpecialReport.pdf,", (Accessed on 20 Feb, 2014)
- Khettiya Jitapong, "Thailand seeks LNG, new energy reserves as gas reserves dwindle". *Reuters*, 9 January 2014, http://uk.reuters.com/article/2014/01/ 09/thailand- energy-idUKL3N0KJ1L120140109 (Accessed on 20 Feb, 2014)
- "Chinese and Indian Firms Tipped for Kyaukphyu SEZ Bidding Race". *Irrawaddy*, 12 September 2013, http://www.irrawaddy.org/india/chinese-and- indian-firms-tipped-for-kyaukphyu-sez-bidding-race.html, (Accessed on 19 February 2014)
- "Burma Gas Exports to Slow as Pipeline Closes for Work". *Irrawaddy*, 26 December 2013, http://www.irrawaddy.org/business/burma-gas-exportsslow-pipeline-closes-work.html, (Accessed on 19 February 2014)
- Evan Ramstad, "Korea's Lee Visits Myanmar, Seeing Opportunity", 14 May 2012, http://online.wsj.com/news/articles/SB10001424052702304371504577 403100550390104, (Accessed on 19 February 2014)

#### Rohit Pattnaik

- For details see, http://mdoner.gov.in/content/introduction-1, (Accessed on 19 February 2014)
- M. Ramesh, "Essar hopes to complete work on Myanmar's Sittwe port by June", 13 December 2013, http://www.thehindubusinessline.com/industry-andeconomy/logistics/essar-hopes-to-complete-work-on-myanmars-sittwe-portby-june/article5456409.ece, (Accessed on 19 February 2014)
- 22. For details see, http://mdoner.gov.in/content/myanmar, (Accessed on 19 February 2014)
- 23. For details see, http://www.associationdiplomats.org/publications/ifaj/ Vol6/6.3/6.3%20ARTICLE%204.pdf, (Accessed on 19 February 2014)
- C. Raja Mohan, "The great Game Folio: Silk routes". *The Indian Express*, 19 February 2014, http://indianexpress.com/article/opinion/columns/the-greatgame-folio-silk-routes/2/, (Accessed on 20 February 2014)
- Namrata Goswami, "Tracking the source of Weapons Providers for NE rebels". *IDSA Comment*, http://www.idsa.in/idsacomments/Trackingthesourceof WeaponProvidersforNERebels\_ngoswami\_071113 (Accessed on 20 February 2014)
- 26. "India to step up military cooperation with Myanmar". *The Times of India*, 29 July 2013, http://timesofindia.indiatimes.com/india/India-to-step-up-military-cooperation-with-Myanmar/articleshow/21464912.cms?referral=PM, (Accessed on 20 February 2014)
- 27. For details see, http://www.irrawaddy.org/article.php?art\_id=6640&page=3
- "Myanmar army ops continue on NE rebels". *The Times of India*, 14 September 2011, http://timesofindia.indiatimes.com/city/guwahati/Myanmar-armyops-continue-on-NE-rebels/articleshow/9978481.cms?referral=PM (Accessed on 20 February 2014)
- 29. Rahul Bedi, "Indian Army chief wraps up Myanmar visit with promise of further material and training", http://www.janes.com/article/29493/indian-army-chief-wraps-up-myanmar-visit-with-promise-of-further-materiel-training, (Accessed on 20 February 2014)

# The Position of Meitei in the Study of Indian Diaspora in Myanmar

Nongthombam Jiten

# Introduction

This paper is an attempt to recapitulate the origin of the Meitei in Myanmar from an article written by a Burmese scholar, KoKyinnya about the Meitei of Myanmar. It also re-looks at the ensuing development in their cultural practices and relations with the Burmese. Furthermore, the paper highlights the post-colonial trajectories of the Meitei community in terms of their roots and routes. The paper also tries to search the position of the Meitei while defining Indian Diaspora in the context of Myanmar.

# Diaspora as a Diplomatic Tool

By the end of the Cold War and subsequent collapse of the Soviet Union, the dawn of the globalization era and economic liberalisation took place. At this juncture, global geopolitics underwent a radical change. Accordingly, India introduced its Economic Liberalization Policy in 1991 and the People of the Indian Origin (PIOs) and Non Resident Indian (NRIs) played an active role in enhancing India's bilateral relations with their 'host nations'. It heralds opportunities for investment in their "homeland" and also affirms their sense of belongingness. William Safran distinctively characterised the general feature of the diasporic communities that "they continue to relate, personally or vicariously, to that homeland in one way or another, and their ethno communal consciousness and solidarity are importantly defined by the existence of such relationship."<sup>1</sup>Along with this development, India's foreign relations led to a significant modification and realignment in the relationship with the ASEAN (Association of Southeast Asian Nations) Countries. Furthermore, during that phase, India

adopted the Look East Policy, and started giving priority to the field of political and economic relationship with the Southeast Asian Countries. With the inclusion of Myanmar into ASEAN in 1997, the relationship between India and Myanmar grew stronger. In addition, the historical and cultural ties of both the countries seem to be reinvigorated and the importance of the diasporic communities as a diplomatic tool becomes imperative in this new array.

# The Text

In commemoration of the 75<sup>th</sup> birth anniversary of Professor ThanTun, a renowned historian of Myanmar, a seminar was held by the Department of History, Mandalay University, Myanmar on 16 April 1998. A Burmesescholar, Ko Kyinnya presented a seminal paper entitled "ThainMyotPyoutkweluPhyit Ne TawKatheYinKyeHmuDalaeMya" (On the verge to extinct- the culture and tradition of Kathe). In the paper he tries to recount the contributions of the Meiteis as an ethnic community to the Burmese society during the pre-Colonial period. He also describes how the Meiteis have come to be marginalized or forgotten in recent times. Picking up lines from one of the most popular verse among the Burmese people Leishabi, though written by an anonymous Burmese Poet, Ko Kyinnya in his article traces the etymology of the word *leishabi*, which is found as an alien word in the verse. Literally, *leishabi* is a Manipuri word that means a young teenage girl. Beginning with this poem, Ko Kyinnya traces the historical relationship between the Meitei and the Burmese. The poem *Leishabi* is about a Meitei woman who is praying to the Divine Being for her lover that no untoward incident should befall him while crossing a river in the service of the Burmese king to supply fodders for his elephants in the Palace. The setting of the poem is Amarapura, the new Capital of the then Ava Kingdom. Among various communities, Meitei is a minority community in Myanmar performing low-status jobs and acting as soldiers of the kings. The poem also reflects on the socio-economic conditions, the sense of being displaced and exiled, the collective trauma and melancholy of a marginalized community and their predicaments. It further highlights the beautiful landscape of the realm and the simplicity of lives of the Meitei of Myanmar.

The Position of Meitei in the Study of Indian Diaspora in Myanmar

A free translation of the poem is given below:

#### Leishabi

A *leishabi* from *Sindai*<sup>1</sup> Tying the hay in bundles A message passes on-While in search of fodder, In an old boat, If the sun goes down Do not turn back home. At the foothills of *Kyet Nyi Nyaung*<sup>2</sup> Towards the port of *Meedwedait*<sup>3</sup> For the elephants to feed, Every day they carried the fodder. If a strong wave blows, The old boat may capsize, And you could be drowned, With none to come, thy rescue.

Ko Kyinnya tries to symbolize *Leishabi* as the "Meitei of Myanmar" and depicts their historical accounts, cultural practices, traditions and religious life. Through his article, we find his consciousness for the alarming condition of the Meitei, which is becoming one of the vanishing communities in Myanmar. The community has been very important in the history and culture of Burmese society. Ko Kyinnya further narrates the skills of the Meitei, such as weaving and their preparation of different dishes that attracted the Burmese. The writer also narrates the popularity of Manipuri language among the Burmese.

Ko Kyinnya narrates the historical landscape of the then Capital of Myanmar and the role of the Meitei and their assimilating power with the Burmese society. Amarapura was divided into East Sindai and West Sindai. Near Sindai, there was a village called 'Sinhmu'. The profession of these villagers who were mostly Meitei was to collect fodder and take it to the Palace for the elephants and horses. In the western part of Sindai were *ShweKyet Yet* and *ShweKyetKya* Pagodas, where there was the port of

<sup>1.</sup> The name of a place in Myanmar

<sup>2.</sup> Cocks Mountain

<sup>3.</sup> Charcoal house

#### Nongthombam Jiten

Meedwedait. These people carried fodder for the elephants and horses of the Ava King along the river *Doukhtawady*. This is the fact that can be deduced out from reading the poem along with all the tender feelings of a beloved who is longing for the return of her lover. But the very meaning of the word *leishabi* mentioned in the poem was not known to anyone. Ko Kyinnya went searching for the meaning of the word. He found the word *leishabi* mentioned in the book *Manipuri Self Taught*, written by William L. Barreto. This particular word *leishabi* was also found mentioned in a poem, written by Minister U Sa of Mayawati.

Ko Kyinnya also narrates another story which was very popular and which he had heard in his adolescent days. One day, two Meitei leishabi went to sell mangoes at the Royal Palace in Amarapura. At one moment, the Princess was bargaining over the price of the mangoes and it happened to be overheard by the King. The Princess was articulate in Manipuri language. But, unfortunately she could not understand the meaning of the word *leishabi*. In another incident, in a Meitei village, Ko Kyinnya met a Meitei priest. One day he recited his poem *leishabi* in front of the priest. The priest rejoiced and exclaimed, Onthokna Phajakhareda (What a wonderful poem!). At that moment, he asked the priest the meaning of the word leishabi and the priest explained that the word leishabi in Manipuri language meant *apyolay* in Burmese. In the literature of those days of the Ava Kingdom, few Manipuri words were also amalgamated with the Burmese language. Shwe Ghe Kyaung monks used to call tenderly the Meitei girls by using the words leishabi 'you are sweet', 'do you love me', etc. Not only were words amalgamated with the Burmese language, but also the culture and traditions of the Meitei were found interwoven with Burmese culture.

After the Meitei settlement in Amarapura, there came improvements in the technique of weaving clothes and other handloom products. The Badon King used to hire every Meitei family for making clothes. During those days in Amarapura, only the Meitei produced handloom and their products were considered one of the finest works of art. Ko Kyinnya also find a detail account of the Meitei silk weavers from the article *Poe longyi* (Lungi made of silk) written by Ludu Daw Amah that during the British rule, a market in Mandalay called 'Zaygyo Market' was constructed, where handloom products specially the silk items made by the Meitei were to be sold. Whoever visited the market frequently often could speak Manipuri. The Ava people appreciated the beauty of the handloom products and often said, *Phi shingshiphajakhreda* (These clothes are so beautiful), *balaole*  (What's the price?) in Burmese language and the Meitei replied, *taramanga-ta-ni* (It costs only rupees fifteen).

During the reign of Alaungpaya, Meitei already lived on the bank of the river 'Doukhtawady'. The Meitei inhabited the village near the river called 'Leishangkhong'. They requested land for cultivation from the king and he gave them the 'Leitaunginn Lake', which is near their village. During the reign of the Badon king, the Meitei were also given a piece of land for cultivation. In the Chronicles of Amarapura, the professions of the Meitei are mentioned as blacksmith, weaving, carpentry, etc. There was also a market in Amarapura for the Meitei and a cremation ground for them nearby. When the Meitei came to Amarapura, they came with the local deities Thangjing Lai and Umang Lai. Lai Haraoba, the ritualistic observance that every Meitei had to perform every year when the season comes, was also performed in Amarapura in those days. Due to several social and political factors, the Meitei of Myanmar have now, it seems, forgotten their roots, tradition and culture and this has led them to the brink of their vanishing as Ko Kyinnya explains. Ko Kyinnya also makes mention of the food habits of the Meitei and that of the Burmese that have been amalgamated now, both in the mode of preparation and the taste itself. Till today some of the Meitei's common dishes like - eromba, fried curry, etc. are still prepared by the Burmese, he says. When harvest was completed, curries were offered to the village deity. The villagers collected money from each family, bought vegetables and were offered to the deity in the eastern side of the village. These vegetables such as green chilies and tomatoes and the *shareng* (a kind of fish) were also offered to the deity. After that, *sharing* used to be fried. The cooked *shareng* and other vegetables were put on a plantain leaf and were offered to the deity. After that, the curry was distributed to each and every family of the locality.

Ko Kyinnya further says that today, the tradition is no longer practiced. Worshipping deified ancestors or gods and goddesses and organizing of rituals are now discontinued [*sic.*]. Their own methods of preparing dishes that are favoured by many including the Burmese, and famous as *Kathehin* (Meitei cuisine) no longer exist. In this way, the Meitei have been forgotten and are hardly known to the new generation in Myanmar. However, their old traditional culture is still in practice.

Even though we find Ko Kyinnya's article contained a few lapses in his sources, it moves towards a new approach of writing by walking the line between the adjoining areas of history and literature. He avoids narrow compartmentalization of disciplines and, instead, touches upon oral tradition, literature, his own past experiences, reports given by others, and the already-known parts of the history that relate Myanmar and Manipur as his sources. It is all about his concern for the Meitei of Myanmar, who had made important contributions in the history and culture of Myanmar.

Though the text is descriptive in nature, it helps us to understand the shared life-world of the Meitei and their relationship with the Burmese people. In short, this given narrative is the narration of the relation between a work of literature and the prevailing social, cultural, historical and ideological conditions of the time.

# Geopolitical setting of Manipur

Manipur lies on an ancient trade route linking Southeast Asia to South Asia and beyond. During the Second World War, it was also a transit route for hundreds of thousands of refugees fleeing from the advancing Japanese forces in Southeast Asia and a huge camp for the retreating Allied forces.<sup>2</sup>At a historical point of time, Manipur was an independent Kingdom until it became a princely State of British Crown. It has a long and glorious history of almost 2,000 years from around 33 AD, a history in which a significant role was played by the Meitei, while many other ethnic groups also made contributions to the development of this civilisation. A renowned Pandit of Manipuri ancient texts, Ningthoukhongjam Khelchandra claims "the Kingdom could expand its boundaries up to the west bank of Chindwin river of Burma [Myanmar] which includes 'Kyamlamjao' [Kabaw Valley] and to the forest between the Doyeng and Dhunsiri of the present state Nagaland of India and also could rule the Cachar Valley of Assam by the then kings of Manipur".<sup>3</sup> Manipur which became a full-fledged state of the Indian Federation in 1972, occupies a land area of some 22 327 square kilometre and shares a 352 kilometre long international border with Myanmar.

# Genesis of Meitei Diaspora in Myanmar: Pre-Colonial Phase

The evolution of the Meitei diaspora in Myanmar can be traced back to the earliest times. Records have been found in the Royal Chronicles of Manipur — the *Cheitharol Kumbaba*, and the *Ningthourol Lambuba*— that the Meitei have shared a long period of interaction with the Pong (Shans were known as Pong by the Meitei) and also with the Burmans. According to *Cheitharol Kumbaba*, it was during the reign of Kyamba that Manipur became an internationally recognised power when he concluded a friendship treaty with the King of the Pong, Khikhomba).<sup>4 F</sup>urthermore during the reign of Garibniwaza, Khikhomba visited Manipur and played *Hiyang Tanaba (boat race)*.<sup>5</sup> The Meitei were also known as *Cassay* to the *Shans* and as *Kathe* and *Kathe Ponna* to the Burmese.<sup>6</sup>By the fifteenth century, the boundaries of the Meitei kingdom had spread to the west of the Chindwin (Ningthi) river.

The Meitei and the Burmese had regular contact through trade and the establishment of social relations through matrimonial alliances, especially after the conquest of the Kabaw valley by the Meitei.<sup>7</sup>A large number of Meitei accompanied the princesses as their retinues and as part of the dowry. Nevertheless, apart from these socio-cultural relations, there were also conflicts and war between the two nations. The reasons were many- the most important being the boundary issue, 'not ... (necessarily of people) occupying a defined territory'or strategic area, but to serve as an expression of the power of the nation, as well as the economic importance of the Kabaw valley as a disputed region between Manipur and Burma.

It was in the first half of the eighteenth century, during the reign of Garibniwaza that Manipur became a serious 'thorn in the flesh' of Upper Burma. Many battles were fought between the Meitei and the Burmese. 'Garibniwaza camped at Thalunbyu west of Sagaing and burnt down every house and monastery up to the walls of Ava, and stormed the stockade built to protect the Kaunghmudaw pagoda'.<sup>8</sup>As Scott O'Connor so graphically describes, 'the tide of invasion flowed to the very gates of the Kaung-hmu-daw where, to this day, the marks of the Manipuri swordsmen are pointed out upon the lintel.<sup>9</sup> During this period, 'several military expeditions were conducted inside Burma as Garibniwaza crossed the Chindwin River to invade the Kingdom of Ava'.<sup>10</sup> ('Burma lost the Kabaw valley, located west of the Chindwin river, to the Manipuris'11 and, clearly, '... there was no leader in Burma strong enough to take the situation in hand'.12There are records of defeats of the Burmese army by the Manipuris in 1717, 1720, 1737 and 1748.<sup>13</sup> But, after the death of Garibniwaza, the Meiteis experienced their first exodus. Alaungpaya, the founder of the Konbaung dynasty, invaded and subdued Manipur where '... he massacred more than ... [4 000] of his Manipuri prisoners, because they stubbornly refused to march ... into captivity'.<sup>14</sup> The Burmese king returned with a large number of captives, including boatmen, smiths, weavers, cavalrymen and artisans, later engaging them as domestic servants as well as menial and agricultural workers.

#### Nongthombam Jiten

Even though the Manipuris were war captives, their contribution to the culture of Myanmar cannot be ignored. As Than Tun has rightly pointed out, the Manipuris were skilled craftsmen and introduced the Acheik-pattern to Myanmar; they excelled in horsemanship and served as 'Cassay cavalry' under the Myanmar kings; and they were regularly consulted as court astrologers<sup>15</sup>. He further states that the Burmese kings regarded the Manipuri horsemen as a most reliable force; out of a total of 12 regiments, the Kathe Regiment topped the list of cavalrymen.<sup>16</sup>During the invasion of Siam (Thailand) by the Burmese, the Meiteis were used as an elite cavalry regiment — and later, a few of them became famous poloplayers.<sup>17</sup> Major Snodgrass also explained the role taken by the Meitei cavalry for the Burmese Kings, 'Owing to their superior skill in the management of horse[s], the Burmese cavalry was almost exclusively composed of them [the Meitei]; and they were distinguished by the national appellation of "The Cassay Horse" '.<sup>18</sup>Moreover, Bamons (also known as *Kathe-Ponna*) migrated to Burma from Manipur to conduct court rituals and other social obligations, and gradually became an integral part of Burmese society.<sup>19</sup> W.R. Winston remarks on the importance of the Kathe-Ponna in the Burmese society : "in their [Burmese] literature, the Ponna constantly figures as an honoured and indispensible personage at the palace"<sup>20</sup>For all these reasons, the Burmese highly valued the skills of the Meitei and allowed them to settle in the capital, Ava, and in the riverine villages of the Sagaing district, as well as at Amarapura.<sup>21</sup>

By the second half of the eighteenth century, the rise of Burmese power in the east and its ambition to expand its territories coincided with a fratricidal conflict among the Manipuri princes that continued even after the death of Rajarshi Bhagya Chandra (the king who introduced the Rasa Leela). As a result of this political instability, Manipur suffered another defeat at the hands of the Burmese. Bigyidaw, the grandson of Emperor Bawdawpaya, sent his greatest General, Maha Bandula, to invade Manipur and occupied it for seven years — a period (1819-1826) that is known as *Chahi Taret Khuntakpa* in the history of Manipur. This led to another exodus of Manipuris; thousands were taken to Burma as war prisoners<sup>22</sup>while large numbers were scattered as they fled to neighbouring kingdoms. 'The degree of ... [Burmese] torture was so severe that it reached even to the verge of extinction of ... [the Manipuri]'.<sup>23</sup>In fact, it led to the effective depopulation of the Imphal valley to around 10,000 individuals<sup>24</sup>. But Gambhir Singh requested the British to come to his aid; and with the help of 500 Manipuri soldiers (known as the 'Manipur levy'), he expelled the Burmese occupation forces.<sup>25</sup>By the Treaty of Yandaboo of 1826, Gambhir Singh was recognised as the Raja of Manipur<sup>26</sup>while the Burmese acknowledged its 'independence'.<sup>27</sup>Later, the Meitei (those who were taken as war prisoners to Burma) were given land for settlement, and over time they were able to find gainful employment.

# **Colonial Phase**

However, both independent kingdoms then came under the shadow of British colonialism, which made its indelible mark on their respective political identities. British colonial conquests in three phases of 19<sup>th</sup> century of Myanmar i.e., (1824-26, 1852, and 1885-86) and of Manipur at one stroke in 1891 created conditions for more or less similar transformation of the two pre-colonial cultures and polity. Quite instructive is the opinion of J.S.Furnivall that '[colonial policy is framed with reference to the interests, real or imagined, of the colonial power ... [and] modern colonisation is an affair of capital and not of men, and capital knows no country'<sup>28</sup>. New social and cultural forms are imposed by the colonial power and, in the process; traditional social life and cultural values are marginalised. Because '.... of colonialism, a [particular] social role is suppressed, abandoned, or allowed to fall into disuse'.<sup>29</sup> Of the colonial period in Burma, Furnivall wrote that Burmese society:

.... Is in the strictest sense a medley, for they mix but do not combine. Each group holds by its own religion, its own culture and language, its own ways. As individuals they meet, but only in the market place, in buying and selling. There is a plural society, with different segments of the community living side by side, but separately, within the same political unit<sup>30</sup>.

As a result, 'British rule made Burma [Myanmar] vulnerable economically, as well as politically'.<sup>31</sup>Moirangthem Cha Arun Kumar states that due to the impact of British colonial rule and the loss of sovereignty, as well as the subsequent formation of the modern states of Burma and India upon independence, the relationship between the two nations was adversely affected. As a consequence, the Meitei lost their dignity, and the respect with which they were regarded in Myanmar<sup>32</sup>.

# **Post-Colonial Phase**

Myanmar regained its independence after the end of the Second World War. However, its 'policy of neutralism' has led to a process of Burmanisation which, finally, forced Indian nationals (who enjoyed a privileged status, as they controlled the Burmese economy during

#### Nongthombam Jiten

colonialism) and a good number of Chinese and Pakistanis to leave the country.<sup>33</sup>Descendants of captives and immigrants from neighbouring states, including Manipur, were now all lumped together as 'Burman-Buddhists'.<sup>34</sup>Compulsorily they have to christen Burmese names though they could retain Meitei names. Jacques Leider writes about the descendants of the Meitei Brahmins (Punna) of the Mandalay Court, who continue to live today in Mandalay, Sagaing and Yangon, and says that despite 'their endogamous tradition .... [ensuring] their survival as a socially distinctive group through their contemporary socio-professional diversity, [nevertheless, it] points to their full integration into ... Burmese society'<sup>35</sup>.

By the mid-nineteenth century, of the total population of the Burmese kingdom, perhaps as much as 25 000 were Manipuris — those who were brought to Burma as war captives or were their immediate descendants.<sup>36</sup>However, by the early twentieth century, the Meitei population had increased to about 400,000.<sup>37</sup>Since there is no accurate data about the population of Myanmar as of now, it is hard for the researchers to find the actual size of the diasporic communities.

Furthermore, the post-colonial trajectories of the Meitei in Myanmar could be deduced from the two different viewpoints from the officials of the Indian Embassy at Myanmar as narrated to two eminent persons. According to an interview by Pradip Phanjoubam (2008), a senior journalist from Manipur with an Indian Embassy official based in Myanmar, there is an estimated 40,000 people of Meitei origin in the country, concentrated around Mandalay; of these, only about 3,000 have remained as fully-fledged Meitei, speaking Manipuri, refusing to marry outside the community, refusing to give up their Hindu faith, refusing to eat meat, and retaining their Hindu names.<sup>38</sup>On the other hand, Renaud Egreteau, an expert on Myanmar after he discussed with the Indian Embassy in Myanmar feels that the Burmese have a negative opinion of the Meitei:

The Meitei inhabiting area in Mandalay [is] derogatorily labelled by Burmese locals [as] *ponna-go;* they are regarded as ... smugglers with which one should not directly mingle... [and they are suspected of having] developed ... linkages with anti-India Meithei armed groups operating along the India-Burma border<sup>39</sup>.

The first is romanticizing the past history with a nostalgic tone narrating the cultural values of the Meitei in Myanmar. The latter is politically charged and could be placed as pre-conceived notion of the Indian Embassy in Myanmar towards the Meitei.

### Kathe-Paona, Kathe and the Author

When the author encountered with the Meitei of Myanmar in Mandalay during the North East India Business Conclave at Monywa and Mandalay, *Myanmar* in the months of July-August 2013, a leader of the *Kathe Paonna* expressed that about twenty thousand Meitei settled in Mandalay and its adjoining areas, who are still practicing the traditional Hindu cultural festivals and rituals. Being a minority community in Myanmar they are conservative too. The concept of 'secret and sacred' is enmeshed in their socio-religious practices. Within the Meitei community there is a caste distinction between Kathe and Kathe-Paona because of the social hierarchy of the Hindu culture. Even there is rank hierarchy within the Kathe-Paona also. There is a red line on inter-caste and cross-cultural marriages in Kathe-Paona. They outcast whosoever crosses the red line and their decedents are known as "Kabiya" in a derogatory sense. As a side effect there are a good number of spinsters and bachelors.

On the other hand, it is because of their orthodox in religion that the Kathe-Paona could maintain their Meitei identity in Myanmar. Though they could maintain their religious-cultural identity yet the new generation are not able to speak the Manipuri language fluently due to the influence of the Burmese cultural way of life. They have to have one Burmese name, which is compulsory, even though they can use a Meitei name at home. Burmese clothing heavily influences their attire.

However, the positive aspect is that the children are getting enrolled to schools and there are many graduates and PhD holders. Even there are Kathe-Paonas who could occupy white-collar jobs from the lower clerk to the post of Directorship of a few department of the Government of Myanmar. Apart from these, they could transform their life with the changing world and placed their positions as doctors, engineers, officers, intellectuals, army officers, businessmen etc. at par with the original settlers.

The author also comes to know that in Mandalay and its adjoining area Kathe were converted into Burmese. Mutua Bahadur, a renowned scholar of Manipur told to the author that Kathe in Mandalay were treated as lower caste by the Kathe-Paona, ultimately embraced Buddhism and joined the Burmese fold. When the author met a few Burmese of Kathe descendents from Nandawse (Cassay Cavalries were once settled in this place during the reign of kings) at Mandalay Region, they expressed their desire of regaining their lost cultural values and religion. Though they are Burmese and Buddhism is their religion they endeavour to worship their forefather's ancestral deities, Nongpok Ningthou and Panthoibi.

# Conclusion

The Meitei of Myanmar is one of the Hindu minorities in a Buddhistdominated country even though they have settled down for many generations, and are highly respected within Burmese society for their skills and courageous spirit. Though the Meitei were brought to Myanmar as war captives and retinue, they also brought along, in different forms, the core socio-cultural characteristics of their community, such as religion, language, art, values, habits, crafts, clothing (costumes), and cuisine. With time, some of these characteristics have disappeared and some have survived, while others have undergone a synthesis and, yet, others have been assimilated. As an expression of their liveliness and the advanced social development of their community, the Meitei come together for a 'daily plebiscite'. This is a 'throw back' to the successful practice of multiculturalism and social pluralism in the distant past, and a current reflection of the integrating power of the then-existing socio-political system. Though most of the Meitei were settled in Myanmar "by force" yet, due to the influence of the historical realities and practicability of life, they are more inclined to stay in the "host nation" and entertain no false hope of a return to "homeland". But the quest for understanding the sociocultural political identity in their way of lives from the "host" and "home" nations is in their intuition.

On the other hand, in the pre-colonial times, Indians went overseas though relatively small in numbers as scholars and traders. They considered "sea was more dangerous than land and...trade between India and Indo-China and China were carried on through Burma [Myanmar]".<sup>40</sup>It was during the colonial period that the modern Indian immigration took place massively into Myanmar "by their choice" as the "land of opportunity". A good number of Indians went to Myanmar as labourers, cultivators, moneylenders, administrative works and military purposes for the British that slowly monopolised the business sectors and job opportunity in Myanmar by the Indians.<sup>41</sup>In short, the "country [Myanmar] was subjected to a double colonization: that of the British and that of their many agents, brought in from India, who retarded the introduction into the country of modern administrative and economic methods). Indians were perceived as "sub-colonizers"<sup>42</sup> because of their role during the colonial period and pejoratively known as *Kala Lumyo* by the Burmese.<sup>43</sup>In essence, the Burmese people still portray the Indians 'within and without' as a potential threat because of the role Indians played during the British Colonial Period. Equally, after India's "Constructive Engagement" with Myanmar, the Burmese Middle Class especially, the Business Class has again taken Indians as "NATO" (No Action Talks Only) people because of their slow and indecisive nature.

However, this kind of negative attitude of the Burmese towards the Indians does not extend to the Meitei. Unlike other Hindu communities in Myanmar, the Meitei are, in terms of physical features, akin to the Burmese; both come from the same 'culture area' or environment and their particular way of life display distinct similarities. This shows that the cultural interaction between Meitei and Burmese become reciprocal. From this historical and cultural experience Burmese do not consider the Meitei as Indian though they admitted that Manipur is a part of India.

Again, the Indian communities in Myanmar partly accepted the Meitei as Indians however barred from their collective diasporic imagination though the identity marker of the Meitei in Myanmar is Hinduism. Furthermore, the *Report of the High Level Committee on the Indian Diaspora* drafted under the Ministry of External Affairs (MEA), Government of India estimated the size of Indian community in Myanmar as 25,00,000. The report also mentioned about the role taken by the Chettiars, Tamils, Bengalis, Gujaratis, during the British colonial period in the economic front, their agonies, pain and sufferings during the post-colonial period but never in their cognizance about the historical and cultural linkages between the South East Asian countries and the North Eastern Region of India, in general and the role of the Meitei in Myanmar and their worldview in particular.<sup>44</sup>

Consequently, a few individuals and some local NGOs from Manipur are taking initiative to bridge the lost narratives of the forgotten and marginalized Meitei community from Manipur. However, the approach is revivalist in nature that sometimes over-exposed with emotion, which ultimately becomes parochial and problematic while re-defining Meitei Diaspora in Myanmar. There is a kind of a deliberate projection of the cultural landscapes of the two different categories of Meitei (i.e., Meitei-Meetei and Meitei-Hindu of contemporary Manipur) to the Meitei of Myanmar (Kathe and Kathe-Paona) without considering or understanding the socio-political realities of Myanmar *vis-ë-vis* India.

Therefore, there is a need for an autonomous treatment in the historical narratives of the Meitei while locating the Indian Diaspora in Myanmar since the root and the routes of the Meitei and the other Indians are having different trajectories. Secondly, there is also a need to re-think at the diverse politico-cultural history and the manifestations of the diasporic communities and their "in-between" position. Finally, the practice of "inclusion" and "exclusion" by the"host" and the "home"nations also need to be address while defining Indian Diaspora in Myanmar.

#### References

- 1. William Safran, "Diasporas in Modern Societies: Myths of Homeland and Return", *Diaspora*, spring, 1991, p. 84.
- 2. Irengbam Arun (ed.), *Chainarol: Way of the Warrior*. Human Rights Alert, Imphal, 2012, p. 7.
- 3. Ningthoukhongjam Kelchandra Singh, "Manipurigi Lamkhei", *Eikhoigi Panthung*, Imphal, Vol.1, No.1, 1999, p. 15.
- 4. Lairenmayum Ibungoahal Singh and Ningthoukhongjam Khelchandra Singh, *Cheitharol Kumbaba*. Manipuri Sahitya Parishad, Imphal, 2005, p. 19.
- 5. Ibid, p. 102.
- 6. Bahadur Mutua, Art of Textile.Mutua Museum, Imphal, 2009, p. 76.
- 7. Gangmumei Kabui, *The History of Manipur*. National Publishing House, New Delhi, 1991. pp. 236.
- 8. G.H. Harvey, History of Burma. Frank Cass & Co. Ltd., London, 1967, p. 208.
- 9. O'Connor and V.S. Scott, *Mandalay and Other Cities of the Past in Burma*. White Lotus Co. Ltd., Thailand, 1996, p. 118.
- 10. Harvey, 1967, pp. 247.
- 11. John F. Cady, Southeast Asia. McGraw-Hill Book Company, London, 1964, p. 286.
- 12. D.G.E. Hall, A History of South- East Asia. Houndmills, Macmillan, 1981, (4th edition). pp.408.
- 13. Lairenmayum Ibungoahal Singh and Ningthoukhongjam Khelchandra Singh, *op. cit.*, p. 87.
- 14. G.H. Harvey, 1967, 239.
- 15. Than Tun, A Modern History of Myanmar, Loka Ahlinn Publishing House, Yangoon, 2010, p. 33.
- 16. Ibid., p. 113.
- 17. Thant Myint U., *The Making of Modern Burma*. Cambridge University Press, 2001, p. 15; John F. Cady, 1964, p. 289.
- 18. Snodgrass, Narrative of the Burmese War. Ava House, Thailand, 1997, p. 86.
- 19. Thant Myint U., 2001, p. 96.
- 20. W.R. Winston, Four Years in Upper Burma. Hazell, Watson & Viney, London, 1892, p. 37.
- 21. G.H. Harvey, 1967, p. 239.
- 22. Sir Arthur P. Phayre, History of Burma. Orchid Press, Thailand, 1998, p.233.
- 23. Naorem Joykumar Singh, *Colonialism to Democracy: A History of Manipur, 1819-*1972. Spectrum Publications, Delhi, 2002, p. 3.
- 24. Gangmumei Kabui, 1991, p. 289.
- 25. R. Brown, *The Statistical accounts of Manipur*. Mittal Publications, Delhi, 2001, p. 63.

The Position of Meitei in the Study of Indian Diaspora in Myanmar

- 26. E.W. Dun, Gazetteer of Manipur. Vivek publishing Company, Delhi, 1981, p.43.
- 27. Thant Myint U., 2007, p. 122.
- 28. J.S. Furnivall, Colonial Policy and Practice: A Comparative Study of Burma and Netherlands India. Cambridge University Press, London, 1948, p. 5.
- 29. Melford E. Spiro, "Social Change and Functional Analysis: A Study in Burmese Psycho cultural History", *Ethos*, Vol.1 No.3 (autumn), 1973, p. 266.
- 30. J.S. Furnivall, 1948, p. 304.
- 31. Maureen Aung-Thwin and Thant Myint U., 'The Burmese Ways to Socialism', *Third World Quarterly*, Vol. 13, No. 1, 1992, pp. 67-75,68.
- 32. MC Arun Kumar, "*Meitei Diaspora and the Identity Politics*", paper presented at the 16<sup>th</sup> Conference of International Union of Anthropological and Ethnological Sciences, 27-31 July 2009, Kunming, China.
- 33. Robert A. Holmes, "Burmese Domestic Policy: The Politics of Burmanization", *Asian Survey*, Vol. 7. No. 3, 1967, p. 188.
- 34. Thant Myint U, 2001, p. 222.
- 35. Jacques P. Leider, 'Specialists for Ritual, Magic, and Devotion: The Court Brahmins (Punna) of the Konbaung Kings, 1752-1885', *Journal of Burma Studies*, Vol. 10, 2005, p. 162.
- 36. Thant Myint U, 2001, p. 55.
- 37. Ayekpam, Tomba Meetei, 'Meeteis in Myanmar' in Naorem, Sanajaoba (ed). Manipur Past and Present (Volume 4). New Delhi, Mittal Publications, 2005, p.89.
- 38. Pradip Phanjoubam, "Road to Mandalay-II: 'A burning love for Manipur kept us alive" www.Kanglaonline.com (Accessed on 2008)
- Renaud Egreteau, "Burmese Indians in Contemporary Burma: Heritage, Influence, and Perceptions since 1988", Asian Ethnicity, Vol. 12, No. 1, 2011, p. 42.
- 40. Maung Htin Aung, A History of Burma. Columbia University Press, 1967, p. 3.
- 41. Nalini Ranjan Chakravarti, *The Indian Minority in Burma*. OUP, London, 1971, p. 6.
- 42. Georges Balandier, *Political Anthropology*. Allen Lane The Penguin Press, London, 1970, p. 169.
- Egreteau, Renaud, "Burmese Indians in Contemporary Burma: Heritage, Influence, and Perceptions since 1988", Asian Ethnicity, Vol. 12, No. 1, 2011, p. 48.
- 44. L.M. Singhvi, *Report of the High Level Committee on the Indian Diaspora* (A Report submitted to Ministry of External Affairs (MEA), Government of India, 19 December 2001, pp. 259-262. http://indiandiaspora.nic.in/contents.htm (accessed on 14 February 2014)

# CHINA-MYANMAR RELATIONS IN THE TWENTY-FIRST CENTURY

Puyam Rakesh Singh

## ABSTRACT

This article examines how the close relationship between China and Myanmar, which was forged in the late 1980s, was strained following the November 2010 General Elections in Myanma. The geo-strategic importance of Myanmar has increased in view of China's "Western Development Campaign" and recently due to the "Rebalancing towards Asia" strategy of the US in the region. This article argues that, despite some tensions, the Pauk-Phaw relationship, which was upgraded to comprehensive strategic cooperative partnership few years ago, will not rupture under the pressure of both domestic and external factors. This positive note is against the backdrop of China's focus on trust building by enhancing people-to-people understanding. In the aftermath of suspension of Myitsone dam project, there has been readjustment in the relationship with Myanmar gaining more leverage in relation to China as major powers have eased sanctions against Myanmar.

#### Introduction

China's foreign policy towards Myanmar is readjusting after the democratic election in Myanmar. The long period of China's greater influence in Myanmar has passed. The strategic imperatives of being a neighbour of China demands Myanmar leadership to deal with the situation suitably. On one hand, China has realised the truth that a lasting friendship has to be built upon mutual respect and understanding between the two peoples not between regimes. There are readjustments to be made to accommodate each other's interests and Myanmar has made efforts to establish relations with other powers.

This paper analyses the changing nature of the China-Myanmar

relations with special focus on their ties in the twenty-first century. There have been some downturns in the close relationship but there are developments cementing the relations in due course of time. However, the success of Myanmar's national reconciliation process and China's dealing with ethnic minorities in northern Myanmar, reconciling with each other's reform strategies and the influence of the outside powers will determine the future course of their bilateral relationship.

China's relations with Myanmar can be divided into four phases. The first phase covers China's foreign policy towards Myanmar in the late 1980s and development of the relations in the early 1990s. The second phase covers the gradual expansion and deepening of the bilateral ties beginning from mid-1990s. The third phase witnessed the establishment of the Comprehensive Strategic Cooperative Partnership in the beginning of the second decade of the new century. The fourth is the stage of rebuilding and cementing the relationship after the Myitsone suspension and Myanmar's engagement with the Western countries.

## **Consolidation of the Pauk- Phaw Relations**

During General Maung Aye's visit in June 2000, China pushed forward for expansion of ties marking the 50<sup>th</sup> anniversary of the establishment of the bilateral relations. A joint statement concerning framework document on future cooperation in bilateral relations was signed on 6 June 2000.<sup>1</sup> It underscored the objective of consolidating the good-neighbourly relations for cooperation on regional and international affairs such as the UN (United Nations), the Association of South-East Asian Nations (ASEAN), ASEAN Regional Forum (ARF), East Asian summit and other sub-regional forums.<sup>2</sup>

During Vice-President Hu Jintao's visit in July, China's role in international and regional affairs to safeguard the interests of the developing countries became a key point. Both agreed to safeguard each other's sovereignty, territorial integrity and be sensitive to the interests of each other. Moreover, in December 2001, a new chapter in the relationship was opened, as the "broad consensus reached" between the two sides during the Chinese President Jiang Zemin's visit became the foundation for the bilateral relations in the new century.<sup>3</sup>

Signifying multilateral cooperation, a delegation led by Deputy Director General of the Asian Affairs Development visited Myanmar in January 2002, under the exchange programme between China and ASEAN. The two sides held discussions on bilateral relations, ASEAN integration, Mekong River basin region development, East Asia cooperation and ARF.

During Than Shwe's China visit in January 2003, the Chinese side pushed for improving investment environment and asked for cooperation at the UN and the ARF. Bilateral and multilateral level interactions helped two sides understand the need to strengthen mutual bonding. China has been opposed to sanctions on Myanmar and interference in its domestic affairs by other countries. The declaration of a 'seven-point political roadmap' on 30 August 2003 was welcomed as political uncertainty had discouraged Chinese investment confidence in Myanmar.

During Khin Nyunt's visit in July 2004, there were talks for comprehensive development of the ties in the face of complex and unstable international situation. China supported Myanmar in expanding the latter's relations with the neighbouring countries in the face of Western interference, especially with the ASEAN countries. After ousting of Khin Nyunt, Vice Minister of Foreign Affairs Wu Dawei visited Myanmar in December 2004 showing concerns about the political developments in Myanmar.

Myanmar Foreign Minister Nyan Win attended the Boao Forum in April 2005. China had passed an anti-secession law on 14 March 2005 in the wake of Taiwan's pro-independence move. Myanmar reiterated its support to China's 'One China Policy' and supported the anti-secession law. During the meeting, China assured Myanmar of diplomatic protection in the international arenas and sought cooperation on anti-drug campaign.

China and Myanmar expanded cooperation by implementing the consensus reached for bringing the relationship to a new level. China made further push for fostering peaceful and prosperous neighbourhood. Furthermore, China called for coordination with Myanmar under multilateral mechanisms such as ASEAN+1, ASEAN+3 and Greater Mekong Sub-regional cooperation (GMS) for promoting regional economic cooperation.

The question of the wellbeing of the overseas Chinese living in Myanmar was raised and China requested Myanmar to relax policy regarding their work, living, education and other requirements. The issue remains sensitive ever since the anti-Chinese riots in 1960s, which had happened during Ne Win's regime.

In the face of criticism, China defended Myanmar's political problems and human rights issue as an internal affair. At the UN Security Council, on 12 January 2007, a draft resolution titled 'The Situation in Myanmar' jointly tabled by the US and UK was defeated by a double veto from China and Russia.<sup>4</sup>

Myanmar enhanced cooperation in politics, trade and economy and learned the working of the National People's Congress. On 26 February 2007, the visiting State Councillor Tang Jiaxuan exchanged views on strengthening cooperation in border administration, drug control, trade and coordination in international and regional affairs.

In June, talks were held in Beijing between representatives from the US and Myanmar. The UN consulted China and other neighbouring countries of Myanmar to resolve the problem. Although China expressed support to the UN offices, it protected Myanmar declaring that the situation did not threaten the regional and international peace and security.

A delegation of the China-ASEAN association led by President Gu Xiulian visited Myanmar in June. Interestingly, Western criticism was neutralised using the ASEAN Charter, which stands for non-interference in the internal affairs. Meanwhile, Myanmar sent a special envoy in September 2007 to brief China on its domestic developments such the end of national convention, drafting of a new Constitution and preparation for election.

In spite of military crackdown in September 2007, China opposed economic sanctions and interference in Myanmar's domestic issues. Sticking to its non-interference principle, China called upon the concerned parties to show restraint and handle the issues with utmost care. However, China discussed the situation with the US President and the Prime Minister of UK. The UN pressed parties to engage in dialogue for promoting and arriving at a position of reconciliation. In October 2007, China requested the Secretary-General's office to play a proactive and constructive role. Again, when the UN Security Council adopted a presidential statement on Myanmar on 11 October 2007, China warned them against creating trouble and opposed sanctions.

In October, with the appointment of a liaison officer, the Myanmar regime began preparation for talks with opposition party on some conditions. However, the National League for Democracy (NLD) was against conditional talks. In late October, Gambari paid a consultation tour to China to discuss the situation in Myanmar. In November, a special envoy of Chinese government promised constructive assistance to Myanmar in accordance with the norms of the international relations.

China called for restraint while demanding the international community to provide constructive assistance and support the mediation

#### Puyam Rakesh Singh

efforts of the UN Secretary General and his special envoy. On 9 October 2007, China stated that any step taken by the Security Council should be responsible and conducive to the mediation efforts by the UN Secretary General reflecting concerns of Western interventionism. In January, Chinese officials met with Myint Maung, a special envoy of the Myanmar government.

In May, in the wake of the Cyclone Nargis, China provided a total of about US\$ 5.3 million relief aid. For facilitating international aid, China played a constructive role in cooperation with the ASEAN and United Nations as Myanmar regime was reluctant to international teams coming to Myanmar.<sup>5</sup> Despite China's rhetoric of working together with the international community, it opposed putting Myanmar question on the UN Security Council agenda in July. However, the Security Council reaffirmed commitment to Myanmar's sovereignty and territorial integrity but put pressure to Myanmar regime.

The bilateral ties got disrupted in August 2009 because of border guard conversion of ethnic armed groups prior to election. The Kokang conflict caused the ethnic Chinese citizens of Myanmar as well as Chinese immigrants and others to refuge in Yunnan province. As a result, Beijing urged Myanmar to safeguard the lawful rights of Chinese citizens and maintain stability along the border areas. Vice President Xi Jinping's visit in December 2009 helped consolidate the ties between the two countries.

In 2010, marking the 60<sup>th</sup> anniversary of establishing diplomatic relations, Premier Wen Jiabao visited Myanmar in June, the first Chinese premier to visit Myanmar in 16 years. The two sides discussed several issues related to the mutually complimentary economies, geographical advantages, upcoming Myanmar elections and border areas stability. During Wen's visit, China declared that China values relations with Myanmar from a strategic perspective.<sup>6</sup>

Many other bilateral exchanges and meetings discussed about Myanmar's elections preparation and implementation of the consensus reached between the two countries and close coordination and cooperation in international and regional affairs. Pushing its go abroad strategy, Beijing encouraged its investors to go to Myanmar and pressed Myanmar regime to create sound investment conditions while calling upon the Chinese companies to abide by local laws and social responsibility.

Before the 2010 General Election, Than Shwe visited China from 7 to 11 September 2010, heading a 34-member delegation and exchanged views on bilateral cooperation including ties between armed forces of the two

countries. Many of the visits and exchanges during this time were meant to enhance relations and assuring of Chinese support. The election held on 7 November 2010 under the new Myanmar Constitution of 2008 reserves 25 percent seats in the Parliament for the military.

## China and the democratic Transition in Myanmar

Myanmar, under the 2008 Constitution, strives for both internal legitimacy, and legitimacy in the eyes of the international community. Tensions in relations with China have come to fore due to Myanmar's economic reform programme and its expansion of external relations. The new government in Myanmar took office in March 2011 and China sent its political adviser to Myanmar in April 2011.

Jia Qinglin was the first foreign leader to visit Myanmar, soon after the new government came to power. During his visit, China promised assistance irrespective of the development path chosen by Myanmar in accordance with its national conditions. However, China expressed concerns over safeguarding border areas stability and highlighted the importance of sustaining a stable environment. President Thein Sein assured that Myanmar's policy toward China would remain unchanged. During Thein Sein's visit to China in May 2011, the relationship was upgraded to comprehensive strategic cooperative partnership. It was declared to be the "closest and most important diplomatic relationship".<sup>7</sup> At the 66<sup>th</sup> session of the General Assembly in September 2011, China extended support to Myanmar's ongoing political reconciliation and opposed interference in its internal affairs.

The Chinese side called for maintaining high-level contacts, ensuring the completion of major projects and enhancing coordination in international and regional affairs to strengthen the bilateral strategic partnership. In response, Myanmar expressed its desire to step-up communication and exchanges with neighbouring countries as well as international community.

However, soon after the relationship was upgraded, Beijing's concerns became a reality with the sudden suspension of the US\$ 3.6 billion-worth Myitsone dam project on 30 September 2011. It shook the foundation of the relationship built during the military junta period in Myanmar. On 10 October Foreign Minister Wunna Maung Lwin visited China as special envoy of the President over the dam suspension. Attempts were also made to repair the ties. There were external forces and also internal political dynamics influencing the foreign policy priorities of Myanmar.

#### Puyam Rakesh Singh

During State Councillor Dai Bingguo's visit to Myanmar in December to attend the 4<sup>th</sup> summit of the Greater Mekong Sub-regional cooperation (GMS), the two sides discussed bilateral relations, sub-regional cooperation, global and regional issues including border stability, implementation of major projects and the economic and trade cooperation by exploiting the complementary advantages.

Myanmar Parliamentary Speaker, Shwe Mann visited China from 22 to 26 February 2012. China reiterated respect for Myanmar's sovereignty and territorial integrity, and encouraged it to settle the problems and maintain stability along the border areas. Chinese concern over recent developments was termed as "complicated changes in the global situation which have brought opportunities and challenges for both countries".<sup>8</sup> Chinese side called for enhancing mutual trust, supporting each other's core interests, expanding cooperation, coordination on regional and international affairs. China's 'peaceful development road' was acknowledged during Shwe Mann's visit but there was indication of 'China threat' enveloping Myanmar.

On 28 February, Myanmar Vice President Tin Aung Myint Oo spoke highly of the pipelines project amidst strong protest over the project. It was reported that there were no outstanding problems affecting it due to the Kachin conflict and Myanmar government has cooperated with the project. Meanwhile, Vice President Xi Jinping told the Union Solidarity and Development Party delegation that China has always handled its relations with Myanmar from a strategic perspective.

In June, Aung San Suu Kyi endorsed China-Myanmar friendship in her speech at the World Economic Forum on East Asia and Beijing took opportunity to enhance understanding with the NLD party. Moreover, Yang Jiechi met with Myanmar counterpart on the sidelines of the ASEAN foreign ministers' meeting and expressed desire to maintain high-level contacts, enhance strategic communication and cement the foundation of the bilateral relations.

In September, during Wu Bangguo's visit to Myanmar, China made proposals for cementing the ties. For the relations to withstand the test of vicissitudes of international situations the Chinese side called for maintaining high-level visits and exchange views on major issues of common concern to lay down an action plan for enhancing the strategic partnership.<sup>9</sup>

After the Myitsone dam controversy, for the first time, Myanmar President visited China to attend the 9<sup>th</sup> China-ASEAN Expo in September

2012. Thein Sein called for fostering bilateral ties in a move to win confidence of the Chinese investors and restore ties with Beijing. In April 2013, Thein Sein gave an interview welcoming Chinese investment, especially those that can create jobs in Myanmar and announced that Chinese investments in Myanmar are mutually beneficial for both the countries.

In the press communique issued on 5 April 2013, China reiterated its respect for the independence, sovereignty and territorial integrity of Myanmar and its support for government's efforts to maintain national unity and ethnic harmony.<sup>10</sup> The two sides also vowed to strengthen coordination and cooperation in ASEAN+1, ASEAN+3, the East Asia Summit, GMS and the UN and to safeguard common interests of developing countries.

China realised the need for steering the ties in the right direction on the basis of mutual respect, equality and mutual benefit, deepen strategic mutual trust and safeguard shared interests. Beijing is hard-pressed to safeguard its interests from being swayed by the vicissitudes in international politics and external forces.<sup>11</sup> Myanmar has opened up in all directions and the reform policy will create a fair competition where the Chinese companies once enjoyed unprecedented advantages due to sanctions and isolation policy.

# Action Plan of Strategic Partnership

There were setbacks due to the suspension of Myitsone dam, escalation of armed conflict, and opening of Myanmar to the Western powers under the new leadership. The two countries had exchange of visits and meetings to sort out the differences and cement mutual trust. This led to the signing of an Action Plan of Comprehensive Strategic Cooperative Partnership in June 2013. The Action Plan was mentioned during Wu Bangguo's visit to Myanmar in September 2012.<sup>12</sup>

China advocated that the two countries should firmly move forward in the direction to strengthen bilateral relations. China insisted on maintaining reciprocal high-level visits, deepening of strategic partnership, boosting strategic links, deepening of practical cooperation, and implementation of major projects. The Chinese leaders added that China wants to strengthen coordination and consonance in regional cooperation including support to enhance China-ASEAN ties.

Again, the Chinese side reiterated China's respect for Myanmar's sovereignty and territorial integrity. The two sides also discussed the issue

of stability along the borders with special focus on Kachin issue and reaffirmed Myanmar's support to China over the core interests. Myanmar leaders gave assurance of a good environment, invited more Chinese investments, and promised to ensure launching of cooperation projects.

In August 2013, Foreign Minister Wang Yi held talks with Myanmar Foreign Minister. In addition to Myanmar's external relations, discussions covered issues ranging from major economic and trade projects, advancing interconnectivity and building BCIM Economic Corridor. The Myanmar side also agreed to strengthen cooperation on major projects, interconnectivity, border stability and the China-ASEAN relations.

On 2 September, the strategic importance of bilateral ties in the backdrop of complex international and regional situations was stated. China is opening up its Southwest region to enjoy the complimentary advantages in location, markets and technology in relation to Myanmar. At this juncture, enhancing mutual political trust, new thoughts and paths to deepen mutually beneficial cooperation and investment, giving more benefits to local people have been emphasised. China has sought constructive role of Myanmar in enhancing China-ASEAN relations including the South China Sea disputes.

China helped Myanmar in hosting the 27<sup>th</sup> Southeast Asian Games. A cooperation agreement was signed in September 2012 to provide training, management system, equipments and others. Vice Premier Liu Yandong attended the opening ceremony in December. The Chinese side ststaed that it would implement the important consensus reached by the leaders and 'reconcile each other's development strategies' to 'accommodate each other's concerns'.<sup>13</sup> Significantly, Liu stated that China-Myanmar relations are rooted in people and long-term steady development of the ties requires the two people's understanding and support.

In 2014, Chinese Ambassador to Myanmar Yang Houlan made a speech at Myanmar Institute for Strategic and International Studies noting that China's neighbourhood is crucial to its security, development and prosperity.<sup>14</sup> China wants Myanmar to safeguard the Chinese strategic and economic interests and secure the neighbourhood from unwanted turbulence by using Myanmar's rising influence in the regional affairs and resumption of ASEAN chairmanship.

## **Military and Security Relations**

Taking into account the changes in the security situation, China has recently

strengthened military diplomacy with Myanmar through exchanges and cooperation in an all-round way. Pragmatic and active peripheral military diplomacy has strengthened exchanges and reciprocal visits at high level, border personnel exchange, equipment & technological cooperation, boosting common defense, armed forces construction.

The Chinese military diplomacy is building and cementing a strong foundation for China-Myanmar relations by strengthening defence communication and cooperation. At a meeting with visiting Myanmar Navy commander in July 2010, Chen Bingde, member of the Central Military Commission (CMC) offered to help in the modernisation of Myanmar military. The Chinese policy of a good-neighbourly partnership is meant to secure a stable periphery necessitated by close geographical locations and share interests.

China is facing sensitive issues of regional security and has shared its differences while expressing its security concerns in order to safeguard national interests. Another area of security cooperation is on border control measures, border management and preserving peace and stability in the border areas by controlling smuggling, drug trafficking and conflict situation. In December 2004, a MoU on the establishment of border defence talks, mechanism and management of border affairs was signed. In December 2009, Lt.General Ai Husheng of Chengdu Military Region visited Myanmar to discuss the border area stability in the wake of the Kokang clash.

During Than Shwe's visit in September 2010, the two sides exchanged views on enhancing cooperation between the two armed forces. Than was heading a 34-member delegation which included top military officials including Minister for Progress of Border Areas and National Races and Development Affairs besides other officials. China has remarked that it attaches great importance to the military relations while Myanmar applauded China for defense construction assistance.

In the second decade of twenty-first century, China has strengthened strategic communication to elevate strategic mutual trust for maintaining regional peace and stability. To begin with, Vice Chairman of CMC, Xu Caihou paid visit on 12 May 2011 during which a three-point proposal on military cooperation was made. The two sides reached an agreement over the proposal and also discussed Asia-Pacific security situation confirming geo-strategic importance given to Myanmar in the backdrop of changing situation.

The three-point proposal included: first, enhancement of mutual trust

strategically and consolidation of the friendly overall situation; secondly, strengthening of link and coordination and safeguarding of the two countries' common benefit and thirdly, pushing forward of practical cooperation and exchange and deepening of the two armed forces' friendly ties.<sup>15</sup>

During Thein Sein's visit to China in May 2011, the relations were upgraded to Comprehensive Strategic Cooperative Partnership. The delegation included Defence Chief, Defence Minister, Home Minister and Border Affairs Minister. Myanmar Home Minister exchanged views with the Chinese side to enhance cooperation in fighting transnational crimes. The joint statement issued on 27 May 2011 marked increased cooperation on border management, border affairs and maintenance of peace and stability in border areas.<sup>16</sup>

Following the killing on Chinese sailors, the two sides discussed the four-nation joint law enforcement on Mekong River in October 2011. In November, China's Deputy Director of Internal and Judicial Affairs Committee, Bai Jingfu led a delegation to Myanmar in this connection. A joint statement of Ministerial Meeting on Cooperation in Patrol, Law Enforcement along Mekong River was adopted on 26 November. Under this arrangement, the first joint patrol began on 10 December 2011. Till date eighteen rounds of patrol have been taken.

Commander-in-Chief of Myanmar Min Aung Hlaing visited China on 27 November 2011 and a MoU on defence cooperation was signed. This time, Myanmar made three proposals on military ties following the three-point proposal made by China in May 2011. China expressed concerns over the fighting in Kachin state, suspension of Myitsone dam and stressed for all-round development of relations.

The military delegation made a stopover in Kunming where the Deputy Yunnan Military Region Command Maj-Gen Jin Rui held discussion with the Myanmar military team including commander of northeast command of Myanmar. Top ranking military leaders on both sides held discussions implying some important discussions. During the visit, the Myanmar military team visited the Aerospace Long-March International Trade Co. Ltd (ALIT) and Poly Group Corporation, which are major defence industries of China.

In early September 2012, a Chinese military delegation visited Myanmar and the two sides discussed the changing security situation in the Asia-Pacific and an agreement on military cooperation was signed. On 16 November 2012, Deputy Defence Chief Soe Win visited China. Minister of Defence, Liang Guanglie expressed concerns over the major developments, major changes and major adjustments in the Asia-Pacific region. The Chinese side called for making joint efforts to strengthen strategic communication, deepen pragmatic cooperation, to maintain stability of the border areas, and promoting strategic cooperative partnership to contribute to maintaining regional peace and stability.

According to the Chinese Ministry of Defence report dated 29 November 2012, the bilateral military relationship has far reaching and significant impact on maintaining peace and stability in both the countries. The two sides reached consensus on developing the relations between the two armed forces and also agreed to deepen practical cooperation and establish a strategic security consultation mechanism. On 20 January 2013, the first strategic consultation meeting was held in Naypyitaw exchanging views on regional and global conflicts, promotion of joint drills and military ties.<sup>17</sup>

In July 2012, Chinese Minister of Public Security pleaded for security and law enforcement cooperation and supported Myanmar's expanding international exchange. The two sides advocated enhancement of security and law enforcement cooperation in Mekong region. A joint campaign against drug trafficking titled "Safe River" was launched along with Laos, Myanmar and Thailand, which lasted from 20 April to 20 June 2013. In November, a Ministerial Meeting on security and law enforcement cooperation was held in Beijing. Chinese Minister of Public Security held discussions with Myanmar team to increase high-level visits, anti-terror, fighting drug crimes, combating transnational crimes and safeguard peace of the Mekong River.

In July 2013, Vice Chairman of CMC, Fan Changlong visited Myanmar. The visit was aimed at consolidating the strategic partnership, enhancement of practical cooperation and maintenance of regional and world peace and stability. In October 2013, Min Aung Hlaing headed a military delegation to China and met with two CMC members. The two armed forces are engaging to 'adapt to new requirements'. Under this arrangement, there will be intensification of cooperation in training, equipment cooperation, exchange of officers, joint exercises and joint trainings, improving mechanism for frontier defence and multilateral coordination. The Chinese side stated that it highly values its relations with Myanmar military and advocated proper handling of sensitive issues. Cementing the strategic partnership was stated to be fundamental interest for the two countries as well as to promote peace and stability in the region and the world. In terms of arms transfer, Myanmar bought K-8 aircrafts and Jianghu-II class frigates in the recent time.

### **Trade and Economic Relations**

China has aggressively engaged Myanmar with a view to tap Myanmar's natural resources and fuel its economic growth. Myanmar exports raw materials, agricultural produces, livestock, fishery products and forest products while China exports its cheap finished products; with huge trade imbalance since 1988.<sup>18</sup> During the visit of Vice President Win Myint in October 2000, the Chinese officials noted the prospects for economic development citing abundant forest, mineral and tourism resources. The visit of President Jiang Zemin in December 2001 added a new chapter and seven documents on bilateral cooperation were signed.

Than Shwe visited China in January 2003 and the Chinese side pointed out the need for improving investment environment. Reviewing the economic cooperation, the Myanmar side attracted Chinese interests in prioritised sectors such as agriculture, human resource development, natural resources development and infrastructure constructions. However, China wants to exploit the 'geographical advantages' of Myanmar for expanding trade and economic cooperation, especially to boost growth in south-western China. During his visit, Than Shwe visited Yunnan and Sichuan provinces and called for cooperation on hydropower, natural resources, opium crop substitution and infrastructure building.

Three agreements on partial debt relief, aerospace and maritime exchange programme were signed during Vice Premier Li Lanqing's visit to Myanmar in January 2003. In March 2004, Vice Premier Wu Yi visited Myanmar during which 21 agreements were signed marking a major boost in the bilateral trade and economic cooperation. During Khin Nyunt's visit in July 2004, a total of 11 documents were signed on economic and technological cooperation, which include trade, energy, mineral exploration, telecommunication and industrial development.

Again, during Soe Win's visit in July 2005, China demanded improvement of investment climate and sought for greater investment opportunities thus pushing its go abroad strategy. The two sides signed two agreements on economic, scientific and technological cooperation.

In February 2006, Soe Win visited China. During Soe's visit to Yunnan, Vice Governor Qin Guangrong noted the development in trade and economic cooperation. Furthermore, China called for regional economic cooperation under the ASEAN mechanism. Agreements on economic and technological cooperation and aviation flights were also signed. In April 2007, the National Development and Reform Commission approved the oil pipeline, which will diversify China's energy import route as well as supply energy resources for western development programme.

There was remarkable expansion in the cooperation on trade and economic spheres by the end of 2008 as China had risen to the 4<sup>th</sup> rank in terms of foreign investment in Myanmar. Bilateral trade amounted to US\$ 2.626 billion with China making a trade surplus of US\$ 1.33 billion. In April 2009, the two countries discussed wide-ranging issues including cooperation in the areas of energy and transportation. In the face of the global financial crisis, Wen assured of Chinese help to get over the difficulties and Thein Sein invited Chinese entrepreneurs to invest in Myanmar.

Maung Aye paid a six-day official visit in June. Many issues including the world economic and financial crisis, cooperation in human resource development, energy, electrical, transport, trade and industrial sectors were discussed. Agreements on economic and technical cooperation, the upstream Ayeyarwady River basin hydro projects and oil pipeline project were signed. China has done groundwork to expand transport infrastructures connecting south-western China with the neighbouring countries including Myanmar to "get access to the Indian Ocean".<sup>19</sup>

China-ASEAN free trade started operation on 1 January 2010 and the two sides talked of enhancing trade and economic cooperation. The bilateral trade reached US\$ 2.907 billion in 2009, recording an increase of ten percent over the previous year.

China has taken advantage of Myanmar's geographical location and the complementary economies between the two countries. During Premier Wen Jiabao's visit in June 2010, fifteen documents on economic and technological cooperation in the areas such as oil and natural gas pipelines, hydropower, grant-in-aid, rail transportation, trade, mining etc., were signed. On 26 July 2010, an agreement between two Chinese companies was signed to jointly develop the Tagaung Taung Nickel Mining Project in Myanmar. This is the largest mining project in which China has invested in Myanmar.

In July 2010, the Yunnan Cross-border Renminbi Settlement Centre was announced at the Dianchi Summit. Yunnan is building many airports, logistic bases and international dry ports to become a trade hub and a major manufacturing base for China's export-oriented industries through transportation networks connecting the Southeast and South Asia. In December 2013, an inter-government system on BCIM economic corridor was set up among the member countries and a joint research plan on the construction of the corridor was also signed.

During Liu Yandong's visit in December 2013, an agreement on economic and technology cooperation was signed and exchange of notes on some projects took place. Myanmar's economic reform strategy is to gain from combination of China's capital and technology and the resources and labour force of Myanmar thus attracting labour-intensive industries to Myanmar for creating local jobs and economic development.

By 2010, China has become Myanmar's largest investor totalling US\$ 12.32 billion and the bilateral trade at US\$ 4.44 billion. The combined foreign direct investment from the Chinese mainland and Hong Kongthe first and third largest investors- reached over US\$ 20 billion accounting for nearly half of the total US\$ 41 billion received by Myanmar in 2012. By July 2013, China was the highest investor in Myanmar with a total amount of US\$ 14.19 billion in 49 projects, accounting for 33.04 percent of the total foreign investment in Myanmar.

#### **Changing Investment Environment**

In April 2010, a series of four bomb blasts hit a project site in Myitsone in Kachin state. Again, a series of shocks came since June 2011 when the Kachin Independence Army (KIA) attacked Chinese-funded projects such as the Lahsa and Tarpein hydro projects.<sup>20</sup>

Besides many bridges connecting the project sites were blown up by KIA. But the major jolt came on 30 September 2011 when President Thein Sein unilaterally suspended the Myitsone hydro project on the grounds of public opposition.

Chinese government had announced safeguard for the firms investing abroad taking note of China's 'going abroad strategy' that also demands peaceful and stable environment. On 1 October, the Chinese side called Myanmar government to protect the legal rights and interests of Chinese enterprises while advising to fulfill obligations in accordance with laws and regulations of the host country. During President Jiang Zemin's visit to Myanmar in December 2001, a total of seven agreements were signed including one on the promotion and protection of investment.

Following this, the Chinese Ambassador to Myanmar visited the pipelines project on 1 October and the Monywa Copper Mine of Wanbao Mining Copper Ltd on 2 October. Taking serious note of the developments, Li Junhua called on Myanmar leaders on 7 October and held discussion on the recent development of bilateral relations.

The controversial project became an agenda of discussion for the two countries and various Chinese-funded projects were targeted. In October, Wen Jiabao urged Myanmar to implement the consensus reached by the leaders and fulfill the commitments, strengthen coordination and communication and properly solve the problems. On 20 October, Chinese Ambassador to Myanmar talked about the twists and turns with the cooperation project bringing impact on the legal rights of the Chinese enterprises.

On 5 January 2012, Luo Zhaohui, Director General of the Asia Department of the Foreign Ministry said that the suspension of the project has sent alarming signals to Chinese companies. With this, Beijing boosted its political and diplomatic backing for its companies overseas. In February 2012, Myanmar Vice President spoke highly of the pipelines project. In March 2012, a report stated that the pipelines project was without any outstanding problem despite the Kachin conflict. There were some concerns about the project following tensed situation in Rakhine State.

In June, Vice Premier Li Keqiang urged Myanmar to ensure implementation of major cooperation projects and protect the legitimate interests of Chinese companies. Again, China defended the Monywa copper mine claiming that the project complies with Myanmar's laws and regulations. It was halted for an inquiry due to protests, which was put down violently in November 2012. A revised contract was signed on 24 July 2013 under which profit sharing ratio between the Myanmar Mining Enterprise, Myanmar Economic Holding and Wanbao Mining was changed into 51:19: 30 with higher corporate social responsibility.

In April 2013, President Thein Sein invited the Chinese enterprises especially those that can create jobs for the locals. In May, the energy pipelines project was declared mutually beneficial. Thein invited the Chinese companies for investment and setting up of oil refinery plant. Vice President Nyan Tun also spoke highly of the social welfare undertakings. The Chinese companies are seriously working on the corporate social responsibility fulfillment but it could also end up like halfhearted measures for protecting commercial interests and image of China.<sup>21</sup>

In May, the signing of a seven-point agreement with the Kachin Independence Organisation (KIO) has made some progress in the peace negotiation. However, the signing of an Action Plan of Comprehensive Strategic Cooperative Partnership restored investment confidence in

#### Puyam Rakesh Singh

Myanmar. The Myitsone project came to news following the Chinese Power Investment (CPI)'s announcement that it would be transparent in all its dealings if the Myanmar government decides to proceed with it. The CPI has stated that the work on the project will start with Myanmar government's approval. In January 2014, the CPI has offered to discuss issues face to face with the Kachin Development Networking Group (KDNG) over the firm's corporate social responsibility.<sup>22</sup>

#### Conclusion

China and Myanmar have supported each other through diplomatic protection and cooperation and coordination in various regional and international forums. With political reform in Myanmar, the two countries have to respect each other's paths to development on the basis of their national conditions. The contracts signed before the coming of the semidemocratic government have been the targets of many which need to be addressed through proper corporate social responsibility and accommodation of each other's concerns. However, the strategic implications of such changes have been the major concerns in the bilateral ties at present.

China's cooperation with Myanmar in various fields is based on its strategic needs for security, geographical proximity, economic reform and western development campaign and maintaining a peaceful environment conducive to its modernisation programme. Both the countries have stood firmly to safeguard each other's core interests that include sovereignty and territorial integrity and other strategic imperatives. China's Myanmar policy is also driven by imperatives of opposing hegemonism and power politics, cooperation with the developing countries to establish new international political and economic order.

China-Myanmar relations took a nosedive soon after the semidemocratic government suspended Myitsone dam project. Myanmar's ongoing political reform, economic reform and expanding foreign relations further complicated this issue with the Western countries including Japan. China's military diplomacy has helped deepen cooperation in defence and security matters. In the economic front, negotiation for the resumption of Myitsone project is still actively pursued and there has been improvement in building up political mutual trust. The two countries need further enhancement of the strategic communication to sort out other bilateral and international issues of concern for an equal and win-win relationship. China has to enhance people-to-people contacts with Myanmar for long-term relationship as former regime lacked credibility and legitimacy in the eyes of the people.

#### References

- 1. "Joint Statement Concerning Framework Document on Future Cooperation in Bilateral Relations between the People's Republic of China and Myanmar," at http://english.peopledaily.com.cn/english/200006/06/eng20000606\_42385.html (Accessed 27 May 2014).
- 2. *Ibid*.
- 3. "Myanmar and PRC sign seven agreements on various fields". *The New Light of Myanmar*, Yangon, 12 December 2001.
- 4. "Security Council fails to adopt draft resolution on Myanmar, owing to negative votes by China, Russian Federation", at http://www.un.org/News/Press/docs/2007/sc8939.doc.htm (Accessed 27 May 2014).
- Zin Linn, "Burma's military too slow to react to International Aid after Cyclone Nargis". Asian Tribune, 5 May 2008, at http://www.asiantribune.com/ ?q=node/10953 (Accessed 30 May 2014).
- 6. B. Raman, "Wen Jiabao in Myanmar", Chennai Centre for China Studies Paper No. 510, 9 June 2010.
- 7. "China, Myanmar forge partnership, ink deals on Myanmar president's maiden visit". *The People's Daily*, 28 May 2011.
- 8. "China to cement cooperative partnership with Myanmar". *The People's Daily*, Beijing, 23 February 2012.
- 9. "Top legislator raises proposals for China-Myanmar relations". *The People's Daily*, 14 September 2012.
- 10. "China, Myanmar pledge to boost 'all round' cooperation". *The People's Daily*, Sanya (Hainan), 5 April 2013.
- 11. "Xi Jinping meets with Myanmar's President U Thein Sein stressing the importance of steering the bilateral relationship in the right direction and unswervingly pushing forward China-Myanmar Friendship", at http://www.fmprc.gov.cn/mfa\_eng/topics\_665678/boao\_665692/t1029016.shtml (Accessed 30 May 2014).
- 12. "Myanmar president meets Chinese State Councillor", http://eng.mod.gov.cn/ DefenseNews/2014-05/20/content\_4510491.htm (27 May 2014).
- 13. "Chinese VP says SEA Games to end with success". *The People's Daily*, Naypyitaw, December 11, 2013.
- 14. "Chinese ambassador stresses strengthening of win-win cooperation with Myanmar". *The People's Daily*, Yangon, 9 January 2014.
- 15. "Chinese, Myanmar military leaders hold talks in Nay Pyi Taw". *The People's Daily*, Yangon, 13 May 2011.
- 16. Chenyang Li, "China-Myanmar Comprehensive Strategic Cooperative Partnership: A Regional Threat?". *Journal of Current Southeast Asian Affairs*, 31(1), January 2012, pp. 53-72.
- 17. "China, Myanmar hold strategic security consultation". *People's Daily*, Naypyitaw, 20 January 2013.
- 18. Maung Aung Myoe, *In the name of Pauk-Phaw- Myanmar's China policy since* 1948. Institute of Southeast Asian Studies, Singapore, 2011, pp. 156.

Himalayan and Central Asian Studies Vol. 18, Nos. 1-2, January-June 2014 199

PUYAM RAKESH SINGH

- 19. Toshihiro Kudo, "China's Policy toward Myanmar: Challenges and Prospects".The Institute of Developing Economies Working Paper, IDE-JETRO, at http://www.ide.go.jp/English/Research/Region/Asia/pdf/201209\_kudo. pdf (Accessed 29 May 2014).
- 20. "KIA based in Kachin State is committing deterrence to development projects of Kachin State", at http://www.mofa.gov.mm/news/June2011/17-6-2011.html (Accessed 27 May 2014).
- 21. Fan Hongwei, "China Adapts to New Myanmar Realities". Institute of Southeast Asian Studies, 3 March 2014, at http://www.iseas.edu.sg/ documents/publication/ISEAS\_Perspective\_2014\_12-China\_Adapts\_ to\_New\_Myanmar\_Realities.pdf (Accessed 20 June 2014).
- 22. Colin Hinshelwood, "China's CPI offers to meet Kachin NGO after Myitsone war of words". *Democratic Voice of Burma*, 24 January 2014, at http://www.dvb.no/news/chinas-cpi-offers-to-meet-kachin-ngo-after-myitsone-war-of-words-burma-myanmar/36387 (Accessed 10 June 2014).

# CHINA-MYANMAR BORDER DISPUTE RESOLUTION AN Assessment

# SANA HASHMI

In September 2013, Chinese Premier Li Keqiang, on the sideline of the 10<sup>th</sup> China-ASEAN Expo and the China-ASEAN Business and Investment Summit held in Nanning, capital of the Guangxi Zhuang Autonomous Region in southern China, remarked that China and Myanmar are each other's shield in geographical relations, share the same destiny and the friendship between the two peoples enjoys a long history.<sup>1</sup> The verity of the statement cannot be doubted. Since the independence of Myanmar (formerly known as Burma) and the establishment of the People's Republic of China (PRC), China and Myanmar have been friends in need. Since the time of Kuomintang (KMT), China has been proactively involved in the country. On 18 December 1949, Myanmar became the first noncommunist country to recognise the PRC. Since then the bilateral relations have been marked by frequent exchange of high-level visits and heightened economic cooperation. There were a few flashpoints in their bilateral relations such as China's support to the Burma Communist Party (BCP) in the 1950s, the boundary dispute, lingering apprehensions about China on Myanmar's part, and Myanmar's proximity to the Indian leadership. However, Myanmar's leadership opted for a more neutral foreign policy in the Asian region with a little tilt towards China. In the initial phase of their relations, first Chinese Premier Zhou Enlai and first Prime Minister of Burma, U Nu laid down the foundation of their relations. Zhou Enlai visited Myanmar in June 1954, which was reciprocated by U Nu in November 1954. The visit proved to be a major milestone in their relations. Owing to the positive developments in China-Myanmar ties in the 1950s, Myanmarese leadership termed their relationship with China as the relation of that of Pauk-Phaw (a Myanmarese word for kinsfolk). Moreover,

#### SANA HASHMI

with the coming of General Ne Win to power in 1958, Myanmar's relations with China improved significantly.

Further, in the 1960s, resolution of the China-Myanmar boundary dispute about 2,200 km long boundary was a landmark event in their relations. On 28 January 1960, two important agreements, namely: 'Question of the Boundary between the Two Countries' and the Treaty of 'Friendship and Mutual Non-Aggression', were signed. Myanmar remained one of the first countries with which China initiated negotiations for the settlement of their common boundary in the late 1950 and early 1960s. Along with Myanmar, China resolved its border disputes with Nepal and Afghanistan in the early 1960s. 'A 10-point Declaration' of the Bandung Conference, held in 1955, coupled with China's Five Principles of Peaceful Coexistence (mutual respect for each other's territorial integrity and sovereignty; mutual non-aggression; mutual non-interference in each other's internal matters; equality and mutual benefit and peace coexistence) laid down the foundation of their boundary dispute resolution. In fact, it was during the Bandung Conference when Zhou Enlai first hinted towards the prospective boundary dispute resolution between China and Myanmar. Intriguingly, while China resolved its boundary disputes with other Southeast Asian states: Vietnam and Laos in 1990s, it moved towards resolving its boundary dispute with Myanmar much earlier in 1960s; and Myanmar became the first country with whom China settled its boundary dispute. It is in this context that this article examines the process of China's boundary dispute resolution with Myanmar and underpins motivation behind its rapid process.

# Genesis of China-Myanmar Border Dispute

Though China-Myanmar relations have undergone dramatic changes since the independence of Myanmar; minus minor hiccups, their relations have been somewhat stable throughout. Nevertheless, China-Myanmar relations, from 1949-1961, were largely affected by the un-demarcated border and illegal migration. Unresolved boundary dispute became a sticking point between China and Myanmar. It may be noted that the boundary dispute between these two nations is deep-rooted in history. Their differences over the borders date back to 6<sup>th</sup> century AD. During the period of the Tang Dynasty (618-907 A.D), some small states in Burma were probably had a sort of tributary relation with China.<sup>2</sup> Historical records say that since the China-Burma War of 1765-69, there had been no tributary relations; however, the Chinese position was based on mediaeval historical claims of Chinese suzerainty on Burma deriving from the traditional tributary system.<sup>3</sup>

Though the boundary between Myanmar and China had been ill defined since centuries, as soon as the British annexed Upper Burma and incorporated it into their Indian provinces in the late nineteenth century, they immediately sought to work out commercial and other arrangements with the Manchu China; especially since they feared the rapidly growing French competition.<sup>4</sup> Intriguingly, East India Company's interest was mainly concentrated in the trade activities. For having unhindered trade with Chinese southwestern region, British found it convenient to demarcate Myanmar's border with China. Consequently, boundary surveys were begun in 1893. On 1 March 1894, both sides signed a Convention "giving effect to Article III of the Convention of 24 July 1886," and seven articles were devoted to boundary questions (and providing for further rectification) and twelve to trade development.<sup>5</sup> A supplementary agreement termed as Peking Agreement was then signed on 4 February 1897. The Chinese sought all Burmese territory north of Myitkyina to the Himalaya Mountains, west to the Indian border and east to Yunnan.<sup>6</sup> The agreement put the Meng-Mao triangular area or Namwan Assigned Tract under perpetual lease and the British Government was supposed to pay a rent of 100 rupees every year to the Chinese Nationalist Government. Later in 1905, a joint survey was conducted again and the notes were exchanged between Britain and China. The convention, signed by Britain and China on 27 April 1906, in the course of the negotiations demonstrated the understanding of the high contracting parties that Tibet forms part of Chinese territory.<sup>7</sup> Further notes between British plenipotentiary and Burmese representatives were exchanged during the negotiations for Simla Accord of 1914, which was to define the border between India and Tibet. However, armed clashes between the British and the Chinese occurred in the Kachin, Shan and Wa States areas at least three times between 1900 and 1911 and again in 1934-35.8 After the military confrontation, British Government and the KMT Government agreed to go for League of Nations Boundary Commission, which led to the settlement of the Wa State Line in 1941; however, the line was not demarcated.

Nonetheless, though China-Myanmar border was majorly delimited through arrangements between Britain and China, border questions continued to linger on and these two countries acquired latent boundary dispute with each other when Myanmar gained independence and PRC

#### Sana Hashmi

was established. It came to light more blatantly, when in 1948 Chinese Nationalist Government refused to accept the rent for Namwan Tract, which was on a perpetual lease. The Myanmarese and Chinese claims were based upon historical periods of administration as well as the modern incorporation of the territory into the Union of Myanmar post-independence.<sup>9</sup> In fact, the advent of the Communists to power in China did not alter the situation- the same or related Chinese maps continued to be published at least once with the explanation that the Communists did not have time to alter "older" maps, which were merely reprinted.<sup>10</sup>

There were three disputed border areas between China and Myanmar. These were 1) Myanmar's northernmost boundary above High Colonial Peak in Kachin State that included three Kachin Villages; 2) the Namwan Assigned Tract; and 3) the Wa State boundary that was settled in 1941.<sup>11</sup> In early 1950, over 2,000 KMT forces from Yunnan Province crossed the border to set up bases in Kengtung, eastern Shan state following the Communist victory in China.<sup>12</sup> Moreover, to reinforce its claims on the territory claimed with Myanmar, in November 1955, People's Liberation Army (PLA) intruded 40 kilometres into Northern Burma and established tents there. This standoff led to the killing of two soldiers and left 10 wounded.

# Negotiations and Demarcation of China-Myanmar Boundary

China did not accept the 1914 line drawn between China and Myanmar by British colonisers; and in 1953 Chinese PLA began to station its troops on the territory claimed by it. However, willingness to resolve the boundary dispute was apparent from both sides since early 1950s. A joint communiquÈ issued by U Nu and Zhou, at the end of the former's visit to Peking in December 1954, referred to the "incomplete delimitation of the boundary line" and acknowledged the necessity "to settle this question in a friendly spirit at an appropriate time through normal diplomatic channels".<sup>13</sup> One may argue that the move by PLA in November 1955 was to assert China's claims on the territory claimed by it along the China-Myanmar border. The Myanmar Government decided not to make the issue public and simply engaged in quiet diplomacy so as to not jeopardise China-Myanmar relations that were ceremoniously based on the Five Principles of Peaceful Coexistence.<sup>14</sup> As a consequence of a few patrol clashes between the two sides, Myanmar began to engage China in talks. Both sides held first round of talks in 1956. Zhou presented Myanmar with his proposal and the communist regime, after a brief period, made the following suggestions :

- a) The "traditional line", including the portion of the McMahon line in the north to be accepted;
- b) The Namwan lease to be abrogated;
- c) The 1941 line to be validated and;
- d) Hpimaw, Gawlam, and Kangfang villages be returned to China.<sup>15</sup>

After receiving the proposal, U Nu conceded that it was a "fair and reasonable proposal taking into account the interest of both sides" and Zhou had shown "a sense of justice and fairness toward the settlement of the border question".<sup>16</sup> At the fourth session of the First National People's Congress on 9 July 1957, Zhou presented a "Report on the Question of the Boundary Line between China and Burma" and stated that:

We must bear in mind the fundamental changes of historical importance, which have taken place in China and Burma respectively, *i.e.*, China has cast away its semi-colonial status, and both have become independent and mutually friendly countries. The Burmese Government has succeeded to the territory formerly controlled by Britain, and the Union of Burma has been established by combining the various autonomous states and Burma proper, while our government has taken over the territory under the jurisdiction of the KMT government. In dealing with this boundary question, attention must be paid to these historical changes, and the treaties signed in the past, which concerns the boundary between China, and Burma must be treated in accordance with general international practice.<sup>17</sup>

However, at the later stages, China began to show reluctance and official talks reached a dead-end in 1957. It was only in 1959-1960 when Zhou again revived the talks with Myanmar with a fresh perspective. On 12 January 1960, Zhou invited the then Prime Minster of Burma Ne win to Beijing and the two sides initiated the resolution process. On 24 January 1960, a delegation including General Ne Win, the then foreign minister, U Chan Tun Aung, former Vice-Chief of Army Staff, Brigadier Tin Pe paid a historic visit to China, which paved the way for the boundary resolution. Following three rounds of talks, Zhou and Ne Win achieved rapid progress and on 28 January 1960 the two leaders signed a boundary agreement that outlined a comprehensive framework for settling the territorial dispute.<sup>18</sup> The two countries set up a joint border committee to work out solutions. From Myanmarese side, Brigadier Aung Gyi, Vice-Chief of Staff Minister of Trade and Industry headed the joint committee. The joint boundary committee met four times in a span of just four months. The first session laid the groundwork for a land survey, mapping, security measures and other logistical matters. Negotiations were carried out in the second session. In the third session, border committee reviewed the draft treaty and finally, in the fourth session, two sides prepared the treaty for signing.<sup>19</sup> On Myanmar's side, the task of boundary demarcation was called as "Operation Burma Boundary".

China offered substantial concessions and accepted far less than it had demanded in 1956. China virtually accepted all the previous boundary treaties with Myanmar and gave up all territorial claims except the claim for three villages and as a result, China received 340 sq kms and Myanmar received 220 sq kms of the disputed areas.<sup>20</sup> China agreed to transfer Nam-Wan area to Myanmar, which encompassed the only motorway linking the Kachin and Wa states. In exchange, Myanmar agreed to transfer two villages in the Banhong area in the Wa state to China. Secondly, China also agreed to use the watershed as the "customary boundary" in the north, between Isu Razi River and the Diphu Pass, at the Burmese-Indian-Chinese tri-junction, conceding approximately 1,000 sq kms to Myanmar. Third, China agreed to transfer its stake in the Lufeng salt mine. Fourth, it transferred the Salween watershed as the boundary between Isu Razi Pass and the High Conical Peak.<sup>21</sup> Interestingly, the northern portion of the China-Myanmar border mostly followed the 1914 McMahon Line. However, China unequivocally accepted this alignment, though of course it did not refer to it as the McMahon Line but as the "customary boundary".<sup>22</sup>

On 1 October 1960, on the eleventh anniversary of the establishment of China, Zhou and U Nu sealed their border agreement by inking border treaty, which was ratified by both sides on 4 January 1961. Nine months later, in October 1961, after conducting extensive joints surveys, border protocol was signed and the location of 244 boundary markers that had been placed along the border was outlined.

# Driving Forces for China-Myanmar Border Dispute Resolution

Though several reasons can be cited for the speedy resolution of the China-Myanmar border; prominent among all was China's quest for secure borders including that with India. Securing its border with Myanmar and other countries of the region had become the foremost priority for China during the Cold War era. This was mainly for two reasons. First, gaining legitimacy over Tibet was one of the most important reasons for China to resolve its prolonged border disputes with its neighbouring countries in the South. China wanted its neighbouring countries to recognise Tibet as a legitimate part of China. Second, China wished to project its benign image especially when China was on the verge of having an armed clash CHINA-MYANMAR BORDER DISPUTE RESOLUTION : AN ASSESSMENT

with its biggest neighbour, India. The theory has been advanced that China's liberal boundary policy towards Myanmar has been for propaganda purposes and is designed to isolate India.<sup>23</sup>Moreover, Beijing was not so pleased over the negative attention it had attracted through its boundary disputes with Burma and elsewhere. It feared that its differences over its mutual boundary with 14 countries would affect its candidature in the United Nations. The boundary dispute between India and China placed the China-Myanmar boundary in a new perspective and may have strengthened China's desire to demarcate it amicably and thus hold up a "brilliant model" for all to see.<sup>24</sup> Perhaps as a consequence of these events and the unfavorable Asian and international reactions, the Chinese suddenly decided to show themselves in at least one friendly stance in Asia.<sup>25</sup>

# Tibet: Driving Force for China-Myanmar Border Dispute Resolution

Tibet has always been an important factor shaping China's relations with its neighbouring countries, particularly, Myanmar, India, Nepal and Bhutan. As soon as China occupied Tibet on 7 October 1950, China left no stone unturned to make its neighbours recognise Tibet as an integral part of China. For instance, on 20 September 1956, Nepal, through a formal treaty arrangement, recognised Tibet as a part of China. All the special rights of Nepal in Tibet with regard to trade and extra-territoriality (which flowed from the Nepal-Tibet treaty of 1856) were cancelled and the relations between Nepal and Tibet Region of China were henceforth to be based on complete equality and reciprocity.<sup>26</sup>

Since Tibet has, most of the time, played a central role in China's neighbourhood policy, it won't be wrong to articulate that the rapid conclusion of China-Myanmar boundary treaty was largely driven by political upheavals in Tibet in 1959. On 10 March 1959, anti-Chinese protests erupted in Lhasa, which was met with Chinese crackdown. The Chinese Government crushed the revolt down in Lhasa and other parts of Tibet. Serious human rights violations by the Chinese Communist Party (CCP) led to fleeing of 14<sup>th</sup> Dalai Lama along with thousands of Tibetans and take refuge in India. Many Tibetan refugees also began to cross the border to take refuge in other neighbouring countries. Moreover, the Khampa rebels, allegedly armed and trained by the US Central Intelligence Agency (CIA) in guerrilla warfare, began to operate their hit-and-run activities against the Chinese military fortifications from across the border.<sup>27</sup>

#### Sana Hashmi

the strategic context of China's territorial dispute with its immediate neighbours fundamentally changed and a stabilised border and friendly relations with the neighbouring countries were much more important than any territory that had been disputed.<sup>28</sup> Consequently, securing borders with Myanmar became one of the foremost priorities for China in 1950s and China was smart enough to realise that China's boundary dispute resolution with its immediate neighbours was the only key to safeguard their common border.<sup>29</sup>

Amid China's endeavours to safeguard its borders, it wanted all the countries to recognise China's control over Tibet. With the boundary dispute resolution, it can be said that, China managed to gain Myanmar's support on the issue of Tibet. Notably, settling borders with neighbouring countries was one of the ways of establishing China's unopposed control over Tibet.

## Myanmar's Apprehensions and Chinese Fears

Though consolidating its control over Tibet was one of the main motives behind China's flexible approach towards its boundary disputes in the 1960s, impetus for China's attempts to cooperate with Myanmar also grew from heightened Chinese sensitivity to the potential impact of remnant Nationalist KMT troops still based in Burma. China faced a threat to internal stability from KMT forces (nationalists) that had established base areas in Burma along the Yunnan portion of the border.<sup>30</sup> The need for settling the border was realised more after the end of the civil war in China when large numbers of KMT troops went into hiding in Burma's northeastern hill areas. From clandestine bases in remote border mountains, which have never been fully controlled by any central Burmese government, these KMT forces, supported by Taiwan, the CIA and Thailand, launched a secret war against the new Communist government in China.<sup>31</sup> Nationalist forces in Burma were not only a bone of contention for China; they became a consistent source of concern for Myanmar as well. Leadership in Myanmar feared that these forces might fuel insurgency in the peripheries of Myanmar and might become a source of inspiration for Kachin ethnic group. As a consequence of the boundary negotiations, Myanmar readily cooperated with China to launch operations against KMT troops and the boundary settlement with Myanmar gave China an occasion to wipe out nationalist forces from Burma's northeastern region.

China's support to the Burma Communist Party (BCP) was also a flashpoint between Myanmar and China. China was involved in Myanmar

CHINA-MYANMAR BORDER DISPUTE RESOLUTION : AN ASSESSMENT

through the BCP. The BCP, however, was only a communist party in name and was actually projecting Chinese interests.<sup>32</sup> In fact, during the early decade (1960s), China poured in more aid to the BCP than to any other communist movement outside Indochina.<sup>33</sup> Assault rifles, machineguns, rocket launchers, anti-aircraft guns, radio equipment, jeeps, trucks, petrol, and even rice and other foodstuffs, cooking oil, and kitchen utensils were sent across the frontier into the new revolutionary base area that the BCP was establishing along the China-Myanmar frontier in northeastern Burma.<sup>34</sup> Besieged by ethnic and communist insurgencies and agitation by leftist parties and communist sympathisers, the principal objective of the Union Government of Myanmar during the 1950s and 1960s was regime survival that was seen as synonyms with the state security itself. Moreover, the national security problem was compounded more by the incursion of the defeated Chinese KMT troops into the Shan state in December 1949.<sup>35</sup> Hence, a well-defined boundary was not only in China's favours but proved propitious for Myanmar as well.

Burma, in urgent need of consolidation after the civil strife and political upheavals that followed independence, was relieved that a problem, and a potential source of danger, 'has been removed at least for the present.'36 The long untamed border with China has held many threats to Burma in the form of, among others, Communist Chinese troops, Kuomintang troops, illegal immigration, and hostile propaganda.<sup>37</sup> Also, given that China has always been more powerful than Myanmar, both militarily and economically, Myanmarese leadership wanted to avoid any armed confrontation with China. For Myanmar's leaders, particularly to Tatmadaw, the sacrifice of a small portion of the national territory to remove a major cause of misunderstanding and a constant source of anxiety was more than needed. Hence, Myanmar government subsequently tried to resolve all its differences and promote friendly relations with China, as far as its foreign policy of neutralism permitted.<sup>38</sup> Myanmar was smart enough to realise that having sour relations with China would lead Myanmar nowhere.

# Myanmar's Strategic Location

The reason why Myanmar has held such an important place in China's neighbourhood policy is Myanmar's geographical location. Myanmar is China's largest neighbour in Southeast Asia and is considered to be its gateway to the region. In fact, Myanmar is located at the tri-junction of China, India and Southeast Asia and it borders both South and Southeast

#### SANA HASHMI

Asia. Given that Myanmar's location has been strategically important for its neighbours, improving relations with Myanmar was always high on priority for China. Though this cannot be cited as the most important reason for China to move towards resolving its border dispute with Myanmar; it certainly played a decisive role in negotiations. Moreover, the development of China's southern landlocked province, Yunnan that borders Myanmar, Laos and Vietnam was dependent on the well-defined boundary with Myanmar. Chinese leadership was always aware of Myanmar's potential vis-ë-vis its landlocked provinces. Myanmar has always been a key to China's pursuit of regional and border stability and also in fulfilling its need for natural resources.<sup>39</sup> Myanmar offers China's landlocked inland provinces of Yunnan and Sichuan, a trading outlet to the Indian Ocean and the possibility of a strategic presence there, thus escaping U.S. encirclement and also capping the Indian influence.

## **Ramifications of China-Myanmar Border Dispute Resolution**

A closer look at the trajectory of Myanmar-China relations since 1960s till date reveals that boundary dispute resolution between China and Myanmar was the starting point of their burgeoning relations. Though their relations suffered many setbacks in these years, boundary dispute resolution played a great role in shaping their relations to a great extent. Apparently, China-Myanmar boundary dispute was resolved through a steady process so as to strengthen bilateral relations and focus on areas of cooperation.

The resolution had an impact on India as well. As a consequence of China-Myanmar border agreement, Indian Prime Minister Jawaharlal Nehru agreed to initiate talks with Zhou. In fact, the border agreement between China and Myanmar paved the way for China-India border talks in 1960 and third round of India-China border negotiations was held in1961 at Rangoon. Intriguingly, in the views of Chinese leadership, China-Burma border dispute resolution set a new example for Asian countries for the future settlement of boundary disputes. In the words of Zhou Enlai, China's settlement with Burma would "establish a model for Asian countries", "would be advantageous for discussing the problem with India" and "the India-China border issue can be completely solved according to the principles for solving the Chinese-Burmese border problem.<sup>40</sup> While China repeatedly called upon India to enter into negotiations for a permanent boundary treaty; India, has been insistent that as a prerequisite to such negotiation, Chinese forces be withdrawn completely from what

India regards as its territory. It may be noted that according to some scholars, the validity of India's claims (including the "McMahon Line") is disputed and should be open to debate.<sup>41</sup>

Also, China-Myanmar boundary dispute resolution opened the doors for China-Myanmar border trade. In contemporary times, China-Myanmar border trade amounts to approximately 60 percent of Myanmar's total trade and 50 percent of Myanmar-China total bilateral trade. The border trade accounts for over 80 percent of Myanmar's exports to China and 40 percent of Myanmar's imports from China.<sup>42</sup> However, despite huge thriving trade relations, China-Myanmar border instability continues to pose a challenge to both countries since the time of the demarcation of their common border. China is reinforcing the China-Myanmar border with troops to stop refugees. In February 2010, it was reported that the PLA deployed a bunch of soldiers in border towns close to the Wa states, where armed conflict is anticipated.<sup>43</sup>

## Conclusion

China devoted the decade of 1960s to resolve its boundary dispute resolution with its strategically important neighbours. Clearly, since early 1950s, Myanmar has occupied a very important place in China's foreign policy maneuvers. The trajectory of China's boundary dispute resolution with Myanmar suggests that China had offered concessions in its boundary dispute resolution with Myanmar. The implementation of the boundary agreement with Myanmar was timely and vital and it won't be wrong to say that both internal and external determinants played a great role in the settlement of China-Myanmar border. It is important to note that China already had disagreements with India on their shared boundary. Amidst those differences, India, which was a dominant player in the South Asian region, had close relations with Myanmar and other Bandung states. India's dominance in the region apparently acted as an external determinant for China's decision to go for the settlement of its boundaries with countries like Nepal and Myanmar. Though China has always denied that India had ever played any role in China's decision-making process vis-ë-vis its frontiers; India was visibly present in Chinese psyche mainly while dealing with Nepal and Myanmar. Clearly, boundary dispute resolution was China's first step towards the realisation of its dream of curtailing India's influence over a critically important buffer state: Myanmar. Needless to say that China's boundary dispute resolution model was successful enough in helping China to promote its newly formulated

#### Sana Hashmi

"good-neighbourly" policy. Through its peaceful and hassle-free boundary dispute resolution, it also wanted to show that China favours the peaceful coexistence of two emerging nations in the spirit of 'Bandung'.

Apart from India's burgeoning influence, Sino-Soviet split also played a contributory role in China's decisions to resolve its boundary disputes. It was in late 1950s when China moved away from its 'leaning to one side' policy, which states, "China would lean to the side of socialism and socialist camp headed by the erstwhile Soviet Union". Soon, the Chinese leadership realised that leaning to one side would isolate China. Additionally, China felt that such a policy was not conducive for growth. The political and ideological differences further led to the worsening of relations between China and the Soviet Union. As a consequence, China began to resolve its differences with its immediate neighbours. Clearly, China's boundary dispute resolution was a preliminary step towards finding more friends in the vicinity.

While external factors such as deadlock in India-China border talks, Indian influence in South Asia and Sino-Soviet split played greater roles in China's approach towards its boundary dispute with Myanmar; it won't be wrong to articulate that these external determinants were only the contributing factors. China's willingness to settle its boundary with Myanmar was largely attributed to Chinese leadership desire to safeguard CCP's rule. When Chinese leadership was confronted with internal upheavals in the form of the Tibetan rebellion, it started taking initiatives to secure its borders. Dalai Lama's flight to India forced China to move towards resolving its boundary disputes with its southern neighbours. Moreover, the KMT troops in northern Burma became a bone of contention for the PRC leadership. It became important for China to wipe out Nationalist forces from the soil of Myanmar. China was in desperate need to secure and define its borders so as to restrict the cross-border movement and keep a check on KMT.

Both the countries had many reasons to go for the settlement of their common border. Keeping the conflict alive was certainly not giving the desired pay-offs to both, particularly to China. Undeniably, China-Myanmar boundary dispute helped these two countries to resolve differences and ensure greater mutual trust. China's policies towards Myanmar, including its decision to have defined border with Myanmar, reinforced their relations and ushered them into an era of friendship.

#### References

- Ministry of Foreign Affairs of the People's Republic of China, "Li Keqiang: China-ASEAN Have Become a Model of Good-Neighbourly Policy", 3 September 2013 at http://www.fmprc.gov.cn/eng/zxxx/t1072800.shtml (accessed on 5 September 2013).
- 2. Frank Tragger, Burma and China. *Journal of Southeast Asian History*, Vol. 5, No. 1, March 1964, pp. 29-61.
- 3. *Ibid*.
- 4. *Ibid*.
- 5. *Ibid*.
- 6. *Ibid*.
- 7. Maung Maung, "The Burma-China Boundary Settlement". *Asian Survey*, Vol. 1, No. 1, March 1961, pp. 38-43.
- 8. Girilal Jain, *Chinese "Panchsheela" in Burma*.Bombay: Democratic Research Service, 1956. p. 23.
- 9. Department of State, United States of America, "Burma-China Boundary". *International Boundary Study*, No. 2, 30 November 1964, p. 6.
- 10. Tragger, n. 2.
- 11. Maung Aung Myoe, *In the Name of Pauk-Phaw: Myanmar's China Policy Since 1948.* Singapore, Institute of Southeast Asian Studies, 2011. p. 40.
- Chronology of Chinese-Burmese Relations, 1 January 2003, at http:// www2.irrawaddy.org/research\_show.php?art\_id=446 (accessed on 20 February 2014).
- 13. Maung, n. 7.
- 14. Myoe, n. 11, p. 28.
- 15. Department of State, United States of America, n.9, p. 7.
- 16. Luke T. Chang, *China's Boundary Treaties and Frontier Disputes*.London, Oceana Publications, 1982. p. 49.
- 17. Report on the Question of the Boundary Line Between China and Burma to the Fourth Session of the First National People's Congress, 9 July 1957.
- 18. M. Taylor Fravel, Strong Border, Secure Nation: Cooperation and Conflict in China's Territorial Dispute. New Jersey, Princeton University Press, 2008. p. 86.
- 19. Myoe, n. 11, p. 48-49.
- 20. Byron N. Tzou, China and International Law: The Boundary Disputes.New York, Praeger Publishers, 1990. p. 60.
- 21. Fravel, n. 18, p. 88.
- 22. Ibid, p.89.
- 23. John Rowland, A History of Sino-Indian Relations: Hostile Coexistsnce. Florida. Krieger Pub Co, 1967. p. 138.
- 24. Maung, n. 7.
- 25. Tragger, n. 2.
- 26. Satish Kumar, "Nepal and China". *The Indian Journal of Political Science*, Vol. 24, No. 1, January-March 1963, pp. 79-93.
- 27. Warren W. Smith Jr., *China's Tibet? Autonomy or Assimiliation*. Lanham, MD, Rowman and Littlefield, 2008.
- 28. Fravel, n. 18, p. 92.
- 29. Sana Hashmi, "Analysing China's Border Dispute Resolution with South Asian States". *Defence and Diplomacy*, Vol. No. , pp. 101-114.
- 30. Fravel, n. 18, p. 86.

#### Sana Hashmi

- 31. Bertil Lintner, "Burma and Its Neighbours," Paper presented at a conference at the Nehru Memorial Museum and Library, New Delhi, 1992.
- Dr. Marie Lall, "India-Myanmar Relations: Geopolitics and Energy in Light of the New Balance of Power in Asia". *ISAS Working Paper*, No. 2, 2 January 2008, p. 24.
- 33. Lintner, n. 31.
- 34. Ibid.
- 35. Tin Muang Muang Than, "Myanmar and China: A Special Relationship?". Southeast Asian Affairs 2003, pp. 189-210.
- 36. Maung, n. 7, pp. 38-43.
- 37. Ibid.
- 38. Myoe, n. 11, p. 51
- 39. Isabel Hilton, "China in Myanmar: Implications for the Future". Norwegian Peacebuilding Resource Centre Report, October 2013.
- 40. Fravel, n.18, p. 88-89.
- 41. Luke T. Lee, "Treaty Relations of the People's Republic of China: A Study of compliance". *University of Pennsylvania Law Review*, Vol. 116, No. 2, December 1967, pp. 244-314.
- 42. Myoe, n. 11, p. 155-156.
- 43. Brendan Whyte, "The Sino-Myanmar Border", in Bruce A. Elleman, Stephen Kotkin and Clive Schofield (ed.), *Beijing's Power and China's Borders: Twenty Neighbours in Asia*.Armonk, M. E. Sharpe, 2013. p. 198.

# The Bear in the Golden Land An Assessment of Russia-Myanmar Ties

Rohit Kumar Mishra

Major Powers' endeavours to extend their sphere of influence had shaped the international relations in the Cold War era. However, the end of the Cold War brought about tectonic shifts in the international politics. While the disintegration of the Soviet Union (The Union of Soviet Socialist Republics) put an end to the bloc politics, Cambodian crisis paved the way towards rethinking and rebuilding of the Southeast Asian region. On all counts, the disintegration of the Soviet Union created a new geopolitical situation and altered the security architecture of the Eastern European region. It had far-reaching repercussions on the other regions of the world as well. The collapse of the Soviet Union on 26 December 1991 led to the formation of 15 independent nations. Russian Federation emerged as one of the key players in the region. Amongst all, Russia was the largest inheritor of the Soviet legacy; hence, the biggest state. Owing to the breakup of the Soviet Union, Russia was left with huge nuclear arsenals and was one of the few post-Soviet states whose economy was considerably robust.

The rebirth of Russia after the demise of the Soviet Union in December 1991 brought with it a repudiation of superpower ambitions and outlying areas such as Southeast Asia dropped in terms of priorities.<sup>1</sup> In the last twenty years, Asia in general and Eastern Asia in particular, has been at the centre of Russia's foreign policy priorities. Though there were a plethora of reasons for such a stand; this was partly due to its differences with the US that led it to shift focus to East Asia. Russia-an Eurasian power began to reinforce its influence in the Asian region, essentially Southeast Asian region post-2000. Southeast Asian countries with a population of over 590 million people, Gross Domestic Product (GDP) of US\$ 1.49 trillion,

#### Rohit Kumar Mishra

foreign trade turnover of US\$ 1.52 trillion and higher than average economic growth figures are becoming a centre of integration processes in the Asia-Pacific and play a leading role in the new balance of forces being formed in the region. It is, therefore, entirely reasonable for Russia to shift the focus of its foreign policy towards these countries, especially in strategic areas such as defence industry cooperation, nuclear energy, space and nanotechnologies.<sup>2</sup> Russia was given the status of Full Dialogue Partner by Association of Southeast Asian Nations (ASEAN) in July 1996 and it was one of the first countries to sign the Treaty of Amity and Cooperation (TAC) with ASEAN member states on 29 November 2004. Russia is engaged with ASEAN through a series of other multilateral arrangements too. Apart from Russia-ASEAN Summit, Moscow is also a member of ASEAN Regional Forum (ARF), ASEAN Defence Ministers' Meeting Plus (ADMM Plus), the Post Ministerial Conferences (PMC) and the East Asia Summit (EAS). In essence, Russia-ASEAN cooperation is undertaken under the framework of the Russia-ASEAN Comprehensive Plan of Action (CPA) to promote cooperation between ASEAN and Russia from 2005-2015; the CPA is aimed at promoting and enhancing Russia-ASEAN Dialogue Relations through assisting ASEAN in its efforts in regional economic integration and community building.<sup>3</sup>

Though ASEAN as an institution has been at the helm of Russia's priority list, since last decade, Myanmar has been gaining importance for Moscow. Over the last two decades, Russia's relations with Myanmar have been cordial. In fact, since January 2009, Myanmar has been the coordinating country for Russia-ASEAN Dialogue Partnership. It is in this context that this paper attempts to analyse Russia-Myanmar relations in the contemporary times.

# Myanmar's Relations with the Soviet Union

During the Cold War period, the Soviet Union was clearly inclined towards countries that followed neutralist foreign policies. Soviet Union's close proximity to India is a testimony to that. In the Southeast Asian region, Myanmar (the then Burma) was considered to have close association with the Soviet Union under Nikita Khrushchev, first secretary of the Communist Party of Soviet Union. The reason why other countries of the region did not have close relations with the Soviet Union was very clear. Soviet leadership perceived other countries to be under the influence of the West; hence, believed that countries like Singapore, Malaysia and Thailand were embarking on the path of capitalism. Though Myanmar was a great proponent of the non-alignment policy, it sensed a convergence of interests with the Soviet Union, which was established by Myanmar's indifference towards American sponsored efforts to negotiate Southeast Asian collective defence against the Vietnamese communists in 1954.<sup>4</sup>

First Ambassadorial contact between Burma and Soviet Union was established in 1948. Just one month after Burma gained independence on 18 February 1948, Ambassadors of Burma and Soviet Union established diplomatic relations by exchanging notes in the Soviet Embassy, London. So as to bolster relations with the then Burma, Soviet Union signed a trade agreement with Burma on 1 July 1955. As a part of the general post-Stalin drive to increase relations with the developing countries (and perhaps spurred by exclusion from the 1955 Bandung Conference as 'not an Asian state'), trade agreements have since then concluded with Myanmar and later, with other countries as well.<sup>5</sup> The trade agreement propelled a mutually beneficial economic cooperation based primarily on "Burmese rice in exchange for Soviet equipment" contracts.<sup>6</sup> The 1955 agreement was later extended to five more years in 1956. Less than a year later, in January 1957, another aid agreement was inked between Myanmar and Soviet Union, providing for a Soviet "gift to the people of Burma" of a technical institute, a hospital, a theatre, a hotel, a stadium, an exhibition hall, a conference hall and a swimming pool; and the Burmese agreed to reciprocate with a "gift" of rice to the Soviet Union.<sup>7</sup>

As far as high-level diplomatic visits are concerned, first Prime Minister of independent Myanmar, U Nu paid a state visit to the Soviet Union in November 1955. The visit was clearly aimed at bringing their relations to the commanding heights, as U Nu's purpose was to meet Soviet leaders, Nikita Khrushchev and Nikolai Bulganin. However, this in no ways indicates that U Nu was leaning towards the side of socialism. It was just an attempt to find a reliable business partner in an uncertain Cold War world. Khrushchev paid a reciprocal visit to Myanmar in December 1955. Another motive behind maintaining cordial relations with the Soviet Union was that Myanmar wanted the Soviet Union to refrain from extending any support to the Communist Party of Burma. Top-level contacts became a regular feature after Khrushchev visited Burma again in February 1960. During the Burma Socialist Programme Party (BSPP) era (1962-88), Moscow recognised the Ne Win regime as a "socialistoriented state", although Ne Win did not espouse orthodox Marxist-Leninist ideology.<sup>8</sup> Nevertheless, with Ne Win's coming to power, mutual apathy began to creep into Burma's relations with the Soviet Union. Ne

#### Rohit Kumar Mishra

win preferred to remain non-aligned by balancing the competing interest of the major powers, Soviet Union, USA and the People's Republic of China (PRC).<sup>9</sup> Though Myanmar accepted arms from the Soviet Union and students were sent to the Soviet Union for training and Soviet technicians were sent to Rangoon, Beijing remained BSSP's top priority till 1988.<sup>10</sup> The year 1988 witnessed the downfall of the BSSP; and three years later, the Soviet Union also disintegrated.

#### **Russia-Myanmar Relations in Post-Soviet Period**

In 1988, with the collapse of the BSPP, the rule of the State Law and Order Restoration Council (SLORC) was established in Myanmar. SLORC was renamed as State Peace and Development Council (SPDC) in 1997. In the same year, Russia set up its Embassy in Myanmar. Though both Russia and Myanmar were engrossed in nation building process in the decade of 1990s, their relations began to strengthen slowly but steadily. The SPDC began the decade of 2000 with continued attempts to broaden the country's foreign relations, with priority given to Russia and India.<sup>11</sup>

While there were no high - level contacts between two countries after Khrushchev's visit to Myanmar in 1960, in April 2006, a top-level official from Myanmar paid a visit to the Russian Federation. In April 2006, Vice-Chairman of the SDPC, Vice-Senior General Maung Aye paid a state visit to Moscow. A number of agreements and Memoranda of Understanding were signed between two sides during this high-profile visit, which paved the way for closer economic cooperation between the two countries. Later, in the same year, as a reciprocal gesture, the Chairman of the Supreme Court of the Russian Federation Mr. Vyacheslav M. Lebede paid a visit to Myanmar. This was the time when Myanmar was under self-imposed isolation. Russia, apart from China, was another country that was on Myanmar's side.

The US imposed a range of sanctions on Myanmar in response to what Washington saw as 'serious human rights and civil liberties violations' by the country's former ruling military junta. Sanctions started getting implemented in 1988 when Myanmar's military regime violently cracked down on peaceful, popular protests now known as the 8888 uprising and seized power under the SPDC.<sup>12</sup> The SPDC continued unabated with its human rights violations for several years. The situation was so appalling that the US administration, led by President George W. Bush, labelled Myanmar an 'outpost of tyranny', and a threat to international peace and security because of SPDC's egregious human right

records, refugee outflows, production of illegal narcotics inside the country and spread of communicable diseases.<sup>13</sup>

In a major escalation of criticism, in January 2007, the US and the United Kingdom tabled a resolution at the United Nations Security Council calling on the SPDC to cease military operations against ethnic minorities, release all political prisoners including Aung San Suu Kyi and engage in a meaningful political dialogue with a view to a transition to a genuine democracy.<sup>14</sup> However, China along with Russia opposed the resolution stating that it was solely internal affair of Myanmar and needs to be resolved only by the citizens of the country through peaceful means. Subsequently, the United Nations Security Council failed to adopt a draft resolution on the situation in Myanmar — owing to vetoes by China and the Russian Federation. The result of the vote on the draft, tabled by the United States and the United Kingdom, was 9 in favour to 3 against (China, Russian Federation, South Africa), with 3 abstentions (Congo, Indonesia, Qatar).<sup>15</sup>

For Yangon, closer ties with Moscow provided an alternative source of military equipment, another export market for country's energy resources and additional veto-yielding friend on the UNSC. It also helped cushion the SPDC from the full force of Western sanctions.<sup>16</sup>

#### **Russia-Myanmar Economic Relations**

The bulk of international relations in the contemporary world are driven by economic cooperation. The Russian Federation is one of a few developed countries, rich in mineral resources and energy, which creates a perfect basis for solid economic and political relations with all countries around the globe.<sup>17</sup> While China is still Myanmar's largest trading partner, for Russia, Myanmar is of immense economic interest. Myanmar's trade with China, which was worth US\$4.4 billion in 2010, was much ahead of Myanmar's trade with Russia, which stood at US\$114 million that year. Still, the pace at which Russia's trade with Myanmar is growing, 54 per cent in 2009 and 110 percent in 2010, is important.<sup>18</sup>

Bilateral economic relations are likely to get beefed up by a project started by the Russian government-owned enterprise, Tyazhpromexport, to establish a plant to produce cast iron in Shan State. Russian companies have also inked a contract with Myanmar Oil and Gas Enterprise of Ministry of Energy to explore oil and gas reserves jointly.

## **Russia's Arms Sales to Myanmar**

Russia has been a major arms exporting country since the Soviet days. When the Soviet Union collapsed, Russia was left with an uphill task of maintaining its status of the largest arms exporter. Clearly, most of Russia's defence arms exports in the Asian region go to China and India. However, with the advent of twenty-first century, the scope of Russia's defence cooperation has been extended further to include Southeast Asian states as well. In our times, the region has become a huge importer of Russia's defence materials. While there are a number of reasons why Russia moved to forge closer ties with ASEAN member countries, particularly with Myanmar, one of the main reasons was to expand the scope of its arms export to the region. Knowing that Myanmar was facing Western arms embargos, Russia moved quickly to formalise deals with the pariah country. While, in the initial years of their diplomatic contacts, Myanmar did not figure much in Russia's defence cooperation, it began to occupy a substantial role since early 2000s.

In 2001, Myanmar bought four MiG-29 fighters, and another 10 fighter planes in 2002. Four years later, in October 2006, the MiG Corporation set up its representative office in Myanmar. In 2007, Russia reported to the United Nations that it had supplied 100 large-caliber artillery systems to Myanmar in 2006.<sup>19</sup> In December 2009, Russia's *Rosoboronexport* and Myanmar inked a contract for 20 MiG-29 fighters, which were to be supplied to Myanmar. The net worth of the deal was US\$ 570 million.

Russia's arms export to Myanmar has been severely criticised by the Western countries. However, despite the criticism, Russia is resolute to bolster its position as one of the biggest arms exporter to Myanmar. The robustness of their defence cooperation can be gauged from the fact that both countries hold talks at the defence ministers' level. Myanmar has Russia's Pechora air defence systems in its service.

# **Russia-Myanmar Nuclear Cooperation**

The trajectory of Russia-Myanmar relations indicates that Russia has been Myanmar's first choice for acquiring technology to produce nuclear energy. Myanmar's nuclear energy plans were discussed by the country's Science and Technology Minister, U Thaung, during a visit to Russia in late 2000.<sup>20</sup> On 15 September 2000, Myanmar informed the International Atomic Energy Agency (IAEA) of its intentions to build a nuclear reactor. In December 2000, U Taung called for Russian assistance in building a 10-15 The Bear in the Golden Land: An Assessment of Russia-Myanmar Ties

MW light water nuclear reactor, and for Russian<sup>21</sup> training of Myanmar nuclear specialists during his Moscow visit.Russia's Atomstroyexport Corporation was the lead company for the project. Consequently, the Russian leadership agreed to supply the nuclear reactor in a counter-trade deal with part payment in rice, teak, and rubber, and in June 2001 a contract was drafted.<sup>22</sup> On 15 May 2002, the Russian Government issued Resolution No. 312 "on the signing of an agreement between the Government of the Russian Federation and the Government of Myanmar on cooperation in the construction of a nuclear research centre in Myanmar", instructing the Russian Ministry of Atomic energy to conduct negotiations with the authorised Myanmar agency.<sup>23</sup> In July 2002, Foreign Minister U Win Aung, accompanied by the ministers for defence, energy, industry and railways, travelled to Moscow to finalise the deal. At that time, Russian Foreign Minister Igor Ivanov described Myanmar as a 'promising partner in Asia and the Pacific region.<sup>24</sup> There have also been several stories that large numbers of Burmese have already gone to Russia for training in nuclear technology; between 200 and 300 were reported to have studied there in 2002, and an additional 328 officers were said to have departed for Moscow from Mandalay in 2003.<sup>25</sup>

However, later, the negotiations were postponed. There were a score of reasons for the same. First, there were problems regarding the finances of the project and there were speculations that Myanmar had to turn towards another self-isolated country, North Korea. Russia wanted Myanmar to pay 25 percent advance payment; whereas Myanmar was not in a position to pay 10 percent only. Second, when the IAEA delegates visited Myanmar to check the feasibility of such a project in Myanmar, they expressed serious doubts as to whether the Myanmar specialists were sufficiently qualified to operate a research reactor and also, found deficiencies in the area of safety culture and infrastructure to support such a project.<sup>26</sup> Talks regarding the nuclear cooperation again resumed in 2005 and on the basis of 2002 resolution, two countries inked another agreement to set up a nuclear research centre in Myanmar. In May 2007, Russian nuclear equipment export monopoly AtomStroyExport forged an agreement to construct a nuclear research centre in Myanmar.<sup>27</sup> Nevertheless, the talks were suspended. This time, the reason was not shaped by external determinants. Instead, the unrest in Myanmar, which was named as Saffron Revolution, was responsible for the halting of consultations.

# China Factor in Russia-Myanmar Relations

Since the collapse of the Soviet Union, Central Asia is considered as Russia's backyard. Likewise, Southeast Asia, particularly Myanmar is believed to be a strong strategic partner of China. China is Myanmar's largest source of foreign investment, arms supplier, and one of its largest trading partners. Russia is Myanmar's second most important strategic partner after China and Moscow needs to think carefully about its next steps if it wants to preserve that status.<sup>28</sup> Myanmar, a country sitting at the tri-junction of South, Southeast and East Asia, holds immense importance in many countries' strategic calculations.

As of now, the Russia-Myanmar bilateral relationship centres on military-technical cooperation. Intriguingly, while Russia's position in the country is strong, China is the biggest rival of Russia in Myanmar. In fact, China's position is much stronger than that of Russia. The only point of leverage for Russia is the quality of its defence equipments. Many a time, Myanmar has chosen Russian aircrafts and arms over the Chinese because Russian arms and aircrafts are much more reliable. For instance, in 2009, Myanmar chose Russia's MiG-29 over China's ultra-modern J-10 and FC-1 fighters.<sup>29</sup>

Defence relations between Myanmar and Russia have grown steadily over the past decade, but are not as robust as with China, which has provided US\$1.6 billion worth of military hardware since 1989. However, Moscow is an important option that Naypyidaw is turning to.<sup>30</sup> Unlike China, which dominates infrastructure building in Myanmar, its cumulative investment since 1988 touched US\$9.6 billion in January 2011, Russia is yet to embark on any major project in this country.<sup>31</sup> The only Russian company now involved in a large project in Myanmar is *Tyazhpromexport*, which is building an ironworks in the country. In addition, Moscow has won a contract to build a metro system in Naypyidaw.<sup>32</sup>

# Conclusion

Needless to say, Myanmar is all set to witness a new phase in its domestic politics and foreign policy; after half a century of self-imposed isolation, it is opening up to global concerns on issues of human and individual rights.<sup>33</sup> With the opening up of Myanmar, given that the US is still a cautious friend for Myanmar, Russia is endeavouring to expand its influence in the country. After the lifting of sanctions of the US, Russia is also attempting

THE BEAR IN THE GOLDEN LAND: AN ASSESSMENT OF RUSSIA-MYANMAR TIES

to enhance cooperation with Myanmar in the field of oil and gas. Another positive development for Russia is that while Myanmar's dependence on China is immense, Myanmar is endeavouring to reduce its overdependence on China, and in the process it is desperately looking for new partners. Hence, while it cannot be denied that China still dominates the scene in Myanmar, Russia stands a fair chance in terms of engaging the new Myanmar.Ĥowever, what is kept to be in mind is that Myanmar which is a country with immense potential and huge mineral resources is opening up its economy for other countries as well. In such a situation, Russia needs to play its cards wisely.

There are a few areas where the two countries could work together to strengthen economic and political cooperation. Therefore, Russia's strategy should be to help Myanmar remain an independent actor rather than becoming a satellite of another major power.<sup>34</sup> So far as Russia-Myanmar bilateral relations are concerned, the most developed area of their cooperation is defence sector. What Russia needs to do is to step up its defence cooperation with Myanmar. Additionally, the trade volume between Russia and Myanmar is still minimal; a boost needs to be given to their trade volume. Apart from the traditional areas of cooperation, new avenues are required to be explored. In that regard, Russia-Myanmar oil exploration activities might prove to be a stepping-stone for their bilateral relations.

#### References

- 1. Leszek Buszynski, "Russia and Southeast Asia: A New Relationship". *Contemporary Southeast Asia,* Vol. 28, No. 2, 2006, pp. 276-96.
- 2. Svetlana Klyuchanskaya, "Russia and Southeast Asia: Cooperation in Strategic Areas", *Security Index*, 2011, Vol. 17, No. 1, pp. 37-52.
- 3. ASEAN-Russia Dialogue Relations, http://www.asean.org/news/item/ asean-russia-dialogue-relations-2
- 4. Leszek Buszynski, *Soviet Foreign Policy and Southeast Asia*.London, Croom Helm, 1986. p. 18.
- Geoffrey Jukes, *The Soviet Union in Asia*. California, University of California Press, 1976. p. 254.
- 6. Embassy of the Russian Federation in the Union of Myanmar, http://www.myanmar.mid.ru/
- 7. Richard Butwell, *U Nu of Burma*. Stanford, University of California Press, 1963. p. 186.
- 8. Donald M. Seekins, *Historical Dictionary of Burma(Myanmar)*. Maryland, Scarecrow Press, 2006. p. 384.
- 9. Stephen McCarthy, "Burma and ASEAN: A Marriage of Convenience", in Lowell

Rohit Kumar Mishra

Dittmer (ed.), Burma or Myanmar?: The Struggle for National Identity.Singapore, World Scientific Publishing, 2010. pp. 327-362.

- 11. Ian Storey, Southeast Asia and the Rise of Chin.Oxon, Routledge, 2011. p. 155.
- 12. Michael F. Martin, "U.S. Sanctions on Burma", *Congressional Research Service*, p. 1.
- 13. Ian Storey, *Southeast Asia and the Rise of China*. Oxon, Routledge, 2011. p. 156. 14. *Ibid*.
- 15. Security Council Fails to Adopt Draft Resolution on Myanmar Owing to Negative Votes by China, Russian Federation, http://www.un.org/News/Press/docs/ 2007/sc8939.doc.htm
- 16. Ian Storey. p. 155.
- 17. Maria Teploukhova, "Russia and Internatioanl Organisations in the Asia-Pacific: Agenda for the Russian Far East, *Security Index*, 2010, Vol. 16, No. 2, pp. 77-87.
- Sudha Ramchandran, "Russia Targets China's Clout in Myanmar", Asia Times Online, 8 November 2011 at http://www.atimes.com/atimes/South\_Asia/ MK08Df01.html (accessed on 22 April 2014).
- 19. Amnesty International, *Myanmar Needs a Comprehensive International Arms Embargos*, September 2007, p. 3.
- Andrew Selth, "Burma and Nuclear Proliferation: Policies and Perceptions," Regional Outlook Paper, 2007, No. 12, p.10, Bhttp://www.griffith.edu.au/ \_\_data/assets/pdf\_file/0015/18240/regional-outlook-volume-12.pdf\_, last accessed 10 October 2011.
- 21. Leszek Buszynski, "Russia and Southeast Asia: A New Relationship", *Contemporary Southeast Asia*, Vol. 28, No. 2, 2006, pp. 276-96.
- 22. Ibid.
- 23. Anton Khlopkov and Dmitry Konukhov, "Russia, Myanmar and Nuclear Technologies". Center for Energy and Security Studies, 29 June 2011.
- 24. Bertil Lintner, 'Burma joins the nuclear club'. *Far Eastern Economic Review*, 27 December 2001 3 January 2002, p. 26.
- 25. Andrew Stealth, "Burma and Nuclear Proliferation: Policies and Perception". *Regional Outlook Griffith Asia Institute*, p. 9.
- 26. Anton Khlopkov and Dmitry Konukhov, "Russia, Myanmar and Nuclear Technologies". *Center for Energy and Security Studies*, 29 June 2011.
- 27. "Why Russia's Mum on Myanmar", 10 October 2007 at http:// www.atimes.com/atimes/Southeast\_Asia/IJ10Ae02.html (accessed on 20 April 2014).
- 28. Vladimir Orlov, "Don't Miss a Tiger Waking Up". *Security Index*, Vol. 18, No. 2, 2012, pp. 1-4.
- "Russia to Sell 20 MiG-29 Fighters to Burma". *The Irrawaddy*, 23 December 2009, at http://www2.irrawaddy.org/article.php?art\_id=17453 (accessed on 22 April 2014)
- Sudha Ramchandran, "Russia Targets China's Clout in Myanmar". Asia Times Online, 8 November 2011 at http://www.atimes.com/atimes/South\_Asia/ MK08Df01.html (accessed on 22 April 2014).
- 31. Ibid
- 32. Vladimir Orlov, "Don't Miss a Tiger Waking Up". *Security Index*, Vol. 18, No. 2, 2012, pp. 1-4.
- 33. Rahul Mishra, "Road Ahead for Myanmar". The Indian Express, 23 January

<sup>10.</sup> *Ibid*.

THE BEAR IN THE GOLDEN LAND: AN ASSESSMENT OF RUSSIA-MYANMAR TIES

2012 at http://indianexpress.com/article/opinion/columns/road-ahead-for-

<sup>myanmar/ (accessed on 23 January 2014).
34. "Myanmar in ASEAN: Regional Problems and Russian Interests".</sup> *Security Index*, Vol. 18, No. 2, 2012, pp. 55-75.

HIMALAYAN AND CENTRAL ASIAN STUDIES is a quarterly Journal published by the Himalayan Research and Cultural Foundation, which is a non-governmental, non-profit research, cultural and development facilitative organisation. The Journal is devoted to the study of various issues pertaining to the Himalayan and trans-Himalayan region in South and Central Asia or parts thereof, connected with its environment, resources, history, art and culture, language and literature, demography, social structures, communication, tourism, regional development, governance, human rights, geopolitics etc.

While the principal concern of the Journal is on its focal area, i.e., from Afghanistan to Mayanmar including the Central Asian states of Uzbekistan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, China, Mongolia, Nepal, Bhutan and the Indian Himalayan States of Jammu and Kashmir, Himachal Pradesh, Sikkim, Uttarakhand and North East states; papers with a broad sweep addressing environmental, social, cultural, economic, geopolitical and human rights issues are also welcomed.

The objective is to make a scientific appraisal of the issues confronting the Himalayan and adjoining region in South and Central Asia or parts thereof, and to make specific policy oriented studies and need based recommendations as the means to promote the human, educational and economic advancement of the peoples of the region besides preserving and enriching their ethno-cultural, literary and historical heritage. Promotion of human rights, social justice, peace, harmony and national integration are the other key areas in which the Himalayan Research and Cultural Foundation has been active.

# CONTRIBUTIONS FOR PUBLICATION AND ANY ENQUIRIES SHOULD BE ADDRESSED TO :

Prof. K. WARIKOO

*Editor and Secretary General* Himalayan Research and Cultural Foundation B-6/86, Safdarjung Enclave New Delhi - 110029 (India)

Tel. : 0091-11-26742763, 0091-11-41651969

Fax : 0091-11-26742843

E-mail: kwarikoo@gmail.com

Website: www.himalayanresearch.org

Books for review should be sent to the same address.

## Registered with the Registrar of Newspapers R.No. 67256/97





HIMALAYAN RESEARCH AND CULTURAL FOUNDATION B-6/86, Safdarjung Enclave, New Delhi-110029 (India) Tele:0091-11-26742763,0091-11-41651969, Fax:0091-11-26742843 E-mail: kwarikoo@gmail.com Website: www.himalayanresearch.org