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Myanmar's Transition to Democracy: Challenges Ahead

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Myanmar's Transition to Democracy: Challenges Ahead

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Myanmar's history has been intertwined with the issues of postcolonial state building since it gained independence from British colonialism in January 1948. The policies and administration pursued by the British proved instrumental in deterioration of contact and cooperation between the diverse ethnic peoples of Myanmar while ethnic conflict was fostered. The historical struggles of ethnic minorities for recognition and representation are vital to understanding the current transition to democracy and struggles for legitimacy in Myanmar.

Undoubtedly, the initial phase of independent Myanmar, following the assassination of General Aung San on the eve of independence, was characterized by unstable but occasionally democratic governments punctuated by interventions by the Myanmar military. The last significant bid for democracy ended, however, following a military coup by General Ne Win on 2 March 1962.<sup>2</sup> The new military ruler led the country, first under his Revolutionary Council and then under his Burma Socialist Programme Party (BSPP), into a 26-year era of isolation following his 'Burmese way to socialism', an admixture of Buddhist, Marxist and nationalist principles that ethnic minorities in the country interpreted as 'Burmanization', which saw Myanmar decline "from a country once regarded as amongst the most fertile and mineral rich in Asia to one of the world's 10 poorest nations."<sup>3</sup>

Escalation of violence in the wake of student-led protests over shortages of essential goods and spiralling rice prices in March 1988 resulted in a brutal crackdown and the deteriorating security situation led Genl. Ne Win to resign in July 1988 and concurrently the situation also spurred stepping-up of protests across the country demanding a return to multi-party democracy. The new military leadership that emerged on scene imposed martial law in the capital and it was followed by a call for a general strike and a mass demonstration on 8 August 1988, which resulted in a draconian and brutal crackdown. The subsequent period was characterized by change of military leadership in Myanmar and the diverse pro-democracy movement – thenknown as 8 activists – gaining strength and confidence with increasingly popular demonstrations.

The new military leadership under the increasing influence of Lt Gen (and later General) Than Shwe seized power on 18 September 1988 to establish the State Law and Order Restoration Council (SLORC). With a view to camoflague its oppressive policies, SLORC annonced its intention to hold first multi-party national elections in Myanmar in May 1990, but there was no relaxation of martial law and many of the opposition's major leaders were still kept under arrest. After assuming that a year-long propaganda campaign had been effective, and underestimating the hatred towards the military that still existed, SLORC allowed a surprising degree of openness on Election Day, 27 May 1990. According to one opinion, after months of repression, severely restricted campaigning and harassment of candidates and political activists, during the election itself even foreign journalists were invited to cover the event and there were no reports of tampering with the voting registers.<sup>5</sup>

The voters' turnout was almost 73 percent and in the final result the National League for Democracy (NLD), led by Aung San Suu Kyi who was under house arrest, captured about 60 percent of the votes and 392 of the 485 seats (about 80 percent) contested. Most of the rest went to NLD allies from the various ethnic minorities while the military-backed National Unity Party (NUP) captured a mere 10 seats, 2 percent of the total.<sup>6</sup> SLORC's refusal to honour the results of the election despite their resounding rejection

by the people of Myanmar, was followed by arrests of many political opponents, including elected parliamentarians. Aung San Suu Kyi was kept under house arrest.

In the aftermath of the 1988 protests, a rapid expansion of the military proved instrumental in laying the foundations for the perpetuation of military rule to the present day. On 15 November 1997 SLORC reorganized itself, shifting some of its personnel and changing its name to the State Peace and Development Council (SPDC) although these changes were largely cosmetic. At that juncture the SPDC also used the 'Asian values' debate to justify their autocratic rule, contending that Western conceptions of democracy and human rights were foreign to Myanmar. General Than Shwe remained in firm control as chairman of the SPDC. In May 2008 a new constitution was accepted by referendum, in the midst of Cyclone Nargis, followed by elections held in November 2010.

The new constitution envisaged that the military would continue to play a central role in the politics of Myanmar but once democratic forces gathered momentum the military might find it difficult to maintain its position of unrivaled primacy. Nevertheless, there is little probability of improvement in the near future in the contemporary dire living conditions of most of the people of Myanmar. In December 2006 an International Crisis Group briefing suggested that independent surveys and observations showed steadily deteriorating living conditions for the large majority of the population, driven by high inflation, weakening health and education systems and a generally depressed economic environment. Besides, there were frequent reports of atrocities being perpetrated by the security forces, custodial deaths, extrajudicial killings, disappearances, rape, and torture, detention of human rights and prodemocracy activists etc. 10

With a view to provide legitimacy to their rule in Myanmar, the ruling elite of SPDC, while emphasizing on 'Asian values', also used religion and portrayal of Myanmar's leaders as devout Buddhists and presenting itself as the country's patrons of Buddhism, even if urban residents are skeptical of these gestures.<sup>11</sup> The SPDC increasingly invoked Buddhism as a unifying national force to achieve its political aims and having

appropriated Buddhism, the military projected a vision through the state-run media of a united state, sangha (monkhood) and laity as a way of disciplining the population.<sup>12</sup> In the absence of a constitution the military sponsored "lavish Buddhist rituals to legitimate its power [and then] used the authority of Buddhism to instigate and sanction mass violence to be perpetrated against 'enemies of the Burmese nation' and religious and ethnic 'others."<sup>13</sup>

While adopting the stratgy of building new monasteries and supporting pliant monks as a shrewd investment to win over the people, the Burmese military sponsored in 1999 a major restoration of the Shwedagon Pagoda in Rangoon, the most revered pagoda in the country. This measure could have enabled the military regime to gain some limited support with the Buddhist Burman and Shan peoples, but had resulted in the deterioration of relations with predominantly Christian ethnicities such as the Karen. The Karen community has split, with a Buddhist minority forming the SPDC-friendly Democratic Karen Buddhist Army (DKBA) and abandoning the Christian leadership of the KNU, leading to the loss of the headquarters at Mannerplaw in January 1995.<sup>14</sup>

The UN had designated Myanmar in 1987 as a 'least developed country' and in 2010 it still endured endemic rent seeking and corruption, with Transparency International ranking Myanmar as second worst for corruption out of 178 countries. Internationally, the West has continued to confer greater legitimacy on Aung San Suu Kyi and the NLD, which won the 1990 election, than it did on Myanmar's ruling military regime.

#### The 2010 Elections and the New Parliament

Myanmar has witnessed extremely limited opportunities for legislative activity ever since the military came to power there in 1962. Until 1988 the BSPP was the only legal political party and after SLORC came to power in 1988 it annulled the 1974 constitution and dissolved the legislature. Between 1988 and the 2010 election the military reserved all legislative and executive power for itself leaving no legislative check on the executive. <sup>17</sup> A Constitution emerged from the long running Constitution Convention but

it was one that allowed no input from the NLD or ethnic opposition movement and was, therefore, limited in scope. It was passed in a national referendum in May 2008, held in the immediate aftermath of Cyclone Nargis and elections were scheduled for 2010.<sup>18</sup>

The elections held in Myanmar on 7 November 2010 were marked by a variety of fraudulent and vote-rigging activities<sup>19</sup> and due to civil conflict there were virtually no elections in Karen State, where the military regime's legitimacy has been frequently challenged most since independence.<sup>20</sup>

Undoubtedly, the 7 November 2010 elections have brought into being a national parliament (*Pyidaungsu Hluttaw*) with a lower house (*Pyithu Hluttaw*) and an upper house (*Amyotha Hluttaw*), but numerous provisions included in the Constitution give a central role to the military in the continued running of the country: it directly appoints at least one of the two vice-presidents who may in turn be appointed president (s.60); it nominates one quarter of the seats in the national parliament (s.74) and one third in regional parliaments (s.161); and constitutional amendments are only possible with the assent of military representatives (s.436). As an expert has noted that considered together, "it is clear that the main effect of these provisions will be to entrench tatmadaw power behind a façade of democracy." <sup>21</sup>

As can be seen from Table-1 below the reserved military seats together with those of the military-backed Union Solidarity and Development Party (USDP), which is largely made up of ex-military men, comprise over 84 percent of seats in the new national parliament.

Table-1: Balance of Power in the National Legislatures

Parliament	Total	Military	USDP	NUP	NDF	Ethnic	Independent
Upper House	224	56	129	5	4	29	1
(Seats)							
%		25	57.6	2.2	1.8	12.9	0.4
Lower House	435	110	259	12	8	45	1

(Seats)							
%		25.3	59.5	28	1.8	10.3	0.2
Combined Houses	659	166	388	17	12	74	2
(Seats)							
%		25.2	58.9	2.6	1.8	11.2	0.3

**Source:** International Crisis Group (ICG), *Myanmar's Post-Election Landscape*, 7 March 2011, p. 18, Brussels: ICG, available at

http://www.crisisgroup.org/media/Files/asia/south-east-asia/burma-myanmar/B118%20Myanmar%20Post-Election%20Landscape.ashx

#### **Towards Reforms**

Over the past one year, remarkable rapid changes have taken place in Myanmar which can broadly be construed as part of a concerted effort on the part of present dispensation at the helm of affairs in Myanmar to put the country on a new path towards democracy, peace and greater prosperity. The salient reforms are briefly described below.

#### **Political Reconciliation**

In March 2011, the president of Myanmar reached out to long-time critics of the former military regime, calling upon them for putting aside differences in order to work together for the good of the country. He followed up with a series of concrete steps. During his meeting with opposition leader Aung San Suu Kyi in August 2011, the President tried to convince her of his genuine desire to bring positive change to Myanmar. In order to facilitate her return to the formal political process, along with her National League for Democracy (NLD), electoral legislation was amended to remove certain provisions. On 5 January 2012, the NLD became a legally registered political party, with Suu Kyi as its chairperson. She and other members took part in the by-elections on 1 April 2012, winning 43 out of 45 seats. Exiles were also invited to return home.

The subsequent months saw the majority of political prisoners having been released and the timing of this release was intended in part to allow imprisoned dissidents to be involved in the political process leading up to the by-elections of 1 April 2012.

The most notable example of political reconciliation is the image of Aung San Suu Kyi that is now almost omnipresent at local, national and international levels. Some of her recent broadcasts on national television contain criticism of military rule, with emphasis on further democratisation, rule of law, social justice and economic reform. Her fifteenminute party election broadcast on 14 March 2012 was aired across the country on state television and radio on 14 and 22 March respectively. A full transcript was then published in the official press the following day.<sup>22</sup> Though one paragraph was cut from her speech by the Election Commission; her speech still contained fairly strident criticism of previous governments.

## The legislatures

The legislatures in Myanmar have emerged as key drivers of change, partially due to the strong influence of the speakers – especially lower house speaker Shwe Mann, who has consolidated his reputation as a leading reformer. The priority is being accorded to legislating democratic rights and economic reforms. One of the first acts of the lower house under the new government was to pass an opposition motion, with the support of the military bloc, calling on the president to grant amnesty to political prisoners. Key pieces of legislation that have been adopted inter alia include:

- ➤ the "Law Amending the Political Parties Registration Law", enacted on 4 November 2011, which facilitated the NLD's return to the formal political process;
- ➤ the "Law Relating to Peaceful Gathering and Peaceful Procession", signed on 2 December 2011, not yet in force pending the adoption of implementing regulations. It puts in place a degree of freedom of assembly in a context where previously there had been none. Demonstrations require advance permission from

- the police, and holding of unauthorised demonstrations at-tracts criminal penalties. These restrictions have drawn some criticism from human rights groups;
- ➤ the "Labour Organisation Law", brought into force on 9 March 2012. It provides the right to strike and to form independent trades unions and employers' organisations, putting in place international-standard free-dom of association. Previously, all independent trades unions were banned. A Labour Dispute Settlement Bill was also approved by the legislature on 21 March; and
- > several amendments to commercial and tax laws have also been adopted by the legislatures, as have bills relat-ing to land management and environmental conservation.<sup>23</sup>

The tone and tenor of debates in the legislatures on draft laws and motions have in general been remarkably open and dynamic. Although the opposition parties are in minority in both houses, their motions have often been supported by members of the military bloc and the dominant Union Solidarity and Development Party (USDP). The legislatures also seem to be taking seriously their role as a check-and-balance on the executive. Government ministers are frequently questioned; bills submitted by the executive are subject to scrutiny and considerable amendment; and changes recommended by the president to bills he returns unsigned are not always adopted.

Nevertheless, the lack of experience and knowledge of most legislators, inefficient procedural rules, the very ambitious legislative agenda that is being pursued and the speed with which legislative decisions are being taken all raise profound questions about the effectiveness of law-making going forward.

#### **Granting basic freedoms**

In addition to the legislation of new laws on freedom of association and assembly, the present ruling dispensation in Myanmar has initiated a number of steps to expand freedom of expression over the last year. Restrictions on Internet sites as well as sites such as Facebook, Twitter, YouTube and many others have been lifted. Censorship of the

print media has likewise been eased. In December 2011, some 54 publications, many of them business magazines, were permitted to publish without sub-mitting their articles to the censor board in advance.<sup>24</sup> There are strong possibilities of Myanmar government scrapping the existing censor board and replacing it with a self-regulatory Press Council, as part of a new media law even before the end of 2012.

A Myanmar National Human Rights Commission has also been established by the president. Its aim is to meet the Paris Principles on national human rights institutions, although some more steps are still needed. The commission has moved quickly to carry out its functions, receiving more than 1,000 complaints in its first three months of operations, to the end of 2011. However, the commission still faces questions about its independence from government and about the extent to which it can deal with abuses by the military. It also has some resource and staff limitations.

In his address to the Union assembly on 1 March 2012, President of Myanmar outlined his government's achievements to date, as well as its plans and priorities. The speech was striking not only in the strength of the commitment ex-pressed to continue pursuing fundamental political, social and economic reform, but also for its candour, tone and language. While acknowledging that many within the country and internationally had been doubtful of his government but said that "our vigorous constitutional democratic transition ... is gaining more and more international recogni-tion." He further added that building a new nation, where genuine democracy and eternal principles flourish, there was still much more to do. He also acknowledged that words were not enough, noting that 'our people have suffered under various governments and different systems, and the people will judge our government based on its actual achievements.'

The speech appeared to make a conscious effort at inclusiveness, aiming to give everyone inside and outside of government the sense that they had a stake in the reform process. First, the president stated that credit for the changes should go to not only the government, but also all the stakeholders including political parties, civil society, members of the legislatures, the judicial pillar, the media, national race leaders, and the armed forces. He

noted that the reconciliation with the opposition, the release of prisoners and the welcoming home of exiles was part of an 'all-inclusive political process' required to build a strong new political generation for a mature democracy.

However, Myanmar society is still afflicted with various sorts of divisions do exist and the reasons may have more to do with different allegiances and competing interests, rather than a broader endorsement or rejection of the reform process – especially as it is gaining increased momentum. There seems to be a general recognition within that the changes are irreversible, and members of government see that it is not in their interests to be labelled as hardliners. This affords ample opportunity for the present dispensation to forge broader support behind the process and keep spoilers in check: "Our democracy will become firmer and firmer if we walk on this path with the resolve that there is no turning back while setting aside differences and working together on common ground."<sup>26</sup>

#### **April 2012 By-Elections**

By-elections were held for 45 vacant seats: 37 in the lower house, six in the upper house, and two in regional legislatures in Myanmar on 1 April 2012. These seats were vacated by USDP legislators who were appointed to executive positions (mostly ministers and deputy ministers), which under the constitution required them to resign their legislative seats. A total of seventeen political parties contested the by-elections, as well as seven independent candidates. The parties that contested the largest numbers were the USDP (all 45), the NLD (44), the National Unity Party (22) and the National Democratic Force (eleven). All other parties contested four or less.

Given that the number of seats at stake was a small proportion of the total, these byelections did not have the potential to shift the balance of power in the legislatures, which will continue to be dominated by the USDP. Nevertheless, the polls were very important for two reasons. First, they were seen as a concrete test of the new gov-ernment's willingness and ability to conduct free and fair elections – the 2010 elections, held under the military gov-ernment, were deeply flawed. Secondly, the by-elections represented a moment of political reconciliation, with op-position leader Aung San Suu Kyi and her NLD taking part after having boycotted the 2010 elections.

In a repeat performance of the 1990 elections the National League for Democracy (NLD) swept the polls in this by-election by winning a total of 43 out of 44 seats, it contested. The euphoria among the people and at the NLD HQ had died down and apprehensions were being aired as to whether the regime would honour the results or would it be a repeat of 1990? However, the results were accepted as the NLD is holding only a meagre 6.4% of the seats in the parliament and the regime wants the West to ease the sanctions as a quid pro quo for providing the political space for Suu Kyi and her party. The international community has hailed the conduct of the elections and has welcomed the outcome. Calls for lifting of the sanctions have been made by ASEAN and other countries.<sup>27</sup>

The by-elections held in Myanmar evoked positive international reactions.. UN Secretary-General Ban Ki-moon congratulated the people, Government and political parties of Myanmar for 'the peaceful and largely orderly' polls. The U.S. government called the elections an 'important step' in Myanmar's 'democratic transformation'. EU High Representative Catherine Ashton congratulated the Government and people of Myanmar on the conduct of the by-elections and noted that the EU would continue to support the ongoing reforms in Myanmar. ASEAN welcomed 'the fair and or-derly manner [in] which the polls were conducted' and went on to "urge the international community to consider lifting economic sanctions on Myanmar so that the people ... can enjoy better opportunities in realising their aspira-tions for peace, national reconciliation, democracy and national development.'

It is worth noting here that the international goodwill generated in the wake of ongoing process of reforms and democratization in Myanmar can only be translated into pragmatic policies if the momentum of this reform process is allowed to gain further impetus and present dispensation at helm of affairs remains steadfast in its commitment to the people of Myanmar.

#### **CHALLENGES AHEAD**

Myanmar's transition to democracy entails introduction of reforms in diverse sectors and some of these reforms have already been introduced while others are on the anvil. However, the speed and extent of reforms in Myanmar have given rise to some questions about the sustainability of the process and some key factors that could affect the viability of these reforms are briefly appraised below.

#### The Hardliners' Posture

Initiation of any reform process entails both losers as well as winners, and it is always worth consideration whether those who do not benefit might decide to push back against the changes. However, according to a recent ICG study, this threat of a reversal has probably been over-stated, for three reasons.

According to the ICG study, in the first place, although the president has been a key architect, the reforms are not being driven by a single individual. There is almost a consensus among the key power holders in the country – including the president, the speaker of the lower house and the commander-in-chief of the armed forces – that major political and economic changes are needed. There is a "pent-up desire for reform" among a majority of the ruling elite. Such broad agreement to the reform process makes any reversal much more difficult to take place. The possibility of military as a supportive institution for this reform process cannot be ruled out because many military members of the legislatures have backed reform measures in recent months.

Besides, the reform process has now moved so far, and developed such a strong momentum, that reversing it seems almost unworkable. People of Myanmar aware of the rapid changes taking place in neighbouring countries, and there is a strong desire to join the region's phe-nomenal economic progress. Now that the population has tasted reform, and the country as a whole has been infused with a powerful new sense of optimism and

expectation, it seems unlikely that any reactionary faction would have the ability, or the desire, to turn back the clock.

Another reason pointed by the ICG study is that while it is clear there are powerful individuals who stand to lose politically or economically from the changes, there is no evidence any cohesive group of "hard-liners" has emerged that could alter the country's direction. Rather than any clearly defined group, there are individuals who may have personal or political concerns about various aspects of the reform process. Not all "hardliners" will have the same view on each issue. These individuals may have the capacity to be spoilers on certain specific matters, but it is unlikely that they could or would want to challenge the broader process.

#### **Institutional Capacity**

It emerges from various ICG reports that there is a serious lack of institutional and technical capacity in Myanmar. Reversing the political direction of the country while simultaneously reforming the economy and pursuing a peace process with over a dozen separate armed groups is an enormous challenge. The public administration has very few people with the skills and vision to lead the process, with the result that a small number of individuals are faced with an enormous work-load. Inevitably, much decision-making is ad hoc and rushed, informed not by reference to any master plan – policymakers have had no time to prepare such a blueprint – but rather by the exigencies of the moment.

It is further observed that the demands on the time of senior policymakers and advisers have been exacerbated by the huge international interest in recent months. The lack of capacity at the mid-level and working-level to implement the policy decisions being taken is also a major impediment: In general, the political will to institute reforms is moving far ahead of the capacity to implement them, which acts as a brake on the process and means that ordinary people are slow to see the full impact of some of the changes.

It becomes discernible from various reports that these pressures are not likely to ease in the near future. Apart from the reform process, Myanmar is committed to two major regional events in the next couple of years: hosting the South East Asia Games in 2013 and taking on the chair-manship of the Association of South East Asian Nations (ASEAN) in 2014. These will impose an organisational burden on the administration at all levels; in addition to the organisational tasks, most of the required infrastruc-ture will have to be developed from scratch. The country is willing to take this on because these events are seen as having political importance domestically and internation-ally, symbolising Myanmar's return to the world stage. Myanmar's accession to the Economic Community that ASEAN aims to bring into existence by 2015 will also require consider-able economic, financial and commercial restructuring.

#### **Political Stability**

A stable and predictable political environment is vital for achieving economic growth. This does not appear to be a major issue in Myanmar in the short term. The president and other key reformers seem confident in the strength of their political position, and serious pushback from hardliners or the military does not appear likely. The reform process has gained much momentum, and there is increasing public support. Of course, an unpredictable event, such as the premature departure of the president, would have the potential to upset political stability.

In the medium term, the picture is less clear. President Thein Sein has indicated privately that he is not interested in a second term, probably due in part to his poor health. Irrespective of whether he changes his mind, the elections in 2015 represent a moment of considerable political uncertainty. The NLD's recent by-election landslide suggests that the massive popularity of Aung San Suu Kyi will almost certainly propel the party to victory in 2015. Her own health is somewhat in question, given that she will be 70 in that year and is showing signs of frailty. Nevertheless, a landslide in which the NLD takes the vast majority of the seats would sideline the USDP, as well as other democratic forces and ethnic parties. This is partly due to the British-style plurality (first-past-the-post)

voting system that disproportionately favours dominant parties and marginalises smaller ones.

It is not certain as to how the political elite and the military would respond to such a scenario, but it has the potential to create a political crisis. It is also unclear how the NLD would adapt to the responsibilities of government, given its lack of experience and weak policymaking capacity. This could create uncertainty on the part of the business community, which might impact on investment and growth. Aung San Suu Kyi's words of caution to potential investors at the World Economic Forum in Bangkok in May 2012, and similar comments in Europe in June, have been seen in some quarters as early indicators that her economic policies might diverge from those of the government and could impact negatively on the economic reform process.<sup>28</sup> Such a scenario could also impact on the peace processes.

The deal that is being presented to the ethnic armed groups is to give up armed struggle in return for the possibility to pursue their objectives through the political system. If an NLD landslide comes at the expense of minority ethnic representation – as the results of the recent by-elections and the 1990 elections suggest it well might – those deals might start to unravel. In the post-independence parliamentary era, prior to 1962, there had been considerable ethnic disaffection that the plurality voting system favoured large Burman parties at the expense of minority ethnic parties. Countries in transition often change their electoral system. Consideration should be given to the possibility that Myanmar would be better served during the transition by a system with greater proportional representation.

#### **Potential for Unrest**

In any process of reform, there is a risk that popular expectations rise faster than the government can meet them. This is especially the case with economic reform; job creation, better living standards and improved social service delivery inevitably take time. When expectations are not met, there can be political consequences – particularly when

longstanding authoritarian controls on the population are being simultaneously removed, allowing frustrations to come into the open.

Demonstrations for improved electricity services erupted on 20 May this year in Mandalay and spread to Yangon and some other cities. These were peaceful, and in most places were allowed to proceed unhindered by the authorities. Thegovernment issued a notice in the state press calling for public understanding.<sup>29</sup> It gave assurances that it would urgently address the situation, and there have since been regular articles in the state media detailing efforts to add generating capacity. The demonstrations ended after a few days. There have also been small protests demanding cheap mobile phones.<sup>30</sup>

These could be an indication of things to come, and it is easy to imagine how a heavy-handed response from security forces unused to and ill-equipped for non-violent crowd control could provoke an escalation. But it is not just that the expectations of a better life may fail to materialise. If economic modernisation intended to meet those expectations causes unanticipated economic shocks — such as increases in the cost of food or exchangerate appreciation impacting on agricultural profitability —there would be potential for a serious impact on standards of living. Given that a substantial proportion of the population — around 25 per cent — is living below the poverty line, and many more are surviving precariously just above it, it would not take much of a shock to have a large negative impact on livelihoods.

#### **ROLE OF THE INTERNATIONAL COMMUNITY**

In the wake of the fact that the reform process in contemporary Myanmar is being driven by internal considerations – with due emphasis on the need to rebuild the economy and reverse years of isolation – there is dire need of rebalancing external political and economic relations in the regional as well as global context. A consensus had emerged among a majority of the political elite that Myanmar's economic malaise and its skewed external relations were threatening the country's security and sovereignty. The transition to a new political order and the safe withdrawal from the scene that the present

dispensation has succeeded in orchestrating allowed for a shift in direction to meet this pent-up desire for change. Now that major change of the kind long called for is underway in contemporary Myanmar, it is inperative for the international community to help ensure success by lending its full support.

#### The West

Myanmar has been subject to economic sanctions imposed by most Western countries for many years in response to serious concerns over human rights abuses and lack of democracy. The pace and extent of reforms initially launched by Myanmar caught many Western observers by surprise and it was widely held that perceptions that had built up over decades could not be altered overnight. The dawn of general recognition in most Western capitals that major reform was underway in Myanmar was amply demonstrated by the landmark visit of U.S. Secretary of State Hillary Clinton on 30 November 2011 made this clear.<sup>31</sup> Recent ICG reports have made some suggestinos for the Western countries to assist in the Myanmar's reform process in different areas.

The Western countries can make available political support to bolster the position of those driving the reforms. It is significant in this regard that the political support is provided to the authorities in Myanmar as a whole in order to build the broadest possible consensus behind the reform process. Concomitantly, it is equally inportant to provide technical assistance and build capacity both bilaterally and through multilateral institutions. Undoubtedly, some sanctions imposed by the Western countries have been removed and those that are still in vogue need to be removed without brooking any delay because the pace of change and the extent of the reforms already implemented have removed any valid rationale for keeping sanctions in place. The NLD leader Aung San Suu Kyi during her recent visit to the United States called for an easing of US sanctions on Myanmar and targeted investment to help Myanmar shed its pariah past and crushing poverty.<sup>32</sup>

### **Regional Geopolitics**

Regional geopolitics surrounding Myanmar has undergone tremendous transformation and as Myanmar emerges from a long inward-looking period and recalibrates its external relations, its geostrategic location is assuming greater importance.<sup>33</sup> Given Myanmar's

extremely close political and economic links to China in recent years, there will be some greater distance in that relationship. India and Japan are both moving to strengthen relations. An over-reliance on China has been of growing concern to many in the Myanmar political establishment, particularly given the country's traditional foreign policy posture, which prioritised non-alignment and mul-tilateralism as a way to avoid what it saw as the risk of being overwhelmed by giant neighbours.

China has mixed feelings about Myanmar's strategic shift. While relations will inevitably not be so close as in the past, there is recognition in parts of China's foreign policy establishment that the current shift is best seen as a return to a more traditional foreign policy stance by Myan-mar and that China will remain a very important ally. It is also acknowledged that it is in the interests of both coun-tries that Myanmar develops politically and economically and has a more diversified set of external economic relations. At the same time, there are other policymakers who are concerned about U.S. intentions in the country and about the implications for China of a close strategic relationship between the U.S. and Myanmar.

Myanmar's relations with ASEAN, which it joined in 1997, are also evolving. The country was in the past often seen by the group as a source of political problems that had to be managed and as a member that damaged the reputation of the whole organisation. That has changed. Myanmar's assumption of the chairmanship in 2014 – a role that it was pushed to forego in 2006 – will be symbolic of its new status in the region. It has also committed to the ASEAN economic integration process that is expected to lead to the establishment of an ASEAN Economic Community in 2015. ASEAN has the opportunity to play an important role in shaping the transition underway in Myanmar through political support and the provision of technical advice, particularly given the experience that a number of its members have in managing political transition and economic reform.

#### **Relations with India**

After a hiatus of over two decades, India's relations with Myanmar are again warming up. In 1987, when former Prime Minister of India Rajiv Gandhi visited Myanmar, it was at the cusp of momentous change — eventually resulting in a disturbing democratic setback. Fast forwarding to the present, Prime Minister Manmohan Singh's visit, which took place between 27 and 29 May 2012, happened yet again with Myanmar on the brink of a massive transformation — though this time the change is for good with significant economic and political reforms.

Widespread enthusiasm about the success of Singh's visit is justifiable on some counts. In only three days India and Myanmar signed a dozen pacts on a range of topics including providing Myanmar with a US\$500 million line of credit, establishing a Border Area Development Program, and setting up a rice bio park.<sup>34</sup> The two nations also agreed to develop a border 'haat' (a common marketplace), a joint trade and investment forum, and cooperation between the Institute for Defence Studies and Analyses, and the Myanmar Institute of Strategic and International Studies. 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 should devise a comprehensive contingency plan for dealing with possible ethnic and refugee issues in Northeast India and Myanmar. Besides, New Delhi must keep its promises by delivering investment projects on time and engaging with both Thein Sein and Aung San Suu Kyi. The biggest challenge, however, lies in ensuring that subsequent visits are more than a homily and actually help to strengthen bilateral ties. Fast-paced implementation of promises, backed by regular bilateral meetings, will ensure India's proposed 'gateway to southeast Asia' becomes a reality.<sup>35</sup>

Some experts in India see Indian Prime Minister's recent visit to the Myanmar as the first sign that Myanmar is now rising in India's foreign policy priorities, that the earlier policy constraints of democracy and China are reduced, and that there are grounds now for

being more upbeat than previously. They argue that India's private sector is now becoming more actively engaged with Myanmar and that the Indian government decision to increase assistance considerably will reinforce this trend. Time will tell whether India-Myanmar economic relations actually take off, as hoped, but the new Myanmar government has every reason to welcome the changes.<sup>36</sup>

#### Conclusion

Myanmar has embarked on a path of remarkably rapid transition to democracy which is being followed by a slew of reform measures at policy as well as institutional levels. The present dispensation has made clear its intentions to do much more to accelerate democratic reform, rebuild the economy, promote ethnic peace, improve rule of law and heal the bitter wounds of the past.

There is a broad consensus among the political elite on the need for fundamental reform. This makes the risk of a reversal relatively low. However, the reform process faces several challenges, including a lack of technical and institutional capacity to formulate policy and implement deci-sions; rebuilding a moribund economy and meeting rising expectations for tangible improvements in living stand-ards; and consolidating peace in ethnic areas. The NLD can be expected to add further momentum to the reforms but may also alarm many in the political estab-lishment. This could expose the president to greater internal criticism and stiffen resistance to further democratic reform. Thus, a well-concerted and balanced approach needs to be followed.

The international community is called upon to play an important role in supporting reform. In addition to providing technical advice and assistance, political support for the reform effort is also crucial. Myanmar has turned away from five decades of authoritarianism and has embarked on a bold process of political, social and economic reform. Neighbouring countries, especially India and China owe special onus in making present efforts of the Myanmar government successful by providing necessary assistance and other wherewithal. Those in the West who have long called for such changes must

now do all they can to support them. It is ripe time to lift the sanctions on Myanmar without delay and failing to do so would strengthen the hand of more conservative elements in the country and undermine those who are driving the process of change

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