

Third Europe -Southeast Asia Forum

Southeast Asian Security: Challenges and Structures

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CASE STUDY: BURMA

Since the beginning of the 1990's, many states consider Burma as a "Paria -State", which constantly violates the most fundamental rules of the international community. The bloody crushing of the movement for democracy in 1988, the failure to acknowledge the election victory of the oppositional "National League for Democracy" (NLD) in 1990, the relentless persecution of political opposition of any kind and the systematic creation of an over-powerful military and intelligence apparatus led to Burma's image as an Orwellian police state, which controls every action of its citizens and sanctions every deviation with Draconian punishments.

A weak or failing state

But this first impression is only partly correct. Despite the Burmese government's attempts to act in a martial way and curtail its citizens' freedoms considerably it is not or only on a limited scale able to fulfil some of the fundamental tasks of a modern state, such as guaranteeing a monopoly of power and a reliable legal system, or promoting economic development and social welfare of its citizens.

Although the former Head of Intelligence and later Prime Minister Khin Nyunt managed to sign ceasefire-agreements with most of the ethnic groups, putting an end to many of the violent clashes between government-troops and armed ethnic minority militia, those agreements were often signed under the condition that these militia would gain extensive autonomy over the area they controlled; about 60 percent of Burma's territory. As a result,

power in these areas lies predominantly with the leaders of ethnic minorities, who gained their position through military strength and often use it for criminal activities like drug-trafficking. Despite these extensive concessions by the government, no such agreement could be reached with the Karen and the Shan, the two largest ethnic minorities in terms of population. Moreover, there has been a flaring up of friction between the cease-fire groups and the government in Rangoon after Khin Nyunt was removed from his Prime Ministerial office.

The Military government is keen to point out the rate of economic growth, which according to official figures lies between 5 and 6 percent. But as this growth is largely achieved through extractive businesses like gem mining, logging etc., it should not be confused with economic development. A large part of Burma's population still lives under the conditions of a subsistence-economy. Bad weather or indeed natural catastrophes therefore quickly result in regional famines and epidemics.

The investments necessary to build up a modern economic sector and to create new jobs are lacking. All the western donors as well as Australia and Japan have stopped their Official Development Aid (ODA). Foreign Direct Investments (FDI), which flew fairly generously in the first half of the 1990's, decreased dramatically after the Asian Crisis in 1997 since most of Burma's FDI came from Asian countries severely hit by the crisis. FDI from industrialized countries also went down to zero because of investment sanctions imposed by the US in 1996, and the lack in legal security which scared off foreign investors, particularly as most of Burma's neighbours offered rather more attractive conditions and better infrastructures. Investments by the state can not fill this gap. Because of its utterly inefficient taxation system, Burma's revenue comes to little more than 6 percent of its GDP. More than 40 percent of this already small amount is being spent on the military budget; only 4 percent on education, teaching and medical services.

Security-challenges

Due to the desolate economic situation, many Burmese have no other option than getting involved in all kinds of illegal transactions, which often challenge the security of their neighbouring countries and the region as a whole. For large parts of the male population, joining the army or the militia groups of ethnic minorities is their only chance of social

improvement or indeed making a living. However, all these armed groups are usually not so much engaged in military activity, as in trans-national criminal activities or the protection thereof.

Drug-trafficking is still the most important trade in this context. Whilst ten years ago most of the Opium or Heroin produced in Burma was sold in the USA and Europe, today the neighbouring countries of Thailand, China and even India are the main consumers. Although there have been evident improvements in the reduction of Opium-cultivation during the last five years, the quantity of Burma's drug-export has not decreased as synthetic drugs, which are far easier to produce and far more difficult to control, have replaced Opium.

Next to drug-trafficking, human trafficking as work- or sex-slaves particularly to China has reached alarming proportions. Closely connected is the enormous increase in prostitution along the transit routes to China and Thailand, which have led to an enormous increase in HIV/Aids-infections in Burma and its neighbouring countries.

As these operations are extremely profitable, there are enough funds available to bribe police and customs officials on both sides of the border leading to an undermining or even dismantling of large parts of governmental control in the regions along the border. Time and time again, violent conflicts still ensue particularly at the rather insufficiently demarcated border to Thailand, when armed Burmese troops advance into Thailand and Thai troops don't stop at the border while pursuing the enemy. After he took office in 2001, Thailand's Prime Minister Thaksin declared that he would solve these problems through personal talks with the leadership in Rangoon. However his "War on Drugs" initiated in the spring of 2003 has led to new tensions in the border regions.

Confronted with poverty, political oppression, and life threatening military conflicts, many Burmese have taken refuge in comparatively rich Thailand. More than 200 000 people live in camps along the border, about half a million seek refuge and a livelihood in the neighbouring country as migrant workers. As they usually don't have a secured residence status or even a work permit, not only form a submissive workforce for hard and badly paid jobs but also, - nolens / volens – for criminal activities, which Prime Minister Thaksin aims to eliminate through his "War on Drugs" and his "War on Dark Forces".

In the long term the biggest security risk for Burma and its neighbours is the inability of Burma's military government as well as that of other political forces to initiate a process heading to reconciliation between Burma's diverse ethnicities as well as between the government and the opposition. As long as there is no sustainable governmental system accepted by the majority, there is a danger of the regime imploding. This would inevitably lead to a multitude of armed conflicts in which ethnic problems and material interests would fatally mix and intensify. Such a balkanisation of the country would invariably have spill-over effects into neighbouring countries, as the ethnic territories do not adhere to formal national borders. A sudden collapse of the military and police apparatus which currently seems so over-powerful might look unrealistic, but the experience of the last 15 years has shown that hierarchical systems, focused on a few power-holders are in the end very fragile.

Counter-strategies of the international community

To avoid this worst-case scenario and to hedge Burma's security risks, two strategies were developed on an international level aimed at motivating the government in Rangoon to change its policy. When the election result was ignored and a military dictatorship established, the US and the Western orientated industrialized countries reacted with economic and political sanctions. At first developmental co-operation was terminated and all loans of international financing institutions were cancelled. Trade with Burma was no longer secured by state guarantees, the US actually went one step further by issuing a ban on investment in 1996 and imposing a trade embargo in 2003. Economic sanctions were replenished with political sanctions. Leading representatives of the military junta and their family-members were refused entry to the US and the EU. Their personal assets in the US and the EU were frozen. A loosening of these sanctions was offered under the condition that the government would lift the house arrest on opposition leader Aung San Suu Kyi and grant the opposition more political rights.

In contrast, the ASEAN-states developed a policy of "constructive engagement", which was based on their core-principles of: Non-interference, non-discrimination and consensus. This policy aimed to develop a relationship of trust with Burma's government through patient dialogue. It attempted to convince the government in Rangoon that it would be in its own interest to accept the opposition as a legitimate political force and thereby

shaping Burma's political future together. In spite of explicit criticism by the US and the EU, Burma was admitted into ASEAN, whilst Cambodia was initially refused membership because of Hun Sen's coup d'état in 1997. The UN- secretary general supported this policy of "constructive engagement" by appointing the Malaysian senior diplomat Ismail Razali as Special Representative for Burma. After one and a half years of negotiations Razali succeeded in lifting Aung San Suu Kyi's house arrest in May 2002. Furthermore Aung San Suu Kyi received permission to travel across the country and open offices of the NLD- which by now had been afforded some leeway - in various parts of the country.

Failure of the counterstrategies

In retrospect both approaches, the sanction strategy as well as the strategy of constructive engagement, must be regarded as having failed. After initial gestures of reconciliation, the government refused to engage in the promised substantial dialogue. Instead, it initiated another bloody incident in May 2003, whereupon the opposition leader was again put under house arrest, the recently opened offices of the NLD were closed down and their leading members arrested. In the autumn of 2004 all members of the government which had shown any willingness to talk to the opposition and foreign countries, were removed from office. The first to go was Foreign Minister Win Aung who had to leave office on the 18th September, followed by Prime Minister Khin Nyunt who in his role as the head of National Intelligence Bureau (NIB) had negotiated the cease-fire-agreements with the ethnic minorities. The economic enterprises controlled by him and his entourage were expropriated and many of his aides and followers arrested, whilst his opponents were promoted to key government posts.

What are the reasons for this failure? The policy of sanctions does not take into account that the economic basis of the military is relatively strong. They still have a sufficient amount of natural resources available, which can be sold abroad. The PR of China is a generous ally, supplying its neighbour with all necessary goods and soft loans. Moreover, Rangoon managed to improve its relations with India and also Russia during the last years. Cleverly using the differences between these three countries to their advantage, the Burmese military obtained a high degree of support from all three sides. From an international point of

view, the means available might seem rather limited, but in a country as poor and under-developed as Burma, fairly small amounts and modest privileges suffice to secure power.

On a political level, the policy of sanctions was used by the military government to legitimise its own power. Appealing to nationalistic views by asking the population to defend itself against this “neo-colonialist interference” bore fruits even amongst those who usually have a more critical view of the government. In reverse, the opposition was robbed of any political legitimacy by being vilified as stooges of the “neo-colonial forces”. Of course the sanctions also provided a welcome excuse to cover up the government’s own deficiencies and to blame the sanctions for desolate life conditions. All in all, the sanctions only helped to secure existing power-structures instead of strengthening the forces which could bring about change in economic, social and political conditions.

The policy of “constructive engagement” rightly assumed that change can only be brought about by getting involved locally and seeking dialogue with those who are responsible. However, the principle of “constructive engagement” stands in irreconcilable contrast to ASEAN’s core principle of non-interference with internal affairs, which the new members Vietnam, Laos and Cambodia feel particularly strongly about. Instead of a broad engagement on a humanitarian, social, political and economic level, political talks were held on a very high level, which lacked teeth because of the principle of non-interference. On the other hand the Rangoon government could insist on ASEAN’s solidarity against political pressures from the US and the EU on the basis of this principle.

Elements of a new strategy

Essentially the question we have to pose is the same as in so many other Third world countries: which measures should and could be taken from outside, by the international community to transform and stabilise a failing state? There are a number of different answers to this question, but no panacea. I suggest that the following three points are the decisive factors:

1. Further intensification of security risks emanating from Burma are not in China’s, India’s or the ASEAN’s interest or in the interest of the USA or the EU. It should therefore be

possible to identify common interests and basic principles for a policy towards Burma shared by all directly and indirectly concerned nations. Such a common platform, particularly if elaborated within an UN-framework, would carry a greater weight in Rangoon than the vastly differing positions, which the military government is used to playing off against each other.

2. The sanction policy as well as the policy of “constructive engagement” has focused too much on certain political preconditions predominantly lifting the house-arrest of Aung San Suu Kyi and paid too little attention to Burma’s socio-economic basis. But social and political change requires an improvement of material conditions and a change in economical power structures, motivating and enabling the agents of the desired transformation to develop initiatives and to expand their room of manoeuvre.
3. A sudden collapse of the current system would probably lead to a multitude of armed conflicts, motivated by ethnic conflicts and conflicts about material resources. In all attempts at reform it should therefore be emphasised that the goal is predominantly a transformation and not an abolition of existing governmental- and administrative structures. Change will not be possible without the support of a large number of those who hold responsibility today and their co-operation will only be obtained through attractive personal perspectives for their future.

Although the new Burmese government has repeatedly declared that it will proceed with the political agenda set by the former Prime Minister Khin Nyunt, the development of the last months gives little reason for optimism. The chances of a successful engagement of the international community and a peaceful transformation of the country seem slimmer than just two years ago. But a mere continuation of the sanction policy or of ASEAN’s “constructive-engagement-policy” promises only three possible scenarios. Firstly, things will continue as before and the economic and social situation of the country will further deteriorate. Secondly, a collapse of the current regime, which will entail a multitude of armed conflicts caused by ethnic conflicts and rivalry over material resources and economic interests, comparable to the developments in the Balkans after the dissolution of Yugoslavia. Thirdly, a scenario à la North-Korea, i.e. a regime procuring nuclear weapons and blackmailing the international community for large concessions. All three scenarios would constitute much greater security challenges than the current situation.