Supporting Democratic and Peaceful Change in Burma/Myanmar

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ABOUT THE CRISIS MANAGEMENT INITIATIVE

Crisis Management Initiative, a Finnish independent non-profit organization, works to resolve conflict and to build sustainable peace by engaging people and communities affected by violence. CMI was founded in 2000 by its Chairman President Martti Ahtisaari. The headquarters of the organisation are in Helsinki, Finland.

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On November 7, 2010, Burma/Myanmar will organize its first parliamentary elections since 1990. The significance of the elections stems from the controversial constitution on which they are based and which involves a complete reconfiguration of the political structure. It establishes a presidential system of government with a bicameral legislature as well as fourteen regional governments and assemblies – the most wide-ranging change in a generation.

The purpose of this report, financed by the Ministry for Foreign Affairs of Finland from the Crisis Management Initiative (CMI), is to examine the political situation Burma/Myanmar at a time when the country is facing a unique moment. It provides analysis of the pre-election political situation and identifies opportunities for further engagement by the international community in the post-election period with the aim of supporting democratic and peaceful change in the country, including dialogue and reconciliation with the leadership of the Myanmar government.

The report starts with an analysis of the current political context in which the November elections will be organized, highlighting the key sources of societal and political conflict. Second, the report looks at the preparations for the election, paying special attention to both the shortcomings of the process during the campaigning period and issues to watch out for on election day. Then the report surveys the positions of both internal and external actors regarding the elections, and how they can influence the process. The final chapter gathers the key findings and provides recommendations on how to constructively support conflict prevention, democracy and the improvement of government policies in Burma/Myanmar.

The international community and all political groups in Burma/Myanmar face major challenges in how to respond to the November elections. So far the response has been highly fractured. However, the current situation should not be viewed too pessimistically. Obstacles for change must be recognized. Pessimism fuels apathy; and apathy will result in the missing of opportunities for progress.

Despite the very obvious flaws in the election process, the generational transition and the transition within the political system (due to the elections themselves and any possible protests over their fairness) can offer genuine opportunities

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1 In 1989, the military government changed the name of the country from Burma to the Union of Myanmar. This name has not been universally recognized. In this report when referring to the government of the country “Myanmar government” is being used. When referring to the country as such, the report uses Burma/Myanmar.
both in the short run as well as in the longer term. New political landscape will emerge, giving rise to opportunities to push for change, as well as a new set of challenges. Incremental political change is possible; it is also the most likely scenario for Burma/Myanmar. The November elections are a step forward in this process. After a generation without elections this is a crucial learning and training period for the political parties on how to represent citizens’ interests, how to campaign and act as a part of a political system. Above all, this will prepare ground for more meaningful elections in 2015.

2 CURRENT SITUATION

Burma/Myanmar has been ruled by a military government in one form or another since 1962. After decades of insurgency and military rule, Burma/Myanmar’s political and economic challenges are manifold. For more than half a century, democratic and ethnic crises have fueled each other, creating a vicious, self-reinforcing and self-sustaining cycle. The fighting has polarized society and caused a systematic redistribution of power and wealth in favor of those who control the guns. Normal public administration and the rule of law have broken down contributing to a system that normalizes violence and human rights abuses. At the same time, continued violence and poor governance have sustained political discontent.

The Myanmar government’s obsession with security and reliance on military responses to security issues has resulted in an approach to governance that neglects development. The energetic focus on development of most other East and Southeast Asian governments has not been shared by the Myanmar government. As a result there has been a drastic decline in nearly all aspects of development. Due to the neglect of economic grievances and development interests, Burma/Myanmar has not experienced the decline in conflict casualties that has characterized East and Southeast Asia since the Vietnam War. Sustained political violence and the neglect of development have long underpinned Burma/Myanmar’s economic decline and humanitarian emergency. In short, the life of the average Burmese/Myanmarese citizen is nasty, brutish and short; characterized by grinding poverty, declining health standards, and abysmal humanitarian conditions.

In recent years, the political and socioeconomic conditions inside Burma/Myanmar have steadily deteriorated. During the last three years the country has faced a number of dramatic humanitarian and political incidents. In August and September 2007 the largest demonstrations in nearly 20 years broke out in cities across the country, triggered by a 500% rise in fuel prices. The protest movement expanded to include thousands of Buddhist monks and nuns, with public support. This ‘Saffron Revolution’ was brutally repressed. In May 2008
Cyclone Nargis hit the Irrawaddy Delta with tragic consequences; 138,366 people died or went missing and another 2.4 million people were severely affected. Almost 95 percent of houses were destroyed or damaged in the Irrawaddy Delta.\textsuperscript{2}

Burma/Myanmar’s political and economic problems are closely interlinked, and neither problem can be treated in isolation. As Daw Seng Raw, Director of the Metta Foundation, noted “it seems that certain sectors of the international community have the fixed idea that none of the country’s deep problems, including ethnic minority issues, can be addressed until there is an over-arching political solution based upon developments in the capital.”\textsuperscript{3}

2.1 STATE OF DEMOCRACY

Burma/Myanmar is ruled by the State Peace and Development Council (SPDC), a body composed of a clique of military leaders. Through the SPDC, these military leaders exercise control of the central government using a system of subordinate executive bodies and regional military commanders. The SPDC maintains strict authoritarian rule over the populace through intimidation by a pervasive security apparatus, a military-led system of economic patronage, strict censorship, repression of individual rights, and suppression of ethnic minority groups.

Today, Burma/Myanmar is one of the least democratic countries in the world.\textsuperscript{4} The country has not held an election since 1990; and according to Freedom House Burma/Myanmar ranks in the lowest categories of freedom of political right and civil liberties. Human rights violations are rampant and individuals are frequently imprisoned for expressing their political views. The country has about 43 prisons to house political prisoners, and there are over 50 hard-labor camps in the country.\textsuperscript{5} Nor is this authoritarian trend improving. A 2009 Human Rights Watch report estimates that there are over 2100 political prisoners currently in the country—more than double the number of early 2006.\textsuperscript{6}

The poor state of democracy in Burma/Myanmar is compounded by widespread corruption and economic mismanagement by the military government. Both at the


\textsuperscript{3} Seng Raw: Views from Myanmar; an Ethnic Minority Perspective, pp 160-161;


\textsuperscript{5} The only countries faring worse than Burma are Qatar, Saudi Arabia, North Korea, Swaziland, Turkmenistan and Uzbekistan. Polity IV Project: Political Regime Characteristics and Transitions, 1800-2008. Available at http://www.cidcm.umd.edu/polity/data/showFiles.asp

\textsuperscript{6} Freedom House 2010

national and local levels, the lack of transparency and accountability encourages corruption. The country ranked 178 out of 180 countries surveyed in Transparency International’s 2009 Corruption Perceptions Index, indicating the perceived level of public-sector corruption in a country.

In 2003, Burma/Myanmar’s military government introduced its own plan for democratic and political development in the country. Prime Minister Khin Nyunt announced a "Seven-Step Roadmap to Democracy." The steps are as follows:

1. Reconvene the National Convention (adjourned in 1996).
2. Step-by-step implementation of the process necessary for the emergence of a genuine and disciplined democratic system.
3. Draft a new constitution based on the principles set by the National Convention.
4. Adopt the constitution via a national referendum.
5. Hold free and fair elections to constitute a national legislative assembly based in accordance with the new constitution.
6. Convene the new national legislative assembly.
7. Build a modern, developed, and democratic nation.

Between 2004 and 2008, the SPDC decisively implemented the first three steps of the roadmap, despite significant domestic and international opposition, that felt that the roadmap was a fraudulent attempt to legitimate the government. In 2004, the National Convention was reconvened, after an eight-year break caused, at least partly, by a National League for Democracy (NLD) walkout in response to a SPDC crackdown in September 1996. Despite a continued NLD boycott, the National Convention completed the second step of the roadmap in September 2007. In February 2008, the SPDC announced that the drafting of the new constitution was completed and the referendum is to be held in May 2008. Later in May the government duly announced that the new constitution was approved by 92.4% of voters. The forthcoming November elections represent the fifth step of this roadmap.

The pro-democracy movement in Burma/Myanmar no longer is solely composed of the National League for Democracy, even if the whole array of opposition is not well-known outside of the country. In addition to the NLD and the National Coalition Government of Burma (the exile 1990 government, NCGUB), prominent democracy organizations include the 88 Generation Students, the All-Burma Monks Alliance, the All-Burma

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8 In October 2004 Khin Nyunt was arrested and placed under custody, by the order of General Than Shwe. In July 2005 he was sentenced to 44 years in prison (or house arrest in practice), based on the corruption allegations
Federation of Student Unions, the Forum for Democracy in Burma and the Free Trade Unions of Burma, along with a host of new groups established in the aftermath of the Saffron Revolution.

There is also an informal network of mainly intellectuals and businessmen, who have rejected the activist stand, otherwise associated with the democracy movement, in favor of efforts to affect change from within the system (the so-called “Third Force”). Many of the ethnic nationalist groups are also explicitly committed to democracy, as is the National Council of the Union of Burma, which is an umbrella group of democracy and ethnic nationalist organizations, but is dominated by the ethnic armed groups.10

The forthcoming elections have brought new players into the arena of politics. One of these is the Democratic Party – Myanmar, established by Mya Than Than Nu, Nay Ye Ba Swe, and U Nu (the first two being daughters of former Burmese Prime Ministers). Another such group is the National Democratic Force (NDF), a splinter group of the NLD. Whether these new groups will actually have an impact in the elections remains to be seen. However, many people interviewed for this report did not believe that the NDF will inherit pro-democracy votes from the NLD.11

In general, the concept of ‘democracy’ is very attractive in these elections: 13 parties out of the 37 contesting have the word ”democracy” in the party’s name. In addition, the names of older pro-democracy parties are being used, probably to create deliberate confusion. One notable case is that of the New 88-Generation Students and Youth Organization, a pro-government group set-up to counter the influential dissident group with an almost identical name, the 88 Generation Students Group.

The pro-democracy movement has been divided in their reactions to the November elections. The positions of the democratic opposition and ethnic parties will be discussed in further detail in Chapter 4.1.

2.2 ETHNICITY AND CONFLICT

Out of a total population of 53 million in Burma/Myanmar, around two-thirds are of the Burman ethnicity (also called Bamar). The remaining third consists of various ethnic groups, based mainly in Burma/Myanmar’s border regions.

10 Kivimäki, Timo & Pedersen, Morten B: Burma: Mapping the challenges and opportunities for dialogue reconciliation; a report by CMF/Martti Ahtisaari Rapid Reaction Facility, Helsinki 2008
11 Many NLD members, including Aung San Suu Kyi, have criticised strongly NDF for participating the elections.
The most fundamental grievance of ethnic minorities in Burma/Myanmar is their lack of influence on and in the political process and thus on decisions affecting their lives. Like society at large, ethnic minorities have been disenfranchised by the strongly centralized military state that regards them with intense suspicion. However, minorities have felt the loss of political and economic power even more acutely than the majority population. Both the Government and the officer corps are overwhelmingly Burman in make-up, and widely perceive non-Burmans as a ‘foreign’ force. The existence of these non-Burman ethnic minorities is at odds with the military government’s vision of a homogeneous Burman-Buddhist culture, the Union of Myanmar. Ethnic nationalities face discrimination and have openly accused successive governments of a deliberate policy of “Burmanization.” They argue that they are not only marginalized economically, but also that their social, cultural, and religious rights are being suppressed.

Partly through the government’s own making, ethnicity has become highly relevant in the country’s politics and security. Due to the lack of state legitimacy, people have turned to their ethnic groups for public goods, including security. This has led to the arming of ethnic groups and the emergence of a security dilemma between groups. On the one hand, the official military force is presented as the protector of the Burman ethnicity; while on the other hand, the mobilization of other ethnic groups for their security has fragmented security: the security and strength of one ethnic group is a threat to the other groups. The end result is that there is a common enemy for ethnic minorities, the Myanmar Army, and yet there are also regular clashes between minority groups, especially between the seven larger minorities and the smaller minorities.

While global media attention is mostly focused on the conflict between the democratic opposition and the military government, by far the greatest number of lives is lost in clashes between the government and ethnic militias. Even conflicts that are ostensibly over issues of governance (e.g. between the Burmese Communist Party and the government) are often fought along ethnic lines. However, the main problem with the country’s ethnic composition is the bipolarity (not heterogeneity) that exists between the majority and the minorities. Over half of the population identify themselves with the majority ethnicity, making democracy and the protection of minorities difficult.

Ethnic heterogeneity and the perceived risk of ethnic conflict are closely tied to the Myanmar government’s justification of military primacy and the lack of democracy. An inherently conflict-prone country, the argument goes, “has to be ruled with strength and discipline” — qualities civilian democratic rule apparently lacks. While many ethnic armed groups originally fought for independence from Burma, today almost
all have accepted the Union of Myanmar as a fact and are content to seek increased local authority and equality within a new federal state structure. The military government, however, still suspects them of harboring separatist intent and views this as justification for its repressive and often brutal policies in minority areas.

The increasing strength of the Myanmar government, which has built roads and railways to transport troops to almost any part of the country, coupled with strong pressure from neighboring countries on fighting ethnic groups to make peace has reduced the overall number of casualties. As nothing has been done to tackle the grievances of the ethnic minorities, this decline does not reflect an easing of tension between the government and its ethnic opponents.

Despite the overall reduced number of casualties, over the past years major clashes have occurred between the Myanmar government and the Shan State Army South, and the Karen National Liberation Army (military wing of the Karen National Union). Other ethnic militias that have to ceasefires with the Myanmar Army, such as the Kachin Independence Organization, Karen National Liberation Army’s Peace Brigade, the Democratic Karen Buddhist Army 5th Brigade, and the New Mon State Party have all been subjected to several ultimatums to join the Myanmar Army as a Border Guard Force. The Border Guard Force issue is examined in more detail in Chapter 3.3.

Tension with other ceasefire groups, such as the United Wa State Army (USWA) and the Myanmar National Democratic Alliance Army (MNDAA), has been growing throughout 2010. The prospect of an armed clash between the Myanmar Army and the USWA would be most threatening, given the 25,000 well-armed troops at the USWA’s disposal. While the Government and its military has previously respected Wa autonomy – in private military officials asses that they cannot conquer the Wa territory - this caution has been recently replaced by an overconfidence in the government’s position. Despite the strength of the USWA, and the logistical difficulties involved with the mountainous Wa territory, one military official interviewed for this report confidently stated, “we can take them.”

The international media tends to focus on the Myanmar government’s refusal to make compromises towards democracy and ethnic minority rights. However, it is when the government backtracks on earlier commitments, instead of when it has not made any, that the most violence occurs. The backtracking from a federal constitution at independence, the end of civilian government in the early 1960s, the renewal of military rule in 1988, the annulment of election results, and the conversion of the National Convention from a representative body into body whose members were primarily nominated by
the government all resulted in the intensification of fighting as the Myanmar government started to crack down on frustrated ethnic minorities and the democratic opposition.

While the uneasy relationship between majority democracy and ethnic minorities has been noted, the divisions and occasional conflict between the seven main minorities and smaller groups has not been widely recognized. Yet, this is an enormously important complication in the overall picture of conflict in Burma/Myanmar. As the military government attempts to unify the country under its own rule against hostile international actors,\textsuperscript{12} so does the democratic opposition often attempt to unify opposition movements against military government.\textsuperscript{13} Opposition unity would be useful for the battle against the government, but it is not a viable strategy in a country where ethnic minorities feel that their diverse interests should be protected. Similarly, in the call for minority rights, the main forces of the ethnic opposition have attempted to unify the ethnic opposition against unitarian pressures by outlining a federal system that recognizes the right to a state for the eight biggest ethnic groups of the country.\textsuperscript{14}

However, in a setting where the Myanmar government treats over one hundred groups in the country as separate races, it is not possible to promote ethnic rights by outlining only eight races that deserve these rights. In many cases sub-minorities feel more threatened by the decentralization of powers into ethnic states than by direct central government rule. Thus, the conflict cannot be considered triangular with the government, democrats and ethnic minorities in their respective own corners. The role played by ethnic sub-minorities, such as the Rohingya, various Shan and Chin minorities and Burman regional minorities in various ethnic states, need to be taken into account when a formula for peace is sought.\textsuperscript{15} The situation is further complicated by the fact that some of the minorities, most notably the Rohingya people, are populous enough to be relatively even in numbers in some states with the plurality ethnicity. As such, the position of these non-national ethnic groups would decline regardless of whether the country would become federal or democratic.

Ethnic rights are at the core of politics and conflict in Burma/Myanmar. In setting and defining the powers of the legislature and the judiciary in the country, the November elections are critical battleground for these rights. Ethnic rights are defined in the 2008 Constitution, and legislative and judiciary power will be important creating checks and balances to promote these rights – which many see as democratic rights.

\textsuperscript{12} Interviews of five ministers and the Secretary General of the USDA, 2006-2010.

\textsuperscript{13} Interviews of fighting and peaceful activists of the democracy movement inside and outside Burma/Myanmar, 2006-2010.

\textsuperscript{14} Interviews with fighters and activists of the seven minorities by Kivimäki, inside and outside the country 2006-2010.

\textsuperscript{15} Interviews of several Rohingya people and people from Chin sub-group in Sittwe and Nadzhi village, Rakhine state, October, 2008.
For many in the democratic opposition the elections have already been deemed a sham, and may not try as hard to pursue these rights. Yet the ethnic-national groups and parties aim to use the opportunity provided by the elections to create political space at the state level to advance their interests, particularly social, educational and cultural rights.

The contradictions between different strategies and interests have created potentially flammable divides between die-hards and moderates. These divisions are most prominent in the Myanmar Army, where officers deemed not have not taken sufficiently strong stands against ethnic militias have been arrested. Recently, there has been a convergence between die-hards and moderates, both within the government and the opposition; the opposition benefiting too from closer links to exiled opposition movements. Another noteworthy divide is the economic divide between the rich and the poor. If not addressed, it could lead to small-scale, but frequent and widespread conflicts in the near future. This divide is examined in further detail in Chapter 3.4, in the context of Burma/Myanmar’s economic setting.

Illustration 1: Conflict Divides in Burma/Myanmar:

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16 Interview material
17 From Kivimäki & Pash (2009)
2.3 ECONOMY AND HUMANITARIAN NEEDS

Even though it is relatively difficult to gather reliable and accurate data on the country’s development, it is evident that the humanitarian and economic situation in Burma/Myanmar remains grim.

One of the main humanitarian concerns in Burma/Myanmar is food security, which is seriously threatened. Despite Cyclone Nargis, investment on food security is minimal. A 2009 UN report claimed that one in ten people in Burma, more than 5 million, starve daily. In addition, the report claimed that 52 townships in Shan, Chin and Kachin states are categorized as highly vulnerable in terms of food security, and that Arakan, Chin, Kachin and Shan states and the Magwe and Irrawaddy Divisions urgently need emergency food assistance.

Burma/Myanmar was rated the last country in the world in the World Health Organization’s global ranking of the health systems. According to Save the Children, at least a third of all children suffer from malnourishment; and 132,000 children under the age of five die every year from preventable diseases.

Once relatively self-sufficient, Burma/Myanmar has become a country of constant humanitarian crises. These crises will worsen unless due attention is paid to health and educational spending. Especially combined with the lack of educational incentives, and specialized employment opportunities, the Burmese economy will be ill equipped to tackle future crises.

A key reason to the current economic and humanitarian situation is economic mismanagement by the state. The economic history of independent Burma/Myanmar has been a history of wrong decisions, starting from Ne Win’s socialist vision to the current government’s oligarchic privatization. Military expenses continually consume 30-40% of the national budget. The country’s financial sector does not work for the national good; the private sector and especially agriculture suffers from insufficient credit supplies partly because of the central bank lends extensively to the government, while the dominant state-owned banks lend to cronies.

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19 Ibid.
21 At the end of World War II, Burma was considered to have strong prospects for economic growth because of its well-educated population and abundant natural resources.
22 Interview with a university professor in Burma/Myanmar 2008
Burma/Myanmar’s economy is dominated by three features: a traditional rice-based agriculture sector that is grossly underperforming, a pipeline supplying offshore natural gas to Thailand, and a strong underground economy based on the illegal export of timber and other natural resources and narcotics. In each feature, the state plays a major role.

The energy sector is thriving and Burma/Myanmar’s export earnings from that sector are soaring. Burma/Myanmar’s export earnings from the energy sector are expected to at least double within five years, with two new pipelines to be built from the Arakan coast, and the large Shwe gas field expected to go online in the near future. Especially the output of natural gas has continued to rise strongly, primarily due to new investments and China’s new energy policy of abandoning domestic coal-based energy production. This will further help Burma/Myanmar’s energy sector to gain significant financial profits, and provide insulation from foreign criticism for the regime. As many have rightly noted, Burma’s huge natural gas reserves have caused many Asian governments to be cautious in their policies towards Burma/Myanmar.

Two giant military conglomerates dominate the Burmese economy: the Union of Myanmar Economic Holding Limited and the Myanmar Economic Corporation. Their contribution to people’s welfare is minimal as they are supported by a monopolistic political economy, without generating significant industrial output. These two giants are draining the financial system, preventing healthy competition and burdening the public economy. Due to their importance for the military leaders, the conglomerates present an attractive target for sanctions; the emergence of more independent business actors (even if not fully independent of the state, and involve some military men) should be treated differently. To do so, new, more flexible, practices that can treat different actors with different linkages to the military differently would have the most impact.

Burma/Myanmar is divided between the economically deprived and the rich. The situation in rural areas is especially precarious. Farmers are losing their land rights (not ownership, as the state owns the land, but rights to cultivate lands) at an alarming pace due to problems in the financial system (lack of availability of reasonable loans). Rice farmers need about 120-180,000 kyats per acre for a production cycle; the government financial system offers, for 18%, only 20,000 kyats per acre, with a maximum of 100,000 kyats. Farmers are left with only private money lenders who typically charge around 10% interest per month. With accelerating frequency, this leads to situations where farmers have to sell their land

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24 USIP 2010
rights or give them to money lenders. Land is traditionally and generally a strong anchor of people’s identities; losing it to greedy money lenders is often a strong enough motive for violence, especially when this happens to many local farmers at the same time. Furthermore, since many money lenders are either part of the military machinery, or under the protection of the military, protests often face violent suppression. The widening divide between the rural poor and the rich has accumulated conflict potential for some years now.

Therefore, there is a dire need to look for new ways to finance the agricultural sector to prevent the increase in landlessness. This should be recognized in the financial sanctions regime. One possible solution could a system of small agricultural credits, possibly with the utilization of Indian expertise in agricultural micro-credits.

The need for democratization in Burma/Myanmar has been recognized, even by the military government, but the country desperately needs development. Conventional wisdom, suggests that economic development will lead inevitably and rather quickly to democracy, but there might not be a simple solution in the case of Burma/Myanmar’s case. The relationship between development and democracy has to be considered carefully, also by wealthier countries, whether near or far away. The largest challenge is how to create new political and economic structures that secure political and economic democracy that can cover collectively defined social, economic and cultural needs of the majority and the minorities.

3 RECENT DEVELOPMENTS

3.1 FORTHCOMING ELECTIONS OF NOVEMBER 7, 2010

On November 7, 2010, Burma/Myanmar will organize its first parliamentary elections since 1990. Up for grabs in the elections will be three-quarters of seats in the district/state, and national upper and lower chambers. Nonetheless, many opportunities for progress towards democracy and minority rights have already been blocked by the restrictive election and party laws. Twenty-five percent of seats have been constitutionally reserved for the military nominees of the Commander-in-Chief of the military. Yet, together with the ongoing generational change, these elections (and possibly protests over the fairness of these elections) represent a major opportunity for gradual progress in the country. This chapter will look at developments related to the elections within and outside of the current constitutional setting from the perspective of both opportunities and risks.

25 Union Election Commission Law (SPDC Law no. 1/2010), the Political Parties Registration Law (SPDC Law no. 2/2010), the Pyithu Hluttaw Election Law (SPDC Law no. 3/2010), the Amyotha Hluttaw Election Law (SPDC Law No. 4/2010) and the Region Hluttaw or State Hluttaw Election Law (SPDC Law no. 5/2010).
Burma/Myanmar is divided into 14 states; seven of these states are termed districts, and are Burman majority areas. The 2008 Constitution grants weak regional rights to states, while organizing the national parliament into two chambers, one where people are equally represented and the other where states are equally represented. While many of the ethnic opposition forces would prefer ethnic equality and ethnic federalism, which would grant equal rights to each ethnic group, the current system offers weak regionalism, rather than ethnic federalism. Due to the demographics, regional federalism gives a dominant position for the majority Burman ethnicity in national politics. The military is allotted 25% of the seats in each chamber, which too is dominated by the Burman ethnic group. This means that the ethnic Burman population will always hold a majority in both houses on the national level.

However, election laws have greatly restricted the electorate and the range of contesting parties. Opposition members who are currently in exile or jail are left out of the entire process, as are monks (some 300,000 people), priests and other religious professionals. Furthermore, in practice, most of the country’s vast migrant worker population will not be able to vote either. The participation of several of the major ethnic political players has also been effectively blocked by the government due to an impasse over the transformation of armed ceasefire groups into army-controlled Border Guard Forces. Only parties not connected to militias that have not joined the Myanmar military force, parties that accept the 2008 Constitution, and have the money to pay for the expensive party registration, personal registration of candidacy, and permits for public campaigning and publication of campaign materials are included in the election process.

In the end, 37 parties have registered for the elections. The pro-government Union Solidarity and Development Party (USDP) and National Union Party (NUP) have reportedly floated 1163 and 990 candidates respectively, nationwide. In contrast, three of the most prominent opposition and third force parties – the National Democratic Force (NDF), the

29 The exclusion of opposition groups has been the main concern in the criticism of the UN of the election law and the run-up process to elections. See, “Myanmar: Secretary-General Voices Concern at New Electoral Laws”, UN News Centre – 10 March 2010; “Top UN Official Travels to Asia for Talks on Myanmar”, UN News Centre - 09 June 2010.
Democratic Party (DP) and the Union Democratic Party (UDP) – will between them field less than 230.\textsuperscript{30}

These are obvious shortcomings, but despite the fact that many of the forces that demand the recognition of the results of the 1990 vote reject the election law as unfair, the law is almost identical to the one that resulted in the victory of the NLD in the previous elections. According to the analysis of the International Crisis Group,\textsuperscript{31} the vote itself, and the vote count that takes place locally under the surveillance of contesting parties, could be relatively fair if the Myanmar government followed its own laws. Eligibility criteria of voters and contestants, constraints on groups that could register as parties and, above all, restrictions on campaigns will present the main problems for the credibility of the vote. However, the prospect of a relatively fair, even if flawed vote deserves attention.

The obvious shortcomings of the process have led some parties to shun the elections entirely; Australia has already declared not to honor the result of this imperfect election process. Despite the shortcomings of the constitutional process, there is legitimate space to support the fairness of the elections without legitimizing the military government. Strategies to support democratization in Burma/Myanmar should focus on making the elections fairer. This pragmatic approach focusing increasing the fairness of the election through election monitoring and observation has been adopted by some countries and even internal forces outside of the constitutional fold. The United Nations Secretary General has appealed for external election monitoring or observation, and the Association of Southeast Asian Nations too has raised the issue.

Until recently it has been difficult for Europe, or Finland, to take a stand on this issue, as many of the democratic forces that the West considers as legitimate representatives of the country, have called for a boycott of the elections. However, in August 2010 Aung San Suu Kyi,\textsuperscript{32} leader of the democratic opposition, appealed for the exposure of any election fraud. Her appeal has boosted pressure on the Myanmar government to permit an ASEAN election observation mission or the training of Burmese civil society in election observation. Now, with the face of Burmese democratic opposition calling for election observation support renders null the argument that such missions would add legitimacy to the election process. While critique of the unfairness of the process, and pressure to make the process more inclusive is still well-grounded, supporting the fairness of the imperfect elections has now been mandated by the democratic opposition.

\textsuperscript{30} Mizzima - Election Breakdown, 19 September 2010
\textsuperscript{31} International Crisis Group 2010. Myanmar Elections. Asia Briefing N°105 Jakarta/Brussels, 27 May 2010. This report is highly useful as background material, and it has been extensively used in the preparation of this report.
\textsuperscript{32} “Myanmar’s Suu Kyi: Poll offenses should be exposed”, Associated Press, 25 August 2010.
If the vote and its counting are fair, there is a possibility that the results will favor democratic forces and parties with an agenda in minority protection. The fact that one does not need a majority but a plurality, favors coordination and big parties. While the media and analysts have often portrayed this as something that makes the victory of the pro-government USDP almost certain, one has to remember that well-coordinated parties, together with a strong movement against the USDP can lead to the victory of democratic and ethnic minority forces. If the small parties agree on dividing electoral districts so that votes are not split between various parties that oppose USDP-dominance, it is possible that several small parties could win in their core election districts, and collectively end up gaining a substantial number of seats in parliament; potentially they could even win a majority. The fact that the registration of contestants is prohibitively expensive is another factor in favor of small party coordination. Even the military government is aware of this; a leaked poll by the Ministry of the Interior suggests that an election victory is possible for the ethnic parties in ethnic minority areas. In urban areas, the lack of strategic coordination is the main problem. If the parties do not coordinate, and the number of boycotting democrats is sizable, the multiplicity of strategic approaches in urban areas will result in a signal that supports the claim that the pro-government USDP has popular support.

In addition to a lack of coordination, apathy on the part of the democratic forces is a major obstacle for progress. Election boycotting and pessimistic assessments play directly into the hands of the pro-government parties. Rather than dwelling on pessimistic predictions, analysis should focus on opportunities for the democratic opposition to seize. However, different challenges to a fair election result, especially different types of election fraud also deserve attention.

### 3.1.1 SHORTCOMINGS OF THE ELECTION PROCESS

Most problems related to unfairness in the elections are resource-related, mainly time and money. Very little time was given to groups to register as parties, for parties register for elections, and candidates to apply for campaigning permits, publication permits and permits to organize mass events. This is especially problematic for the Pro-Kachin Independence Organization\(^{33}\) and pro-New Democratic Army – Kachin\(^{34}\) forces whose registration was not permitted before the very last moments. By delaying the process the Myanmar government gave an advantage to its own “favorite,” the Union Solidarity and Development Party.

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\(^{33}\) Northern Shan State Progressive Party (NSSPP).

\(^{34}\) Kachin State Progressive Party (KSPP).
In addition to time, the cost of registration and campaigning publications are a clear limitation to the fairness of the poll.\textsuperscript{35} Registering one’s candidacy costs 500,000 kyats (600 USD);\textsuperscript{36} for a party to register for public campaigning (including permission to send leaflets and publish material) it will cost 100,000 kyats. Moreover, compulsory insurance for parties costs 500,000 kyats.\textsuperscript{37} In addition, the registration of the parties themselves and registering to compete in the elections has cost political parties considerable amounts. The International Crisis Group calculates that the maximum cost for a candidate with all the registrations and permits could rise up to 10 million kyats.\textsuperscript{38} The fact that parties are not allowed to receive money from foreign sources or the government coupled with the need to raise more money that is reasonably possible suggests that the finances of any parties that could possibly challenge the government will be very thoroughly searched.

The USDP with its huge assets is exempted from this problem. A leading member of the USDP, Mr Myint Oo, confirmed in public that the party has inherited the funds of the Union Solidarity and Development Association (USDA).\textsuperscript{39} According to the chairman of the USDA, the USDA was a “government-owned, civil society-based organization that implemented government development projects.”\textsuperscript{40} This, if true, constitutes a breach of the party law, which does prohibit parties from receiving government funding. In addition to funding the USDP, there are rumors that USDA also funds pro-government ethnic parties, such as the Unity and Democracy Party of Kachin State. A senior government official, however, denied this allegation.\textsuperscript{41} If the USDP and other pro-government parties are indeed are funded by USDA assets, and if the USDA was a government-owned organization, this further confirms the suspicion that the legal framework for the elections will not bind the Myanmar government as strictly as it will the opposition.

Any observation of the election process also needs to take into account the accusations of partiality in the implementation of the election. The Election Commission consists of people who are all assumed to be former members of the USDA. Furthermore, the direct role of the USDA in the initial implementation of the election process has raised concerns. The Myanmar government has provided training to the USDA on election monitoring and considers the USDA as an implementer of government programs, such the November

\textsuperscript{35} A good description of this dilemma can be found at People’s Daily, July 08, 2010. “Myanmar political parties seek publication permits for election campaign”.

\textsuperscript{36} Htet Aung, “Party registration regulations favour wealthy”, The Irrawaddy, 18 March 2010.

\textsuperscript{37}“Myanmar political parties seek publication permits for election campaign”, People’s Daily - July 08, 2010.

\textsuperscript{38} This very high figure is difficult to verify, though. Yet, the main issue here is that candidates and parties are pushed to pay amounts that are not easy to come by under the restrictive rules of fundraising.

\textsuperscript{39} Euro-Burma Office, ELECTION MONITOR NO. 32, 10 to 16 July 2010.

\textsuperscript{40} Presentation by the Chairman to a group of EU experts, October 2007.

\textsuperscript{41} Interview with senior Government official.
At the same time, the government’s role in supporting the USDA election monitoring capacity also presents an opportunity for the international community. The government cannot consider such facilitation as support for a political party, as otherwise their previous support would delegitimize the USDP. Thus, it should be possible to try to use this interpretation to create access for foreign facilitation of election monitoring capacity among opposition parties. If capacity-building in election observation is not financial support, even foreign donors should be able to do that. Discussions with government officials in August 2010, however, suggest that this will not be the interpretation of the government. This is also suggests that more work has to be done to help the government stick to its own legal framework for the election. Positive feedback is needed when the government sticks to its legal frame, while breaches of that framework should be made politically costly.

The impartiality of the elections is also compromised in the way how government officials that influence the management of the election can still contesting the elections. The Ministry for Information, for example, prints the ballots and provides voter education. While the decisions on voter education are outlined before the nomination of candidates, it is possible that once the Minister for Information announces his candidacy, it is up to the bureaucracy to implement his program for voter education. Even if he resigns in order to run for parliament, they might still control this element of the implementation of the elections. This should be taken into account in European public diplomacy. The Information Minister’s decision, based on considerations of conflict of interests, not to run, should be met with positive publicity, while a decision to run should be seen as a problem.

In addition to accusations of partiality there are allegations of direct violations of the party and elections laws and the constitution. According to an opposition source, there is a plan by the Myanmar Army to manipulate election districts by transporting candidates from one district to others. This way the government can tilt the balance in those districts where there is no clear victorious side. Any election monitoring should be alert to this type of election fraud.

According to a leaked document that opposition media claim originates from the USDP, there are also plans for the use of coercive intimidation during the elections. This coercive intimidation during campaigning will, according to the allegations, be conducted with the help of semi-criminal individuals and organizations (the so-called Swan Arr Shin

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42 Euro-Burma Office, ELECTION MONITOR NO. 28, 12 to 18 June 2010.
43 Interview with senior Government officials, PLACE, TIME.
44 Burmese Army to transport 100,000 Burman voters to Kachin State Kachin News Group, Burma News - 16 July 2010.
thugs, for example). While it will be difficult and dangerous to observe, monitor and report such coercion, the creation of transparent structures through popular and media reporting will help to tackle the danger of coercive intimidation on election day.

Some of the problems of the vote are not caused by the Myanmar government, but rather by the ceasefire groups. According to a senior government official there are large areas in Burma/Myanmar, where elections can never be implemented. This may well be the case for the November elections. For example, United Wa State Army the New Democratic Army, and the Myanmar National Democratic Alliance Army have already indicated that they will not allow campaigning or election activities in their areas. The election bans in the areas of these organizations have been renegotiated with the government, but it will still be likely that elections will not be organized in some of the ceasefire areas, as well as, in all of the areas controlled by groups still fighting the government.

The winner-takes-all system within the electoral districts encourages coordination and this can lead to a setting where this coordination is organized along ethnic lines. It seems that in most areas opposition to the USDP has been mobilized by the main ethnic party. Any alternatives to that particular ethnic party are not welcome. This is a natural and a rational strategy, given the election mathematics. However, after the elections it will be of utmost importance for democratic progress that post-election politics not be totally structured along ethnic lines. Popularity of political visions should determine political power, not ethnic affiliation. Otherwise, democracy loses its meaning and the elections will become a “racial census.”

Perhaps the greatest challenge to the freedom of the elections will come from the restrictive security apparatus. During the referendum anti-constitutional and anti-referendum campaigning was banned: 127 people were arrested for this during the run-up to the referendum. As the ideological platform of acceptable parties is restricted by elections laws as are the rules for campaigning, it is difficult to imagine genuine competition between political visions. This was indirectly confirmed by a senior government official; according to him the differences between the parties are not ideological,

1. See, for example, Reuters 10 April 2008, “Myanmar crackdown on “no” campaign begins: opposition”; Irrawaddy, 18 April 2008” Pro-Junta Thugs Continue Attacks on Activists.
46 Interviews with political activists.
48 See Altsean-Burma’s March – May 2008 Burma Bulletins. This source identifies most of the allegations related to the referendum and is thus a crucial source for this part of our report.
49 AP (01 Mar 08) Lawyer says detained Myanmar activists face new charge carrying 20-year jail term.
as all parties support democracy, discipline, development and the constitution. Any efforts to introduce alternative interpretations and any efforts to campaign for alternative ideologies could be presented as a security risk for the state. This would naturally have serious consequences for the candidates.\textsuperscript{50}

As the government has not shown great willingness to play by the rules it has set up, there is a danger of various kinds of election fraud. The experience of the 2008 referendum can shed some light on the array of options. During the referendum, in some cases when voters went to the polling stations they found that their ballots had already been cast.\textsuperscript{51} Furthermore, according to the Democratic Voice of Burma, in the referendum the regime, often with the help of the USDA, used the voting rights of those who did not show up at the polls.\textsuperscript{52} Finally, some interviewed Rakhine men suspected that the government had registered ineligible Rohingya voters in order to fill in their ballots.\textsuperscript{53} This time the Rohingya should be eligible according to the legal framework, but there still exists the possibility that some election districts can manipulate the exceptional status of the Rohingya people, who are not recognized by the state as citizens, but who still can vote.

The greatest fraud in the referendum was not absentee/proxy voting but coerced advance voting. A senior government official revealed that his own prediction is that many people will use the opportunity to vote in advance. This he based on the fact that during the election day, farmers will be busy with their farming, and thus likely to be unavailable for voting on a specific day. Among those who participated in advance voting, there were accusations that SPDC and USDA authorities delivered ballots door-to-door and coerced people to vote in favor of the constitution.\textsuperscript{54} In some cases factory workers were forced to vote before the voting day, in the presence of a USDA official and the leaders of the factory. In some cases there were

accusations of pre-marked ballots. One report claims that in Mandalay, SPDC officials forced local civil servants to participate in this pre-marking of ballots. Another reported that voters were not able to vote in private, but that instead USDA election officials “helped” voters in ways that denied them the right to keep their referendum vote confidential.

One interviewee from Chin State claimed that voters had to fill in their votes on the other side of a paper than that which had their voter registration data. The presiding official had argued that this was done to save paper. Preparations to notice these types of fraud should be made through election observation capacity-building, pushing for external monitoring, and by creating opportunities for reporting for dishonest practices.

Vote-buying was a problem in the 1990 elections, and in the 2008 referendum. Some interviewees claim that votes were bought by soldiers. Reportedly, soldiers in the areas affected by Cyclone Nargis conditioned food aid on “yes” votes. One creative way to tackle this issue can be observed in Indonesia. There the problem of vote-buying has been tackled by campaigns that encourage people to receive payment for their vote from as many parties as they can. After receiving any and all payments voters should vote, for the sake of democracy, for a party that has not tried to buy his vote. This could be an optimal strategy in Burma/Myanmar too, to reduce the cost-efficiency of vote-buying.

Another means of fraud used in the referendum was that of missing and closed voting stations. In some cases, given votes were changed by military officers in the presence of the voter. The use of this tactic, as so many other illegal practices, varied dramatically from area to area in the referendum voting. Only the strategy of coerced advance voting seemed to be consistent in reports throughout the country. It also seems that this strategy was also very often linked to the USDA. This, and the fact that USDA is a biased party in these elections makes the challenge of preventing dishonest, coercive implementation of the practices of advance voting most urgent.

At the same time the fact that most other ways of rigging the election were so clearly improvised and that they varied from place to place suggest that this initiative did not come from the SPDC. It is far more likely that the SPDC, especially the highest level of leadership, is overconfident in its popularity, while regional commanders and administrations are fearful and cannot afford to bring bad news of election results to the

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55 Irrawaddy, 10 May 2008. “Massive cheating reported from Referendum polling stations”.
58 Interview in Sittwe, October 2008.
59 Democratic Voice of Burma,17 May 2008. “Cyclone survivors forced to work and pay for food”.

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center. This could mean that efforts to negotiate about election observation should be brought as high up in the leadership as possible. The center could be more willing than the local and regional levels to grant concessions on this issue. The use of high-level informal persuasion and contacts directly to General Than Shwe could be the only way to turn the situation, both with regard to the possibility of an ASEAN observation mission and with regard to permissions to train local population in election observation and monitoring and reporting of misconduct.

3.2 FUTURE GOVERNMENT

Even though democratic and ethnic opposition groups can hope to win a reasonable share of seats in legislative bodies, change in the executive branch is likely to take more time. Constitutionally, the President controls a pivotal position in the forming of the executive branch. He as well as the Vice-Presidents will be elected by a council consisting of both houses of parliament. In theory, a democratic-controlled parliament could elect a democrat as president. However, the requirements for the presidency are defined in a highly ambiguous manner by the constitution: the President needs to understand political, economic and military affairs. In purely legal terms, this does not require the president to be a former or current military official.

Once the President has been selected, he will nominate the new government, except for the Ministers of Defense, Home Affairs and Border Affairs, which are nominated by the Commander-in-Chief. In all likelihood, the Commander-in-Chief will continue to be Senior General Than Shwe, despite rumors that he will retire soon. The President will also nominate the Chief Ministers of each state. In addition to being able to nominate security-related Ministers, the military will continue to play a leading role. According to the Constitution, the military will be autonomous in its own affairs, be in charge of the protection of the Constitution, unity, and security of the nation.

In theory, the executive branch is democratically-elected, through the President, with the exception of the Ministries involved in security. Fear of a military crackdown and repression plays a central role in the selection of the President. According to a senior government official, most parties accept that change in the executive has to be gradual; otherwise, with reference to the situation in 1990, “everything will start from square one.” Most opposition parties think that the Presidency is not a realistic objective anyway for these elections. Naturally, this assumption already complicates any opposition attempt to

60 Speculations about the retirement of Burma/Myanmar’s leader, Senior General Than Shwe, are often uninformed about the fact that retiring after the elections would offer General Than Shwe the opportunity to select 25% of the parliament, one of the vice presidents, Ministers for Border Affairs, Defense and the Interior, let alone the chief ministers of all states, which all are the prerogatives of the Commander-in-Chief.
gain control over the executive branch. Moreover, the current authoritarian leadership will be able to legitimize their role without an open challenge. Yet, considering the signals from the government, this approach for the democratic opposition could be the only realistic one.

In such a scenario, General Shwe Mann will assume the presidency after Senior General Than Shwe and vice-Senior General Maung Aye will retire. This is rather realistic scenario, and it should be noted and prepared for by the European Union and its Member States. Calculations of what is a politically viable and pragmatic policy for Europe should consider a situation in which:

1. The parliament, with substantial democratic and ethnic minority participation exercises and tries to expand its role as a check and balance towards the executive.
2. The states have substantial amount of autonomy in non-security affairs. State administration could also develop into towards an accountable and representative direction, unless it begins confronting the government. State parliaments could be dominated by current opposition ethnic parties, and/or local members of the USDP from the local ethnicity.
3. However, the new “elected” government is, at least in the beginning, controlled largely by the same people that have controlled the country for the past decades.

The crucial challenge will be how to:
- Work with the Government and encourage gradual change in the executive branch;
- boost the role of the parliament;
- play down the primacy of the military;
- engage the government to encourage better policies; and
- How to push the government and those outside the constitutional framework into negotiations with the democratic and ethnic minority forces as well as the exile community in order to help more inclusive democratic development.

3.3 BORDER GUARD FORCES PROCESS

A series of ceasefire agreements have ended decades of fighting between the military government and a range of ethnic armed groups. The ceasefires have had dramatic consequences for the political landscape in Burma/Myanmar as well as significant socio-economic implications. The end of fighting has brought relief for local communities, and allowed the development and functioning of civil society. Yet without a follow-up peace process for the ceasefires, no political solution will be
Without a political settlement that addresses the ethnic minority issue, it is extremely unlikely that there will be sustainable peace and democracy in Burma.

The most urgent problem caused by the lack of a peace agreement is the status of the military power of the ceasefire groups. If the terms of peace have not been agreed upon, it is difficult for the ceasefire groups to accept disarmament or integration into the Myanmar Army. To work around the situation, the military government has developed a formula that would not entirely eliminate the autonomy of the ceasefire groups, but offer them a role as ‘Border Guard Forces,’ (BGF) mostly with their current local command structure.

This solution is unsatisfactory for many ceasefire groups, for the SPDC is trying to pressure the groups to conform to the 2008 Constitution, which states that “…all armed forces in the union shall be under the command of the defense services.” Such efforts to persuade ceasefire groups to join the establishment as either BGFs, or transform into ethnic political parties seem to have failed. The issue remains unresolved. Instead tensions have spiked between the government and the ethnic militias as several deadlines have passed.

Originally the idea of integrating ceasefire groups was negotiated in good spirit. Many of the groups expected to be able to continue negotiations with the new elected government. The April 2009 ultimatum for the ceasefire groups to become Border Guard Forces by October 2009 contradicted all previous SPDC assurances to the ceasefire groups. Ethnic armed groups consider retaining their weapons as necessary protection until the military government can prove the sincerity of its promises. There much confusing and contradictory information about the process and its requirements. Many ceasefire groups have not always been fully aware of the requirement to disarm and integrate with government forces, despite the clear constitutional language and the government’s claim that this was explained in the ceasefire negotiations.

This inconsistency between government policies and individuals reflects divisions within the leadership on how to respond to the ethnic militias. It seems that some of the officers close to Deputy Senior General Maung Aye, who have often advocated a softer line, have now been removed from their positions. The newfound tougher line in BGF negotiations is probably related to the resignation to Ltn General Ye Myint as Head of Military Affairs Security (military intelligence). Other signals also testify to the fact that a

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61 Neither war nor peace. The future of the cease-fire agreements in Burma, Transnational Institute, July 2009
62 In chapter 4.1.3 the role of the ethnic armed groups in the election process will be discussed in more detail.
63 Interviews with leaders of the cease fire groups in 2007-2010
64 He was replaced by Maj-Gen Kyaw Swe
tougher line has gained ground, and less compromise-willing officials have backtracked from the promises made by their predecessors. In some cases officials who have not implemented the tougher line have been arrested. One of the earliest and most visible cases of a rift between hard-liners and soft-liners was the arrest of Brigadier-General Win Maung, commander of the Regional Operation Command, Northern Shan State, in early September 2009 for his failure to detain Kokang leader Peng Jiasheng and his brothers.65

While some ceasefire groups have agreed to participate, others are stepping up military preparations in light of increasing military pressure from the Government.66 The increased tension around the BGF negotiations has resulted in de facto cancellation of elections in around 300 villages across Kachin, Kayah, Kayin, Mon and Shan states.67 One Shan leader estimated that in Shan state alone about two million people (around 30 percent of the state’s population) would not get the opportunity to vote.68

Mostly small militia groups have agreed to the government’s terms. The National Democratic Army - Kachin and the Kachin Defence Army are interesting and representative examples. Their political leaders have resigned and are now seeking to register as the Union Democracy Party (Kachin State) and the Northern Shan State Progressive Party respectively. Some small ceasefire groups that have accepted the constitutional rules of the game are now running parties that pose a genuine challenge to the pro-government parties, while others have been pushed to form parties that are allied to the USDP. In Northern Shan, the Kokang group only agreed to integrate into the Myanmar Army after a short offensive by the army drove out the MNDA in August 2009 and brought in new leadership. The new leadership quickly declared its support for the November elections and formed a political party. In Kokang as in many other areas, the ethnic leadership’s decision to yield to government’s demands has been made at the expense of group unity. The leadership has lost its authority over the people and foot soldiers.

The Myanmar government has made it difficult for the pro-Kachin Independence Organization and the New Mon State Party (NMSP) parties to participate in the elections. The regime has threatened to revoke the ceasefire status of the groups and declare them illegal. Recently tensions have increased in Mon State, where the NMSP has refused to meet with the then head of military intelligence, Lieutenant General Ye Myint, to discuss the BGF issue. The government has threatened to use force if the NMSP does not agree to a meeting to find a political solution.

65 “Wa, Mongla say No to Naypyitaw’s BGF program” Shan Herald Agency for News - 25 August 2010
66 International Crisis Group - China’s Myanmar Dilemma, September 2009
67 Bangkok Post – Burma Excludes some Minority from poll, 17 September 2010
68 Straits Times, Millions Can’t Vote in Myanmar, 17 September 2010
In summary, the disagreements between the Government and the ethnic militias over the Border Guard Forces issue represents one of the most urgent threats to the Burma/Myanmar transition process. In addition, to the unlikely but potentially serious risk of the Myanmar Army splitting into groups hostile to each other, and the more likely but less serious (in terms of potential fatalities) risk of confrontations between demonstrating citizens and the military, widespread clashes between ceasefire groups and the army on the issue of Border Guard Forces is the most realistic and dangerous scenario that could materialize within the next six months. Developments on the bargaining over the Border Guard Forces issue deserves the continuous attention of Finland and Europe.

3.4 SHIFTS IN THE NATIONAL POLICY AGENDA

In addition to question of democratic transition in Burma/Myanmar, another crucial issue is that of policy agenda; what kind of policies will the new government adopt towards the challenges of development, welfare, and security. Currently, Burma/Myanmar’s national identity and policy agenda is very much colored by the military government’s security-centric approach. The primary function of the Myanmar government is to secure the unity of the nation and its independence in a world of hostile outside forces. State security, not human security, is paramount for the regime. The differences between nation, state, and government are confused in Burma/Myanmar; and this is apparent in how the election of a democratic government can be presented by the military-controlled state as a threat to state security. This security mentality is the reason why change in the executive branch cannot be a drastic process, and why the military always wants to keep a controlling position even while ceding political space.

Even though security is seen narrowly as something that belongs to the nation/state/regime (nation is the referent object of security), and not to the people, a securitized perspective applies to all policy areas. Media, political competition, people assembling and communicating with each other are all security issues. This expansion of the security agenda, coupled with the association of security with the military government, makes it very difficult to consider controlled democratization as a change of government or as a change in the political system: if security is about securing the government, democratic change as such can always be seen as a security challenge. More importantly, this makes it difficult to prioritize human needs in government policies, for the

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69 This is with a narrow definition of the referent object, and a broad definition of the application of security logic.
security needs of the state always trump the needs of the people.

Conflict with Western nations only seems to strengthen the security identity of the state. At the same time, limited friendly interaction between with China, India and especially the ASEAN countries has more potential to influence the Myanmar government’s perception of the national identity. Some recent changes seem to validate an optimistic view that there are signs of a mental shift, or a change in national policy priorities. Burma/Myanmar associates itself “naturally” with its closest neighbors. Of these neighbors most have been similarly revolutionary, anti-neo-colonialist, nationalist and security-oriented before they have gradually turned away to an identity where the state is an instrument of development and prosperity.\(^7^0\) A shift from a security-identity into a development-identity would not, however, be an instant solution to the question of democratization and minority rights in the Burmese political system. In other countries in East Asia this identity shift led to government policy becoming much better reflections of the needs and wishes of their citizens, and to a more peaceful polity in general.\(^7^1\)

It is too early to say, and the signs to weak, that such an identity shift is taking place in Burma/Myanmar. Nonetheless, it is useful to briefly look these signs in order to develop policies to better support such a shift.

The security-centric orientation of the regime is still evident. One often repeated example is Senior General Than Shwe’s order for the “entire national people to remain vigilant at all times against dangers posed by neo-colonialists.”\(^7^2\) Unity, security-primacy and non-differentiation of various races is here justified by the external threat posed by neo-colonialist powers. The same objectives are also based on internal sources of danger to national/regime security: “the people of various national races always uphold the bounden duty or historic lessons such as non-disintegration of the Union, non-disintegration of national solidarity, and perpetuation of sovereignty.”\(^7^3\) For the military government, as a heterogeneous nation Burma/Myanmar needs discipline for security. People are for the nation, not the other way around.

However, development rhetoric is creeping into the public debate and regime declarations, despite the contradictions it entails with the older and more paranoid security-mentality. In 1997 the name used for the military regime was changed from the State Law and Order Restoration Council (1988-1997)

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\(^7^0\) More about this shift East Asian national policy agendas, see, Tønnesson, Stein, 2009. ‘What is it that best explains the East Asian peace since 1979? A call for a research agenda’, Asian Perspective 33(1), 111-136.


\(^7^2\) 62nd Independence day speech, January 2010; the speech can be accessed at: http://myanmar.com/newspaper/nlm/Jan04_01.html.

\(^7^3\) Ibid.
into the State Peace and Development Council (1997-). Clearly nine years was a long time for the restoration of law and order, and thus it was logical to change the name at some stage. But the emergence of a new element, “development,” in defining the regime is significant, even if the regime does not put this part of its name into action. Next came the redefinition of Burma/Myanmar’s national goal: to become a modern and developed nation. As put in General Than Shwe’s independence day speech, “[a]ll the national people to harmoniously make all out efforts to build up a modern, developed discipline- flourishing democratic nation in accordance with the new State Constitution that has been approved by the votes of the great majority of the people.” The focus still is on the need for people, harmoniously and united, to act an instrument of the state’s developmental greatness, but it still is a clear break from previous military-nationalist objectives.

However, from 1997 onwards cooperation with ASEAN has exposed the Myanmar government to developmental rhetoric; most recently Burma/Myanmar’s joint declarations have reflected an idea where also the state would be somehow expected to act in an instrumental role for the prosperity and well-being of its citizens. The ASEAN Charter commits Burma/Myanmar, on a declaratory level, to stay united with other ASEAN countries (not a national union but union with others!) for the “common desire and collective will to live in a region of lasting peace, security and stability, sustained economic growth, shared prosperity and social progress, and to promote our vital interests, ideals and aspirations.”

Security and stability still appear, on the demand of Burma/Myanmar and Indochinese ASEAN members, together with development, but at the same time, Burma/Myanmar has in this charter, had to accept external commitments that, at least in principle, commit the country to the principles of cooperation with ASEAN and the UN. These commitments are now being used by ASEAN in the bargaining over election observation. Documents related to General Than Shwe’s recent visit to India seem to have brought development rhetoric to a new level. Development is now defined as something that benefits the people, rather than being a foundation of national greatness: “Enhancing economic, social and developmental engagement will help harness the considerable potential in India-Myanmar bilateral relations, which would, in turn, contribute to the socio-economic betterment of their respective peoples.” What is even more astonishing is the way in which in this document development is seen as the main goal and peace and stability as its instrument: “Recognizing that peace and stability in the region is essential for development and for the well-being of the people of their respective countries.”

Previously, stability has always been seen as the main purpose, while development could only have an instrumental value for stability and national greatness.

A 2010 United States Institute of Peace (USIP) report reveals some changes in the government’s economic behavior that suggests that the development-identity is beginning to be put into technocratic reality. These changes on the level of actions are related to:

- Technocratic and less paranoid/security-centric attitude towards international economic relations that are needed to overcome practical economic problems.
- Greater power to economic technocrats.
- Loosening state controls over the economy.

A significant sign of growing development-identity and declining security-centric paranoia of foreigners in the government’s attitude is the proposal for an international advisory team to revive Burma/Myanmar as the world’s greatest rice exporter. Instead of assuming that foreigners have malign intentions towards Burma/Myanmar, this initiative is based on a pragmatic understanding that the government’s economic team needs help to deliver prosperity. This initiative does focus more on the greatness of the country (as greatest rice exporter) than the welfare of the people. However, the problems with rice production are clearly an issue of utmost importance for the well-being of people as well. USIP also reports that there is an improved professional and less paranoid ministerial and sub-ministerial dialogue between the government and the international monetary institutions. (Asian Development Bank, IMF, World Bank). Similar developments are apparent in the government’s engagement with foreign energy companies.

Cooperation between Burma/Myanmar and ASEAN has reflected a pragmatic attitude to foreign cooperation. A positive reaction to the ASEAN Economic Community Blueprint could possibly also bring new pragmatism to Burma/Myanmar’s economic management. USIP anticipates, for example, the removing of all foreign exchange restrictions on current account transactions by the end of 2011.

Increased collaboration in economic planning has also started taking place with the United Nations Development Program (UNDP). The UNDP will collaborate with Burma/Myanmar’s Central Statistical Organization to conduct a household survey that will provide a baseline for information-based economic planning. Previously, the government has been very hostile to any surveys involving foreigners.

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77 USIP 2010
In addition to decreasing paranoia with regards to foreigners, Burma/Myanmar has slightly loosened the control of the security administration for the benefit of economic technocrats. This has, according to USIP, increased fiscal pragmatism. One-third of the budget deficit for the fiscal year 2009–10 will be recovered by issuing bonds, instead of printing new money – the previous recipe of the generals-turned-economists. This, however, could be related to the bid to privatize a large share of national assets to the generals ahead of political changes. A very similar signal comes from USIP observations that Burma/Myanmar’s exchange reserve policies have become more professional. The growth of natural gas export earnings has not been matched by an increase in public spending or with an expansion in kleptocratic practices. As a result Burma/Myanmar’s foreign exchange reserves rose 25-fold over the past decade (from $200 million to $5 billion at the end of 2009).

Emergency cooperation with foreign donors following the humanitarian disaster caused by the Cyclone Nargis clearly contributed to the increase of power of the economic technocrats in government. After the initial disaster, the focus was shifted to challenges that could only be solved by economic specialists together with foreign donors. This forced the government to be less paranoid and more appreciative of the contribution of the economic technocrats.

There has also been a shift in economic power from the public to the private sector. Since 2007, the military regime privatized a number of state enterprises. Privatization has accelerated drastically in 2010 as the prospects of change become more concrete. For the most part, privatization has meant corrupt closed auctions, with state property becoming the private property of generals. USIP suspects that this privatization is related to the funding of the USDP election campaign.

What has not been considered though is that privatization and the engagement of the generals in private economy could increase the pace of a change in the national policy agenda. While the security mentality has served the interests of the generals, in a privatized economy the generals now also have an interest in the health of the private economy. This economy has become crucial for their personal enrichment. Burma/Myanmar would not be the first country in East Asia to adopt a developmental national agenda partly because of the private interests of the business-military (Thailand and Indonesia). Even if the rhetoric of development and prosperity is motivated by private interests of corrupt generals, it could still redirect the country towards China and ASEAN and away from an obsessive orientation to revolutionary nationalism and security.

While development rhetoric backed up with some action can already be identified in the national policies of
Burma/Myanmar, one has to remember that it coexists, not altogether comfortably, with the old practices and security rhetoric. In order to support more development-oriented policies against security-centricity, mid-ranking technocrats should be supported through good-willed, non-subversive cooperation. Furthermore, areas of policy cooperation that focus on prosperity, economic development and human security could merit international facilitation and resourcing. In doing so, it could increase their importance in national policy, and boost the number and prominence of technocrats involved in these policies.

4 POLITICAL ACTORS’ POSITIONS AND STRATEGIES

4.1 INTERNAL ACTORS

As noted earlier, most international attention on the November election has focused on the pro-democracy movement NLD associated with Aung San Suu Kyi and its opposition to the military government. Far less attention has been paid to the other equally relevant internal actors, such as the vast array of ethnic groups and ‘Third Force’ parties. It is critical to understand the web of internal actors within the country. The density competing actors within Burma/Myanmar is intricately interwoven and highly complex. Actors can simultaneously hold connections with, and not limited to, the government, ethnic groups, opposition, military, sub-ethnic groups, ceasefire groups, non-ceasefire groups, political groups, militias, drug cartels, religious groups, local communities, NGO’s and domestic and international businesses. Beside the sheer number of internal actors, there are numerous divisions and cleavages within the major groups, with most being multi-faceted and having different degrees and strengths of operation in different parts of the country. Due to the lack of strong cross-country institutions, the major actors in the elections have to devise a strategy that will accommodate this complex agency structure. The main internal actors for the upcoming November elections can be broadly divided into six camps: the military, the opposition, ethnic groups, Third Force, civil society and private sector.

4.1.1 MILITARY

The strategies of the SPDC in the lead up to the elections have already been examined in Chapter 3. What is not clear is the direct role the military will play in the election process itself and what strategies will be employed to manage the result. Although many of the 37 parties contesting the election have close relationships with the SPDC, two parties in particular, the
Union Solidarity and Development Party (USDP) and the National Union Party (NUP), will be the entities to further the military’s interests during and after the elections.

The main goals of the military are rather clear. First and foremost, it aims to stay in power and legitimize its rule in the eyes of its own people as well as the international community. To do so, parts of the military and retired military personnel have transformed into a civilian political organization that will contest the elections, in line with the 2008 Constitution. In April, Prime Minister Thein Sein and some 26 ministers and senior officials resigned their posts in order to form a political party and contest the election.78 This party, the USDP, was formed out of the country’s mass civic organization, the Union Solidarity and Development Association (USDA, see Chapter 3.1.1), receiving most of its assets and financial resources when the USDA was disbanded in June.79 The linkages between the current regime and the USDP have been greatly criticized, with a number of commentators stating that the elections were just a grand event for the generals to ‘change their clothes’ from military uniforms to more comfortable civilian attire.80

The NUP was the established governmental party in the 1990 election and is the successor of the socialist party that governed the country before the 1988 uprising. Led by former Deputy Commander-in-Chief of Burma/Myanmar’s armed forces, Tun Yi, the NUP is made up of primary ex-government personnel.81 Due to its close links with the SPDC, it has been able to benefit from restrictions placed on other internal actors. However, recent reports have unveiled a new tactic by the NUP to gain votes. In certain regions of Myanmar, NUP officials have made guarantees to local villagers that if they join the party and vote for NUP, the party will stop SPDC-backed harassment of their household. Such harassment includes motorbike confiscation, taxation charges, and forced labor.82

One of the interesting developments of the pre-election phase is the increasing rivalry between the USDP and the NUP. Even though it is generally believed that the different pro-government parties have been set up only to create a semblance of democratic elections, most probably there are genuine political ambitions involved. It should be remembered that in 1990 elections the NUP represented the government, and at the time there was no USDP. Many also believe that general disgust towards the USDP is so widespread that people might even be ready to vote NUP. What kind of political consequences this could lead to is can only be speculated upon. It does present interesting scenarios, though: could NUP

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78 Reuters, Myanmar Ministers to Resign from Military: Government source. 27 April 2010
79 The Irrawaddy, Regime Separates Assets of USDA and USDP, 8 July 2010
80 National Democratic Institute, Burma’s 2010 Electoral Framework: Fundamentally Undemocratic, August 2010
81 The International Institute of Strategic Studies, Generl Report – May 2010
82 Rehmonnya, NUP Campaign Promises Immunity from Regime Abuses, 2 September 2010
ambitions be mobilized against dishonest election practices by the USDP; or could the pro-government vote split between the USDP and the NUP, giving an opportunity for democratic parties to gain a plurality?

4.1.2 OPPOSITION

The ‘opposition’ is as multi-faceted as any other actor in Burma/Myanmar, with some elements wishing to engage in the electoral process and others seeking to promote an outright boycott. However, there are two things that all groups within the opposition have in common: first, all state the need for democratic reform within the country; and second, the SPDC has increasingly tried to block their participation in the election through direct or indirect means.

The most well-known of the opposition parties, the National League for Democracy voted unanimously in March against participating in the elections. This came after Aung San Suu Kyi, stated that she “would not even think of registering under the unjust laws.”83 The strategy of the NLD has had far-reaching implications for the credibility of the November elections and the strategies of the both internal and external actors. It caused a number of other ethnic parties with strong links to the NLD to pull out of the election, such as the Arakan League for Democracy and the Mon National Democratic Front. These three parties won between them over 84% of the seats in the 1990 election.84 Their decision not to be participate in the elections has greatly limited the choice of a large segment of Burma/Myanmar electorate.

A number of internal and international actors have commended the NLD in its decision, as they believe that participation in the elections would have harmed its credibility as an organization. However, other commentators have criticized the decision, seeing it as missing an invaluable opportunity.85 The NLD has been automatically deregistered following the May 6 deadline, making party activities illegal. The party has become a civil society group, whereby it is conducting ‘voter education camps’ in several regions urging people to reject the elections by choosing to refrain from voting.86 The release date of Aung San Suu Kyi is only six days after the election, on November 13. The government may delay her release to deprive her of the ability to criticize the outcome of the election.87 Regardless of the NLD’s future, Aung San Suu Kyi will continue to wield considerable moral and political authority within the country.

83 South Asia Analysis Group, Paper No 3749. 5 April 2010
84 Congressional Research Service, Burma’s 2010 Elections: Implication of the New Constitution and Election Laws, 29 April 2010
85 The Irrawaddy, Did the NLD make a Blunder?, 2 April 2010
86 Institute of Peace and Conflict Studies, Elections in Myanmar: It’s all about Exclusion, 16 September 2010
87 Telegraph, Aung San Suu Kyi barred from Burma elections, 20 September 2010
A number of NLD leaders have disagreed with the decision not to participate, and decided to split from the NLD to create a new party to contest in the election. This party, the National Democratic Force will contest a total of 161 candidates across all electoral districts, making it the third largest party contesting the election. As a leading NDF member Khin Maung Swe, also a former NLD spokesman, stated: “we [believe] that boycotting the elections would be meaningless as it will only create more space for candidates of undemocratic parties and eventually lead them to seats in the parliaments.”

The NDF has taken a position that the people should approach politics pragmatically. Although Aung San Suu Kyi has voiced disapproval of the breakaway faction, she is still considered as the party's leader. In addition to the NLD and the NDF there are numerous other opposition groups and independents campaigning for similar goals. One independent, Kaung Myint Htut, former NLD student leader during the 1990 election is running in the Yangon division. For him, “any window of political opportunity in Burma is better than none.”

4.1.3 ETHNIC GROUPS

There are a number of ethnic political parties that will be participating in the November elections. Of these parties, a majority support an amalgam of ethnic rights and special rights, with a focus on the importance of ‘democratic principles.’ Many ethnic parties see the elections as an opportunity to create a political space to push for democratic reforms and to set up local and regional governance structures and processes. A key interest for those ethnic parties that have decided to participate in the November elections is to advance their social, cultural and educational rights at the regional level through the new legislative bodies.

The Shan National League for Democracy (SNLD) will represent the interests of the Shan minority, and will contest over 150 seats in the election. The SNLD is closely allied to Aung San Suu Kyi's NLD. Another major ethnic party to contest the elections is the Karen People’s Party led by Dr. Sai Montha who was an intermediary between the Karen National Union and the government in their aborted peace talks.

However, there are a number of ethnic parties that have a closer connection with the SPDC. The ceasefire group Pa-O National Organization (PNO) led by Aung Kham Hti will also contest the elections. The PNO has reportedly coerced voters in favor of the USDP in constituencies that are not considered

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88 The Irrawaddy, Uncertainty Continues after Candidate Registration, 13 September 2010
89 Democratic Voice of Burma, NDF says election Boycott is Meaningless, 23 June 2010
90 Time Magazine, Burma: Should Opposition Parties Boycott the Election, 6 September 2010
91 The Irrawaddy, Candidates List paints picture of Election Result, 6 September 2010
pro-government. From what can be seen, there is a vast array of policies and goals within the ethnic political groups participating in the election.

In contrast to the contesting parties, a number of ethnic armed groups are still actively engaging in conflict against the SPDC. These include groups such as the Karen National Union (KNU), Shan State Army–South, and Karenni National Progressive Party (KNPP), all of which have outrightly rejected the elections. A number of recent bomb blasts, (including deadly grenade attacks and explosions at the construction site of a controversial hydroelectric dam in Kachin State) have highlighted the simmering tensions across these regions. A continuing concern in particular to the Myanmar government, has been the role that the United Wa State Army will play in the election. Although UWSA has held its ceasefire with the Government for a number of years, it has pointedly refused to form part of the BGF (see Chapters 2.2 and 3.3 for further details).

One more recent development is that a number of ethnic armed groups are seeking to form support networks to balance the SPDC’s power. Cooperation between forces inside and exiles outside of the country is intensifying and there is considerable progress in the buildup of lines of communication between ethnic minorities outside and inside. This is testified in relatively regular meetings between exiles and insiders of the Kachin Independence Organization, the Shan State Army–North, the Chin National Front, the NMSP, the KNPP and the KNU at the border, Chiang Mai, and Bangkok. These meetings aim at consolidating an ethnic alliance to oppose the Myanmar army and to develop military training techniques which can be deployed in the field. This has also meant that the forces inside have managed to voice their concerns publically by delivering messages to the exiles that are in a position to publicize them. Many exile channels of information have started to reflect the concerns inside the country much more accurately than before.

4.1.4 THIRD FORCE

The ‘Third Force’ is a loose term to collectively refer to an assortment of political groups contesting the election that subscribe politically to neither the camps of the opposition's camp or the SPDC, but are willing to cooperate with the latter to some extent. Although their political platforms are diverse, backers of the movement appear to share one common belief. The movement is made up of activists who think that it is possible to reform Burma/Myanmar from within its existing political system and some veteran dissidents (including some

92 Shan Herald, Pa-O party reported having problem with local villagers, 1 July 2010
93 Mizzima News, BGF Development, 15 June 2010
95 The Irrawaddy, Ethnic Leaders Discuss Military Cooperation, 27 September 2010
whose families held government posts before the takeover). Groups labeled 'Third Force' party include the Modern People Party, which is contesting 30 candidates, and the Peace and Diversity Party, which according to recent reports will contest seven candidates. Also, within this group are some breakaway NLD members who have formed their own groups, such as the Myanmar Democracy Congress.

Third Force adherents have pointed to other Asian countries, such as Indonesia, that endured military dominance for years but evolved into multi-party democracies. They have further stated that although there are many flaws in the current electoral process, up to 75% of the seats in Burma/Myanmar's new parliament will be filled by civilians, and due to that alone it is worth participating. Still, the impact of the Third Force is yet to be determined. On the one hand, it is unclear how popular those candidates will ultimately prove to be. On the other hand, as plurality is enough to win, the Third Force could be a useful compromise candidate between the more radical opposition and the more pro-government forces. However, the Third Force could also create further confusion among the competitors of the USDP, diffusing the anti-government vote.

4.1.5 CIVIL SOCIETY

The re-emergence of local micro-networks within and between communities in Burma/Myanmar over the past decade has been one of the most significant, but under-reported aspects of the country's social and political situation. There are reportedly over one hundred civil society groups scattered all over the country – a number of them coming into existence after the devastating Cyclone Nargis. Little attention has been paid to the role civil society could play in this election. They have been viewed as irrelevant due to the strict government policies in place to control the outcome. However, as civilian populations bear the brunt of the consequences of these elections, civil society offers an important potential conduit for public opinion. As such, it is possibly the greatest threat to the military government in the short-term. Civil society is not uniform; it comes in many organizational forms that better reflect the interests of its members. Therefore, the impact of civil society generally falls into two categories. The first is structural, in the sense that civil society groups themselves provide organization for public opinion; articulate them into the governmental realm; and protect them when the government oversteps its prerogatives. The second major impact of civil society groups is political-cultural, in that their

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96 Mizzima, Election Breakdown, 21 August 2010
97 Network of Democracy and Development, Report July 2010
98 Wall Street Journal, New Movement in Myanmar Looks to Elections, 17 March 2010
99 Lall, 2010
actions help to disseminate civic values (often described as social capital) across society at large.\textsuperscript{100}

The two most important and well-known organizations that have taken on such responsibilities are the Metta Development Foundation (MDF) and the Shalom Foundation. The MDF, established in 1998, is active in several states where their projects include “election education programs.” The Metta approach is participatory, stressing the empowerment of community-based groups and their eventual coalescence into local NGOs.\textsuperscript{101} The Shalom Foundation employs 12 full-time staff and works on mediation and conflict resolution issues, building local capacity in these key sectors.\textsuperscript{102} MDF and Shalom are not countrywide institutions or membership groups, but often act as facilitators and innovators for longer-established associations. Other groups such as Myanmar Egress have also taken a leading role in the education of potential candidates on the electoral process.\textsuperscript{103}

4.1.6 PRIVATE SECTOR

The dramatic increase of foreign investment within Burma/Myanmar adds a further element of complexity to the November elections. As the Myanmar government has ‘opened its doors’ to investment opportunities in a period of globalization and regionalization, the SPDC is poised to reap huge benefits from a super-cycle of resource exploitation with demand for gas, oil and electricity from neighboring countries at an all-time high. The potential impact of this foreign investment, and its consequences for the election have been little explored.

Over the past decade, foreign investment in sectors such as oil and gas, manufacturing, tourism, real estate, and construction has dramatically increased. Foreign capital investment is focused on the development of natural resources. Numerous projects have been developed, including two large gas fields in the Gulf of Martaban, and the Shwe Gas venture. As part of the venture, nearly 4,000 kilometers of dual oil and gas pipelines will cut through the heartland of Burma/Myanmar, connecting gas fields in the Bay of Bengal and oil transfer stations with Nanning in the center of China. This is a critical project for the government and little attention has been paid to the role of the international companies, such as Chevron and Total, involved in the project. Given its importance, the companies could play a role in shifting government policy with regarding to the elections.\textsuperscript{104}

\textsuperscript{100} Putnam 1993
\textsuperscript{101} Lall, 2010
\textsuperscript{102} United Nations Report of the Secretary-General on Children and Armed Conflict in Myanmar, 2007
\textsuperscript{103} Myanmar Egress Mission Outline – February 2009
\textsuperscript{104} The relationship of dependence, however, is against the companies: Total needs Myanmar much more than Myanmar needs Total. This should be recognized when
4.2 EXTERNAL ACTORS

Despite the Myanmar government’s obsession with state sovereignty over internal affairs, in recent years the international community has played an increasingly role in Burma/Myanmar’s development. While there is widespread recognition within the international community that Burma/Myanmar is desperately in need of political and economic reform, a consensus has yet to emerge regarding how best to encourage meaningful change. In fact, some observers believe that the situation has been exacerbated by conflicting signals and uncoordinated policy responses from regional and international actors.

Also, with an extensive number of countries in the world having officially expressed their hope for a free, fair and democratic election in the country, differences in incentives and constraints between the external actors have led to a vast array of unique policies and strategies. This has complicated their ability, individually and collectively, to respond to the upcoming elections within the country. While actors such as the European Union, the United States and the United Nations have promoted policies that isolate the country both politically and economically in order to pressure the SPDC to embrace democratic reform, other international actors such as ASEAN, China and India have taken a more pragmatic approach to developing their relationship with the Myanmar government. Although analysis of the issue has tended to place countries into these two broad camps, it has led to an over-simplification of the numerous individual relationships with the Myanmar government, and thus the possibilities for engagement that exist on election issues with the regime. Understanding these incentives and the constraints of each international actor is vital to developing an effective policy towards Burma/Myanmar.

4.2.1 THE UNITED NATIONS

On August 13, 2010, after the military government’s announced the election date, U.N. Secretary-General Ban Ki-moon reiterated his call to the Burma/Myanmar authorities “to honor their publicly stated commitments to hold inclusive, free and fair elections in order to advance the prospects of peace, democracy and development for Myanmar.” Further to this, he pressed the government “to release all remaining political prisoners without delay so that they can freely participate in the political life of their country.”

Although the United Nations has pursued a policy of engagement, their power to act

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105 United Nations Statement: 13 August 2010

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106 designing flexible strategies using energy companies as a component. If the overall contribution of companies is considered valuable, conditionalities should not be extensive, in order not to endanger their operations in Burma/Myanmar.
has been effectively nullified by China and Russia (See Chapter 4.2.4).

The UN has continued to follow with concern the human rights situation in Burma/Myanmar. A March 2010 report to the UN Human Rights Council even raised the possibility that the UN should establish a commission to determine whether these human rights violations constitute war crimes. Since then the UN Human Rights Council has been under mounting pressure to establish such a commission. It is yet to be seen how both Russia and China will respond to this sensitive issue, with the UN with other leading member states waiting to see the outcome of the elections before pressing the issue.

### 4.2.2 THE EUROPEAN UNION

The European Union (EU) Common Position on Burma/Myanmar has largely focused on human rights abuses within the country. Despite the difference in opinions among the Member States on how to best deal with the issue, the Common Position has tended to side with placing international pressure on the regime by enforcing restrictive sanctions in response to the slow political progress. In February, the European Parliament (EP) concluded that under the present conditions, elections in Burma/Myanmar cannot be free or democratic. In this vein, the EP called on the Myanmar government to “take without delay the steps needed to ensure a free, fair, transparent and inclusive electoral process.”

Although the ultimate desire of the EU is to see a political transition in Burma/Myanmar in which a democratically elected civilian government takes over from the SPDC, a number of reports have correctly concluded that the EU has increasingly been ignored by the military government due to their inability to engage with the government in the setting of short-term ‘realistic’ goals. In fact, for over 14 years EU sanctions have achieved next to nothing in terms of forcing the country’s military dictatorship to open up.

A number of EU Member States have engaged with the military government on their own to work around the perceived shortcomings of the EU strategy. For example, the United Kingdom with its historical connection to Burma has typically focused its policy on supporting the NLD and the cause of Aung San Suu Kyi. Although they have taken a lead on the issue, in not engaging with the other issues surrounding the elections such as ethnic group and civil society involvement, the UK has tended to limit the scope of analysis within the EU community. On August 15, 2010, UK Minister of State Jeremy Browne said that the polls “are set to be held under deeply oppressive conditions designed to perpetuate military rule,”

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106 A/HRC/13/48  
107 European Parliament resolution on Burma, 18 May 2010  
108 South, 2010  
109 International Crisis Group - Myanmar Update Briefing, 27th May 2010
adding that the opportunity for prosperity and an open society “has been missed.” At the same time, Britain’s Prime Minister, David Cameron, has said that “he will do more than the previous Labour government.” At least officially there does seem to be the will from the UK Government to do more.

Due to the geographical distance between the EU and Burma/Myanmar, the military regime has been able to largely ignore EU sanctions placed on it, finding willing partners to engage with closer to home. However, due to technicalities with the current sanctions, there are a number of EU countries that still have business interests in Burma/Myanmar. Most notably, one of France’s largest companies, Total, is heavily involved in Burma/Myanmar’s gas industry. Although France advocates strong sanctions against the regime on the political level, it has done little to change the behavior of one of the biggest foreign investing companies in Burma/Myanmar. In similar fashion, last November representatives of the German Chamber of Commerce and Industry visited Burma/Myanmar for the first time to study market potential for trade and investment.

Countries such as the Netherlands, Sweden and Denmark have increasingly tried to restructure dialogue within the EU to focus more on effective aid delivery to Burma/Myanmar, in the hope of improving human rights. Among low-income countries, Burma/Myanmar receives the least foreign aid on a per capita basis. A number of Member States, along with the US, have used their voting power in the World Bank and Asian Development Bank to block loans, grants, and technical assistance to Burma/Myanmar. Following the opening for humanitarian assistance created by Cyclone Nargis, a number of major donor countries reassessed their aid. Countries such as the Netherlands, Sweden and Denmark have become aware of the slow but steady growth of civil society, and how effective they can be in improving the lives of the civilian population in Burma/Myanmar.

In a meeting in August 2010 in Yangon, the representatives of EU embassies were rather skeptical towards the election process, but recognised the opportunities it might provide in terms of checks and balances, both in terms of legislative power and political space for ethnic parties at state level. It was noted that should pro-democracy and ethnic parties win seats in the legislature there is a need to develop policy research capacity in Burma/Myanmar to support the drafting of new legislation and advancing new ideas. Some EU representatives

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110 Burma Campaign UK – Press Release, 13th August 2010
111 Democratic Voice of Burma – Pg 6. 5th August 2010
112 The United State Institute of Peace – Special Report, May 2010
113 Myanmar Times, Pg 3, 20 December 2009
114 Interview with Mikael Elkman, Danish Ministry of Foreign Affairs – Asia Specialist
115 South, 2008
116 Congressional Research Service – Burma’s 2010 Elections, April 29, 2010
seem to be open for increased engagement with Burma/Myanmar.

4.2.3 ASSOCIATION OF SOUTHEAST ASIAN NATIONS

Attending the 16th Association of Southeast Asian Nations (ASEAN) summit in April, ASEAN leaders expressed their desire to witness a free and fair election with the participation of all parties in Burma/Myanmar.\(^{117}\) However, ASEAN's efforts in pushing for democracy and human rights in Burma/Myanmar are limited by the organization's legal and political framework. Both the Treaty of Amity and Cooperation and the ASEAN Charter limit members from interfering in each others' “internal affairs.”

ASEAN has sought to avoid this by emphasizing the spirit of the ASEAN Charter; encouraging Burma/Myanmar to cooperate with the UN and with ASEAN in fulfilling its commitments to democracy and human rights. Constraints posed by ASEAN's legal and political framework are not the only problems ASEAN faces; ASEAN's credibility also suffers from problems in democracy and human rights in other ASEAN countries. Nonetheless, ASEAN's and especially Indonesia's efforts to negotiate a mandate for an ASEAN election observation mission for the November elections has been one of the most concrete ASEAN activities in support of democratization in Burma/Myanmar.

Furthermore, ASEAN has been active in trying to modify the Myanmar government's policies. ASEAN is doing more than any other international actor to help Burma/Myanmar's officials understand the potential benefits of regional and international cooperation. This was exemplified by ASEAN's central role in the international response to Cyclone Nargis. ASEAN's potential to assist in the transformation of Burma/Myanmar should not be underestimated.

Interestingly, the ASEAN Community could be the appropriate regional vehicle that could redirect the attention of the Burma/Myanmar Government from security into prosperity, poverty alleviation and development in general. The ASEAN Community, consisting of three parts, Economic Community, Security Community and Socio-Cultural Community, should be set up by year 2015. The Community would deepen integration, streamline decision-making, strengthen the implementation and increase the well-being of its members. Many reforms are already well on way to achieve that aim, and this process of integration should have a major impact on Burma/Myanmar as well.

One concrete example the potential for impact is the removal of foreign exchange restrictions on current account

\(^{117}\) BBC Online News Service, 9th April 2010
transactions. This is key goal of the ASEAN Economic Community Blueprint, and the regime a task force dedicated to that end. To meet the goal, Burma/Myanmar will have to unify its exchange rate by the end of 2011, which would qualify as a great leap forward in macroeconomic policy.

In the Security Community the members pledge to rely exclusively on peaceful processes in the settlement of intraregional differences and regard their security as fundamentally linked to one another and bound by geographic location, common vision and objectives. The ASEAN Political-Security Community Blueprint, adopted in 2009, set rather ambitious targets and steps for the regional organization. It is clear that if ASEAN aspires to build a genuine regional economic, political-security system, it needs to tackle Burma/Myanmar in a way that will not contradict with its commitment to non-interference.

Out of all the ASEAN members, Thailand has a particularly complex relationship with the Myanmar government, with many incentives and constraints that affects its policy towards the elections. Thailand receives most of Burma/Myanmar’s lucrative gas exploits; this gas supplies 40% of Thailand’s electric power consumption. Anything that risked this supply would be critical to Thailand’s energy security. Yet the Thai government has been increasingly critical of the Myanmar government’s policies that have caused more than 100,000 refugees to flee into northern Thailand. The Thai government has recently stated that they are looking at relocating the refugees living within its border after stability is restored within Burma/Myanmar post-elections.

Together with China, Singapore plays an important role in watering down the effect of the Western sanctions. Numerous reports have been written noting the reliance of the SPDC on banking facilities in Singapore. Yet Singapore has actively applying behind-the-scenes and Track Two pressure on the Burma/Myanmar Government.

Until the economic crisis of 1997 and the subsequent downfall of the Suharto regime a year later, Indonesia played an important role in providing Burma’s military rulers with an ideological basis for their seizure of power in 1988. The successful transition in Indonesia from the Suharto regime to a democratic government has raised hopes that a similar model could be implemented in Burma/Myanmar. After democratization, Indonesia has managed to develop a role and an identity as a regional defender of democracy. With regards to Burma/Myanmar, this has been demonstrated by Indonesia’s efforts to lead ASEAN towards more active

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118 Smith, 2008
119 United States Institute for Peace – Special Report, May 2010
120 The Irrawaddy, 21 August 2010
121 Earth Rights International – Burma Special Report, 2009
122 McCarthy, 2008
engagement to support the November elections and the country’s democratization process in general. Among ASEAN’s members, Indonesia and the Philippines have been most vocal in commenting on the Government’s election laws, released in March 2010. Already then Indonesia warned that the new law violated the principles of inclusiveness and would result in undermining the poll’s credibility.123

4.2.4 CHINA AND INDIA

Burma/Myanmar’s rich natural resources and geopolitical significance as a nexus between China and India make it an important regional player. Both India and China compete for closer relations. The government has successfully played this to its advantage. Nonetheless, China has the most leverage and influence over Burma/Myanmar; and the regime is fully aware that the continued political and diplomatic protection of China is essential to its survival. Numerous international actors have long criticized China’s non-intervention policy. When the international community attempted to raise concerns regarding human rights abuses in Burma/Myanmar, China has often held firmly to its non-intervention policy, preventing such moves in the UN, citing the need to respect other countries’ territorial integrity and sovereignty - a pillar of its non-intervention policy.124 Yet behind the scenes China has put pressure on the Myanmar government.

Firstly, China is interested in maintaining peace, and could be the most powerful force against the government’s adventurism and overconfidence with regard to its ethnic minorities that reside near the Chinese border, such as the Wa. A war between the UWSA and the government could result in considerable refugee problems on the Chinese side, as occurred in 2009. Consequently both Beijing, as well as Kunming (Yunnan Province) have urged the Myanmar government to behave with restraint in its relations with the ethnic groups in close geographic and ethnic proximity to China.

Secondly, China, while blocking public shaming of the military government, has helped the UN considerably in its efforts to push the government to cooperate with the initiatives of the UN Secretary General. According to some senior government officials, dialogue with the UN could have been much more difficult without behind-the-scenes pressure from China.

Thirdly, due to its economic stakes, China is eager to push the Burma/Myanmar towards better economic management. China’s economic penetration of Burma/Myanmar is significant. China is Burma/Myanmar's fourth largest foreign investor with a total investment of 1.331 billion USD and a bilateral trade volume of 2.6 billion dollars last year.125

123 The Nation, pg 12, April 3 2010
124 International Crisis Group – China’s Myanmar Dilemma (Report 177), 2009
125 Mizzima News – August 14 2010
Moreover, Burma/Myanmar’s economic collapse would pose a major problem for China; a failed Burma/Myanmar becoming a nexus for drug trafficking, cross-border gambling and refugee floods. However, in order to prevent Burma/Myanmar’s economic collapse China will also be more willing to offer the Myanmar government ways to get around Western sanctions. Due to Burma/Myanmar’s economic and strategic importance China is willing to defend Burma/Myanmar from international interventions.

India also maintains good relations with Burma/Myanmar, and has gently used them to pressure the Myanmar government to change course and implement democratic reforms. What the Indian leaders told General Than Shew during his official visit to India recently is unknown, but the official stance was one of neutrality. Yet the joint statement from the visit seems to encourage optimism about India’s ability to push Burma/Myanmar into better economic policies. It also seems that the ties between the two countries are strong enough to warrant Western pressure on New Delhi to use its ‘influence’ with Burma/Myanmar’s military government.

4.2.5 THE UNITED STATES

After taking office in 2009, United States President Barack Obama decided to use Burma/Myanmar as his Asian experiment in reversing Bush Administration policy. As with Iran and Sudan, the Obama Administration engaged with Burma/Myanmar’s government, although it did not push to end sanctions Congress passed in the late 1990s. Assistant Secretary of State Kurt Campbell made two trips to Myanmar over the past year to try to spur dialogue on critical issues like the November elections. Recently, however all dialogue has been frozen and been replaced with an investigation into claims that the regime is cooperating with North Korea in the development of nuclear technology. By attempting to engage with Burma/Myanmar, the White House demonstrated to its Asian allies that it is willing to listen to them, as many Southeast Asian nations have long advocated that the US engagement with Burma/Myanmar.

Just as sanctions delivered few results, engagement also seems to be delivering little, despite Campbell’s good-faith efforts. The Myanmar government sent relatively low-ranking officials to meet with Campbell during his visit in May, a sign that the regime is not taking the dialogue efforts seriously. US options toward the regime remain limited given the military government’s isolation, the United States’ distance from

126 The Irrawaddy, 10 September 2010
127 The Diplomat, 6th August 2010
128 Congressional Research Service – Burma’s 2010 Elections, April 29th 2010
129 Institute for Science and International Security, January 28, 2010
130 Council on Foreign Affairs, 3 August 2010
Myanmar, and the relative importance of other regional actors like China, India, Singapore, and Thailand. However, the government does seem to crave Washington’s recognition, in part to use the US to hedge against China’s influence. Nonetheless, US options remain limited. Congress has imposed tough sanctions, yet other than isolating the Government’s bank accounts to places like Singapore and Dubai, there is little more Congress can do to punish the regime. The US can do little more than wait; Campbell recently said that the US would continue a policy of engagement with the regime after the November elections.\textsuperscript{131}

\textbf{4.2.6 OTHER EXTERNAL ACTORS}

There are numerous other international actors that are important enough to map the incentives and constraints in dealing with Burma/Myanmar. Russia has not yet stated its official stance with regards to the November elections. There are some factors that will influence Russia’s position. Besides having a number of business interests with Burma/Myanmar, Russia is a leading arms supplier to the Myanmar Army. Russia recently agreed to build a nuclear research centre outside of Yangon, but the deal has now been suspended due to diplomatic pressure.\textsuperscript{132}

The increasingly close ties between Burma/Myanmar and North Korea has draw much attention in recent months as allegations of possible cooperation on nuclear technology have drawn strong criticism.\textsuperscript{133} North Korea’s Foreign Minister, Pak Ui-chun, arrived in Burma/Myanmar in July on a four-day visit. Pak Ui-chun is the highest-level delegate from the North Korea to travel to Burma/Myanmar since bilateral relations were re-established in 2007.\textsuperscript{134}

\textbf{4.3 TRACK 2 ACTORS}

In the current political situation with two major parallel conflicts; between the government and opposition and between the government and ethnic groups negotiating a peaceful solution is exceptionally complex. As the problems are multi-dimensional, multi-track approaches and strategies are needed in democratization and reconciliation. The Director of Metta Foundation Daw Seng Raw has written: “many ethnic groups feel extremely disappointed that in general foreign governments are not responding to the progress of the ceasefire or indeed even understand their significance or context. Rather, it seems that certain sectors of the

\textsuperscript{131} The Irrawaddy, 17 September 2010
\textsuperscript{132} The Irrawaddy, June 13, 2010
\textsuperscript{133} Institute for Science and International Security, January 28, 2010
\textsuperscript{134} Mizzima News – July 21, 2010
international community have the fixed idea that none of the country’s deep problems, including ethnic minority issues, can be addressed until there is an over-arching political solution based upon developments in the capital.”

Even though engagement with the regime has been mostly conducted through traditional Track 1 diplomacy, Track 2 diplomacy could play a more important role in the future in supporting reconciliation in Burma/Myanmar. As many observers have emphasized, the military government sees itself as the guarantor of national security and stability and has developed in isolation from the international community. Consequently they are not concerned with the outside world, at least at the level of formal politics. So genuinely, they do not even think they would have any obligations to communicate with foreign leaders, unless their own economic or personal interests might be on the table.

The conflict between the government and the ethnic minorities is especially challenging, as numerous parties are involved and their size and situation differ considerably. At the same time there seems to be some willingness on both sides (or all sides) to seek opportunities to end the conflict. All opportunities to advance dialogue and negotiations between the ethnic armed groups and the new government should be exploited.

In order for a joint process involving all ethnic armed groups to happen, the ethnic groups need support in sorting out their representation; it is sizable challenge to gather these vastly different groups and have them sign onto the process at the same level. Through Track 2 actors, the international community can offer facilitation, expertise in demobilization and reintegration, resources and political support that the Myanmar government would otherwise be reluctant to accept publicly. As governments tend to be reluctant in negotiating with armed groups for the fear of lending them legitimacy or encouraging other armed movements, Track 2 diplomacy might offer more flexible and effective opportunities to move forward.

After the November elections there will also be a need to address the conflict between the extra-constitutional pro-democracy movement (NLD) and the new government, that may include an unknown number of pro-democracy and minority rights voices. Managing this relationship is a key post-election Western interest in Burma/Myanmar. As it is a highly sensitive issue, high-level informal contacts can be a way to open fresh lines of communication with the government. However, Track 2 actors cannot achieve this without the political support and advice from governmental actors. Even though China and India are the economic

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135 For example Thant Myint-U, see “The River of Lost Footsteps” Farrar, Straus & Giroux, 2008.
superpowers and Burma/Myanmar’s neighbors, the one with the highest likelihood for succeeding in informal, high-level engagement with the government might be an EU-ASEAN supported initiative. Such an initiative could be economically and politically feasible for Myanmar’s military government.

## 4.4 Earlier Experience with the Main Strategic Options

After a review of strategies and positions of various actors, it will make sense to take a look at how the main strategies have worked before. Lessons will be drawn both from the earlier experiences in the country as well as from elsewhere in the world. Most of the strategies various actors support can be categorized into two main strategic options. One is based on pressure and sanctions, while the other is based on engagement and inducements.

In terms of creating and targeting pressure, European Union sanctions policies towards Burma/Myanmar have been largely in line with best practices drawn from the track record of a century of sanctions. The European Union has not tried symbolic sanctions (sport bans) or bans on the export of luxury items to Burma/Myanmar, both of which have a good track record. Otherwise, it has generally succeeded in maximizing the pressure and minimizing counter-productive effects. Relative European unity in the implementation of common sanctions has furthermore worked to optimizing pressure. Despite this optimization, the sanctions have not been successful in pressuring the military government to democratize or respect human rights. Reasons why current EU sanctions regimes have failed have been noted in Chapter 4.2.2.

The new sectoral sanctions, however – adopted after the Saffron Revolution – fail to limit the value deprivation to the military elite, and are thus more problematic. The EU should be very careful about adding further sanctions to the Common Position that fail to precisely target the government. Such sanctions should be avoided altogether. A more thorough analysis of the strategy of sanctions in the case of Burma/Myanmar has been presented in an earlier CMI report.137

However, the track record for engagement is rather poor as well. Engagement can have an impact on focused issue areas; but it general, engagement has not had a strong track record in persuading governments into democratization or help them

develop newfound respect for ethnic and human rights. In cases like Burma/Myanmar, where engaging nations are in fact watering down the sanctions that Western nations have tried to build, engagement has had a negative impact on the overall EU strategy.

All of this seems to call for better coordination between the European Union’s engagement and sanctions strategies. One way to make both engagement and sanctions more effective, as well as move beyond the simple persuasion to active promotion of conflict resolution, the EU could try to integrate its strategies with those of China and ASEAN. In such a case, some of the spoiler effect to sanctions would be removed and pressure towards the Myanmar government would be more intense; at the same time European Union resources could also be mobilized for engagement in human security and poverty alleviation issues and direct influence with the government.

To achieve this, the European Union would need a more diversified approach, with positive signals to complement negative ones. Engagement could serve as an incentive on more technocratic issues of economic development. While this could be developed as a positive leverage for Europe, it would also have the added benefit of highlighting problems of human security and poverty alleviation faced by the Myanmar government.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1 GENERAL CONCLUSIONS

The significance of the November elections in Burma/Myanmar stems from the controversial constitution on which they are based, which involves a complete reconfiguration of the country’s political structure. It establishes a presidential system of government with a bicameral legislature as well as 14 state governments and legislatures – the most wide-ranging change in a generation. Ultimately, even assuming that the intention of the military government is to consolidate military rule rather than initiate a democratic transition, such processes often lead in unexpected directions. Together with the ongoing generational change, these elections (along with any possible protests over the fairness of the elections) represent a major opportunity to start the gradual progress of political transformation in the Burma/Myanmar.

It is obvious that the elections will not be free and fair, given the uneven playing field, longstanding denial of basic freedoms, and some severe shortcomings of the election laws. Many opportunities for progress towards democracy and minority rights have already been blocked by the restrictive
election and party laws, let alone the detention of the main opposition leader. For the military, elections are undeniably seen as a vehicle to legitimize military rule. However, in criticizing the process, it is important not to undermine the position of those candidates proposing change. The emergence of an opposition voice in authoritarian legislatures should be encouraged rather than marginalized.

Although it seems possible that democratic and ethnic opposition movements can win a considerable share of seats in state parliaments and the national legislative, change in the executive branch is likely to take more time. The European Union has to be prepared to think that after the elections the executive branch may remain almost unchanged, but that opposition gains at the state and national parliaments can be the source of change. Is this enough to change the Common Position to be more conducive for engagement, while preserving a unified EU position? In general, external actors lack a cohesive, international strategy to deal with Burma/Myanmar, and need to coordinate activities designed to encourage political and economic reform. While all acknowledge that the real impetus for change must come from inside Burma/Myanmar, the role of external influence is very important.

Beyond the forthcoming elections, the need for conflict prevention and resolution remains high. Despite the visibility of the pro-democratic opposition, ethnic conflict is the dominant pattern of conflict in the country, at least in terms of conflict fatalities. The government’s efforts to exert full control over Burma/Myanmar’s border regions, which are populated and controlled by numerous ethnic armed groups, could also result in new crises. Tensions have escalated in several areas, even where ethnic armed groups have signed ceasefire agreements, because of the government’s policy of forcing these groups to transform their armies into SPDC-controlled Border Guard Forces. Most militias are reluctant to do so, as they see their armed wings as a guarantee of at least a degree of autonomy. If the SPDC pursues this policy too aggressively, it is also likely that a number of the ceasefires could collapse.

The election process has also highlighted the need for political dialogue between the democratic opposition, ethnic groups and the Government. This should be seen as a key strategy for peaceful change in the country. It is clear that there are no quick fixes to the political, economic and humanitarian problems facing the people of Burma/Myanmar. Many political activists have adopted a highly pragmatic approach to the elections, working with the view that the elections can be seen as a start of a lengthy political transition process that despite its slowness can lead

138 Union Election Commission Law (SPDC Law no. 1/2010), the Political Parties Registration Law (SPDC Law no. 2/2010), the Pyithu Hluttaw Election Law (SPDC Law no. 3/2010), the Amyotha Hluttaw Election Law (SPDC Law No. 4/2010) and the Region Hluttaw or State Hluttaw Election Law (SPDC Law no. 5/2010).
to significant changes in a long run, maybe even by the elections scheduled to take place in 2015.

Despite the very obvious flaws in the process, the generational transition and the transition in the political system offer genuine opportunities both on the short run as well and in a longer perspective. A new political landscape will emerge, giving rise to opportunities to push for change, as well as a new set of challenges. This is why the current situation should not be viewed too pessimistically, even though it is important to recognize the obstacles for change. Predictions of what is going to happen post-elections are not as useful as efforts to identify opportunities that could contribute to achieving progress in these elections. Pessimism fuels apathy, and apathy will result in the missing of opportunities for progress.

5.2 RECOMMENDATIONS

In the following section there are a number of recommendations for Finland and the European Union for their policies towards Burma/Myanmar in the fields of a) promotion of democracy and minority rights, b) improving the quality of government policies, and c) conflict prevention. They are not limited to the pre-election period and to the constitutional framework, but the recommendations concern multiple conflict trends and different tracks of action pointing to possible entry points for constructive engagement in Burma/Myanmar before and after the November elections.

5.2.1 PROMOTION OF DEMOCRACY AND MINORITY RIGHTS

- **European actors should allow people inside Burma/Myanmar to decide whether to participate in the elections, rather than campaigning for election boycott, in order to maximize opportunities for democratization within the existing constitutional framework.**
  - Advocating a multiplicity of strategies against the authoritarian government for the voters will play to the advantage of authoritarianism.

- **The international community should use the time available before the elections to make the elections at least somewhat fairer.**
  - Offer support to indigenous election observation. This could be pursued through dialogue with the government and civil society organizations, such as Myanmar Egress, as soon as possible, regarding the possibilities of supporting national capacities for election observation. This dialogue could be started as an EU-ASEAN joint effort through high-level informal diplomacy.
- Negotiate with the Indonesian Foreign Minister and Foreign Ministry, which is leading the ASEAN effort, on how the EU/Finland could support the ASEAN push for an ASEAN election observation.
- Support increasing the level of transparency by resourcing citizen reporting and media activity that aims at publicizing unfair election practices.
- Focus on the election problems that occurred during the 2008 referendum, as these are the most plausible forms of fraud. These core concerns are coercive intimidation of voters and problems of anonymity of the vote, especially the advance vote. Furthermore, border-based radio stations should be used to promote campaigns against vote-buying, recommending taking money and then voting against the party that offers money.

- The EU and the whole international community should carefully consider its reaction to the election results. While criticizing shortcoming of the process it is important to think whether a change at the legislative level would constitute “good enough” progress and allow increased engagement and incremental changes for the benefit of the people of Burma/Myanmar.

- The new government could also be supported selectively within the current constitutional framework.
  - The current constitutional framework offers a way to support the revival of minority languages and cultures, as well as help for greater media capacity and freedom and the buildup of democratic institutions. Once the new government is nominated, negotiating modalities that the government will not find intrusive but which still would be meaningful contributions to democratization and minority rights will be a major challenge.

- It is important to have another track of diplomacy to influence those conflicts outside of the constitutional framework, aiming at:
  - Helping the government negotiate with the pro-democracy and ethnic minority groups that have been left outside of the constitutional process, and
  - Pushing the government to reform its executive branch. The likely outcome after the elections is that the government will not reflect the majority of the parliament, and that most of the parties will accept the prospect of starting executive reform with a setting where most of the top cabinet seats, including the presidency, will remain with the old leadership.
• In pushing for reform, Europe’s strategy should be more flexible and needs to have a less stagnant legal form. Common Positions that are difficult to change when changes are needed is an unhelpful setting. A framework of loosely defined, unanimously accepted political principles should be utilized to create a more flexible environment of pressure, engagement and cooperation.

  ➢ More pressure should be applied on those elements of the Burman/Myanmarese economy that are controlled by the people Europe wants to pressure as well as those which also are clearly harmful for the economy at large.

  ➢ The international community should consider utilizing exemptions for the sanctions regime. Chevron (USA) and Total (France) operate in the gas fields of Yadana and Yetaga that have been exempted from sanctions; these companies could be more tightly connected to the European strategies of flexible sanctions and engagement. These companies could be pushed to operate in a direction that could improve Burman/Myanmarese micro-democracy and micro-ethnic rights.

5.2.2 IMPROVING THE QUALITY OF GOVERNMENT POLICIES

• The EU should adopt a policy that combines engagement and pressure, and has a differentiated approaches to:

  ➢ support ‘progressive’ people, non-military parliamentarians and technocrats in the government;

  ➢ encourage progressive steps by the government, such as increased focus on technocratic issues, greater international engagement, more development-minded moves, and

  ➢ be active in progressive issues areas that are more cooperation-friendly for the government: human security, development and poverty alleviation.

• EU and ASEAN should seek for more complementarity in their approaches and policies on Burma/Myanmar. In supporting gradual change in the country, closer cooperation between EU and ASEAN is necessary at all levels. ASEAN can provide better communication and access to the regime and the EU can generate the financial resources and incentives needed.
• Should there be more political space after the elections, one possible and important area of cooperation between ASEAN and the EU could be security sector reform in Burma/Myanmar.

• Capacity-building is needed in order to build and strengthen parliamentary processes after the elections. The government has to be made more accountable and a culture of transparency has to be created. The international community has to actively seek fresh ways of supporting these kind of political capacity-building initiatives, both in terms or financial and human resources.

• The EU should consider using high profile informal actors to promote high-level contacts with the government, as a means for both engagement and pressure.

• Support Burma/Myanmar’s integration into the East Asian and ASEAN political community.
  ➢ Support select activity areas in ASEAN cooperation so that the prominence of these activity areas is maximized in national decision-making
  ➢ Support Burma/Myanmar’s exposure to the thinking of the other ASEAN countries.

• Support the growth of development and human security-oriented thinking in Myanmar government and civil service by resourcing ASEAN (and EU-ASEAN) cooperation against human trafficking, drug trade, famine and natural disasters.

• The EU should seek ways to support the development of the economy and private sector in Burma/Myanmar. The kleptocratic engagement of the generals in the private economy, while problematic, may not be entirely bad. Once the generals have a stake in the economic development of the country, the overall national identity of Myanmar could gradually change from a security to a development-oriented state.
  ➢ Given political feasibility in Europe to look at this development pragmatically, an optimal strategy to build-up the commitment of the generals into the private economy would require working with relatively independent companies, even if they had shareholders from the military government.
  ➢ A system of ethically sustainable investment schemes and a system of standards for identifying the ethical standards of investments should be created, or options for their creation be studied.
Sustainability could mean both ecological standards and standards related to the contribution of economic activity to the local civilian economy. The idea of creating ethical standards for the tourism industry, e.g., should be expanded to the financial side of that industry. Hotels and travel services, then could get greater exemptions from financial sanctions if their linkage to the military is minimal, and if their contribution to the local civilian economy is high.

5.2.3 CONFLICT PREVENTION

- **Ensure sufficient attention is paid to the potential for conflict between ethnic minorities and the Government/Burman majority.**
  - Diplomatic pressure in favor of restraint and negotiation, especially from the ASEAN partners and China is very important to curb government adventurism.
  - The Myanmar government should be informed that high-level and high quality services, facilitation and mediation would be available from Europe if such were accepted by the Myanmar government and their opponents. These kind of services should link up with existing indigenous processes of mediation.
  - Help the Myanmar government to keep its promises rather than to push it to further compromises. Holding the government accountable to its progressive plans would require a more flexible public diplomacy; progressive moves should be publicized and conditionally endorsed in order to make deviating from them more costly politically.

- **The international community needs to pay attention to the emerging conflict between the newly landless farmers and the money-lenders**
  - The financial sanctions regime should recognize the severe need for financing of the agricultural sector, in order to stop the increase of landlessness.
  - Study possibilities for a system of agricultural micro-credits and the opportunities for the utilization of Indian expertise in agricultural micro credits

- **The international community should pay attention to the possibility that Burma/Myanmar is developing nuclear weapons.**\(^{39}\)
  - Support the emerging change of Burma/Myanmar’s national identity, so that development rather than

\(^{39}\) It was not within the limits of this study to assess how realistic the threat of a nuclear Myanmar is.
further re-entrenchment of security through nuclear weapons as the way of emphasizing the greatness of the nation.

- Promote solutions that could ensure Burma/Myanmar’s security without the need for nuclear weapons.
- Put nuclear cooperation with Burma/Myanmar under careful surveillance, emphasizing the fact that Myanmar is also party to the Nuclear Non-Proliferation Treaty.
<table>
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<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<tr>
<td>BGF</td>
<td>Border Guard Forces</td>
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<td>CMI</td>
<td>Crisis Management Initiative</td>
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<td>DP</td>
<td>Democratic Party</td>
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<td>EU</td>
<td>European Union</td>
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<td>KNU</td>
<td>Karen National Union</td>
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<td>KNPP</td>
<td>Karenni National Progressive Party</td>
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<td>MDF</td>
<td>Metta Development Foundation</td>
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<td>MNDA AA</td>
<td>Myanmar National Democratic Alliance Army</td>
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<td>NLD</td>
<td>National League for Democracy</td>
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<td>NCGUB</td>
<td>National Coalition Government of Burma (the exile 1990 government)</td>
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<td>NDF</td>
<td>National Democratic Force</td>
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<td>NUP</td>
<td>National Union Party</td>
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<td>NMSP</td>
<td>New Mon State Party</td>
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<td>Pa-O National Organization</td>
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<td>Shan National League for Democracy</td>
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<td>SPDC</td>
<td>State Peace and Development Council</td>
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<td>UDP</td>
<td>Union Democratic Party</td>
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<td>USDA</td>
<td>Union Solidarity and Development Association</td>
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<td>USDP</td>
<td>Union Solidarity and Development Party</td>
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<td>UNDP</td>
<td>United Nations Development Program</td>
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<td>USIP</td>
<td>United States Institute of Peace</td>
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<td>USWA</td>
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