

Strategic Analysis Paper

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Burma: Pawn, Pivot, Pariah ... and now Partner

Dr Andrew Selth

FDI Senior Visiting Fellow

Key Points

- Over the past 25 years, the international community's perceptions of Burma have changed dramatically. It has variously been viewed as a pawn of China, an important strategic pivot in the region and a pariah state allied with North Korea.
- These perceptions have been influenced by several factors, ranging from moral and humanitarian concerns to more objective, evidence-based analyses. Reliable information about Burma, however, has always been hard to come by.
- The different attitudes taken towards Burma by the international community have prompted a wide range of policies. Some countries and organisations have favoured tough, punitive measures while others have preferred a much softer line.
- None of the approaches adopted by the international community seemed to have any appreciable impact on the military government's core beliefs and key policies. Burma insisted on choosing its own path to a "disciplined democracy".
- Since the advent of President Thein Sein's reformist government in 2011, perceptions of Burma have changed yet again. It is now seen as a potential partner, sparking an effort by many countries, including Australia, to develop much closer bilateral relations.

Summary

Over the past 25 years, Burma has been variously described as a pawn of China, an important strategic pivot in the region, and a pariah state allied with North Korea. These perceptions prompted different approaches from the international community, ranging from the hard line taken by the US, focussed on sanctions and other punitive measures, to the softer line adopted by the ASEAN countries, which emphasised “constructive engagement”. None of these policies were able to dissuade Burma’s military government from pursuing its own path to a “disciplined democracy”. The unexpected appearance in 2011 of a new reformist government under President Thein Sein, however, has transformed Burma into a potential partner for countries like Australia, which is boosting its bilateral ties.

Analysis

This March, Burma (increasingly being called Myanmar, its official name) seemed to be the flavour of the month in Australia. There was the regular Myanmar/Burma Update Conference at the Australian National University in Canberra, the inaugural meeting of the Australian Myanmar Institute was held in Melbourne, and President Thein Sein made a state visit, during which Prime Minister Gillard announced the strengthening of bilateral ties. A Trade Commissioner and a Defence Attaché will soon join the staff of the Australian embassy in Rangoon (Yangon). These developments prompt some reflection on how Burma has been perceived over the past 25 years, and why these perceptions have now changed.

Before the abortive pro-democracy uprising in 1988, Burma was an isolated, economically insignificant dictatorship with limited military capabilities. It was nominally socialist, which made some of its immediate neighbours uneasy, and the world’s largest producer of opium, which raised concerns of another kind. It was strictly neutral in its foreign relations, however, and made an effort to avoid entanglement in international disputes, such as the strategic competition between the superpowers and rivalries over divided countries like Korea and Vietnam. Burma was not seen by anyone as a serious threat. In fact, most countries tended to discount it as an international actor.

After the uprising, Burma’s State Law and Order Restoration Council (SLORC) opened up the economy — albeit to a limited degree — and in other ways welcomed a greater level of foreign contact. But the new military regime was ostracised by the West and some other countries for its gross human rights violations. Development assistance was cut off and increasingly harsh economic sanctions were imposed. Burma was also strongly criticised in international organisations like the United Nations. In response to a perceived external threat, possibly even an invasion by the United States, the SLORC modernised and expanded its armed forces. It also developed much closer relations with China. Strategic analysts began to view Burma in a different light.

Burma as Pawn

One school, familiar with Cold War paradigms in which large powers always dominated small ones and nuclear powers bullied non-nuclear powers, started to characterise Burma as a

Chinese pawn. These analysts could not accept that a small, weak country like Burma could resist its northern neighbour's enormous strategic weight and continue to act independently, particularly if it was accepting large volumes of Chinese aid and arms. It was partly with this in mind that Indian observers — and some in the West — began to accuse Burma of hosting a number of large Chinese military bases. While this notion was eventually proven to be completely false, for many years it was the accepted wisdom, strengthening public perceptions of Burma as a satellite of China.

As the 1990s progressed, however, it became abundantly clear that Burma's ruling military council — renamed in 1997 the State Peace and Development Council (SPDC) — had not lost its fierce commitment to the country's independence. The generals rejected all criticisms and vowed to resist the pressures applied against them. They welcomed India's belated efforts to develop its bilateral relationship with Burma, in an obvious attempt to balance Rangoon's close ties to Beijing. The SPDC also began to develop military and trade links with members of the former Eastern bloc, in another attempt to broaden its foreign relations. In 1997, Burma joined the Association of South-East Asian Nations (ASEAN), a move that yielded further diplomatic benefits.

Burma as Pivot

In considering all these developments, another school of analysts went as far as to claim that Burma's critical geostrategic position, at the crossroads of South, East and South-East Asia, made it an important pivot in regional politics. Also, to develop its southern provinces, China needed access to the Bay of Bengal — and decided to build gas and oil pipelines overland from Burma's west coast to Yunnan. India was keen to find a new way to reach its isolated north-eastern provinces, and negotiated the so-called Kaladan transport corridor through western Burma. For its part, Thailand was heavily dependent on natural gas piped from Burma's Yadana fields in the Andaman Sea. These factors helped to give the SPDC the whip hand in its foreign relations, even with its more powerful neighbours.

Burma's importance was also underlined by its critical role in global efforts to combat transnational crime. It was overtaken by Afghanistan as the world's largest opium producer, but Thailand and the US — and to a lesser extent Australia — feared the continued production of heroin and methamphetamines in north-eastern Burma. Senior military officials in Bangkok even feared that the SPDC might be using the export of narcotics as part of a long-term strategy to undermine Thai society, possibly in an effort to reduce its potential to support a future US invasion. Burma was also a source of concern over sex trafficking, money laundering and undocumented people movements. There were even suggestions that some of Burma's sizeable Muslim population — notably the so-called Rohingyas — could be recruited by Islamic extremists.

Throughout this period, the Burma policies pursued by the Western democracies seemed to be driven not so much by practical or strategic considerations but by moral and humanitarian concerns. Strongly influenced by charismatic opposition leader Aung San Suu Kyi, and encouraged by a surprisingly effective activist community, countries like the US and the United Kingdom made demands on Burma that were not made on other regional countries. They imposed economic and other sanctions against Burma that were even

tougher than those levelled against North Korea. To ease the passage of such measures in the US, in 1997 Burma was formally declared by the president to be ‘an unusual and extraordinary threat to the national security and foreign policy of the United States’. The US and several other governments actively supported the regime’s opponents, both inside the country and outside it.

Burma as Pariah

This aggressive approach — which was clearly aimed at precipitating regime change — aroused such concerns in Rangoon that the SPDC took further measures to strengthen Burma’s defences and improve its international bargaining position. From about 2000 onwards, this included the development of close ties with North Korea. The generals began with the purchase of conventional arms and Pyongyang’s help with defence infrastructure projects, including the construction of “tunnels” and other underground facilities. Reliable information is scarce, but the relationship probably came to include the sale to Burma of ballistic missile production facilities, and may have included the transfer of nuclear technology.

Even if the rumours about a Burmese nuclear programme eventually prove to be exaggerated or false, the significance of a possible ballistic missile programme could not be underestimated. Quite apart from its diplomatic implications — including Burma’s violation of a number of UN Security Council resolutions — possession of ballistic missiles would give Burma a power projection capability for the first time. For example, with even a short range ballistic missile (SRBM), greater Bangkok would come within the regime’s reach. While no firm evidence has ever been presented proving that Burma possesses chemical or biological weapons — as claimed by some activist groups — any such capabilities would make the acquisition of SRBMs even more worrying.

Details about Burma’s ties to North Korea were — and still are — very difficult to come by, but the development of such a close bilateral relationship, including obvious defence co-operation, saw Burma branded by the international community as a threat to regional, and possibly even global, security. Its pariah status was confirmed by the suspected importation of prohibited arms and equipment. This prompted the Bush Administration to increase its pressure on the military government, ensconced from 2005 in Burma’s new capital, Naypyidaw. After his election in 2009, and a review of the US’s Burma policies, President Barak Obama tried a more conciliatory approach, which emphasised “pragmatic engagement”. This change of tack, however, failed to produce any significant changes in the SPDC’s behaviour.

Burma and Labels

Indeed, despite more than 20 years of public criticism, economic sanctions, arms embargoes, travel bans and other punitive measures, Burma seemed completely impervious to international pressure. Nor did it seem susceptible to a softer line, as the members of ASEAN and others found, in trying to modify the generals’ stance through a policy known as “constructive engagement”. Even Burma’s close ally China seemed to find it hard to influence the decisions taken by the generals in Naypyidaw. The intensely nationalistic

military government was not unaffected by international opinion, but was clearly determined to manage Burma and decide its future according to its own perceived imperatives. These were encapsulated in its three “national causes”, which could be summed up as internal stability, social unity and national sovereignty.

In pursuing these aims, the regime was quite successful. Burma was living proof of the fact that, despite all the pressures that can be applied by the international community, if a government is set on going its own way, cares little for legal conventions, has powerful allies, does not mind enduring certain shortages and ignores the plight of its own people, it can survive — and even prosper. Burma did not introduce a new constitution in 2008, hold national elections in 2010 and create a hybrid civilian-military parliament in 2011, because it felt weak or threatened by imminent collapse. In fact, judged in terms of its strategic influence, diplomatic relationships, military strength, economic resources and grip on domestic power, Burma’s military regime was stronger in 2010 than at any time since General Ne Win’s coup in 1962.

If it had wanted to do so, the SPDC could probably have stayed in power for many more years. Despite recurring fears on the part of the military leadership — and hopes on the part of the activist community — there was no real prospect of external intervention and no local insurgent groups were militarily strong enough or popular enough to topple the regime. New gas deposits were due to come online, promising a greatly increased flow of foreign currency, and China was becoming more dependent on Burma’s markets, natural resources and goodwill. There were political and social problems which resulted in occasional outbreaks of civil unrest but, provided the armed forces remained cohesive and loyal, there was little chance that the next popular uprising would be any more successful than those seen in 1988 and 2007.

No-one can say for sure why the regime decided to make the transition from a military council, ruling by decree, to a “guided democracy” under a new, multi-layered parliamentary structure. External factors — including concerns about China’s growing influence and fears that Burma was falling behind its regional neighbours — doubtless played a role. But the most important considerations seem to have been internal. Senior General Than Shwe and others in the military leadership seem to have calculated that, if the country was to modernise, become more prosperous, more stable and more respected, then drastic changes were required. The 2008 Constitution safeguarded the interests of the armed forces, which retained their “guardianship” role, and the 2010 election was rigged to ensure that the new system could be controlled.

Burma as Partner

Now that a government has formed under Thein Sein, and opposition leader Aung San Suu Kyi has cautiously lent her support to the president’s ambitious programme of political, economic and social reforms, Burma’s international status has changed yet again. It faces many complex problems, and there are continuing concerns over some government policies and the behaviour of the security forces. However, Burma is now seen by the international community as a potential partner. As a result, it is experiencing a remarkable renaissance. Countries like Australia are strengthening their diplomatic representation in Rangoon,

seeking commercial opportunities and reinstating aid programmes. President Thein Sein is striding across the world stage, receiving accolades from those who were once the country's strongest critics. Burma is flooded with foreigners — of all kinds — seeking to take advantage of the more open environment.

It is difficult to say what Burma's next incarnation will be. It is widely hoped that the processes of modernisation and democratisation will continue, up to and beyond the 2015 elections. The president's reform programme has considerable momentum and it is difficult to see Burma going back to the bad old days of the SPDC. However, even the most optimistic observers recognise that major challenges lie ahead. The country's ability to formulate, implement and absorb the proposed reforms is very limited. There are other dangers, too. For example, if Aung San Suu Kyi withdraws her support for the president, if the reforms go too far too fast, or fail to meet rising popular expectations, then serious civil unrest could result. This could prompt more conservative elements in the parliament and armed forces to step in to restore stability, as they see it.

Whatever happens, though, the one thing that everyone can be sure of is that Burma will continue to change — and defy expectations.

About the Author: *Dr Andrew Selth is a Research Fellow at the Griffith Asia Institute, Griffith University. He has been studying international security issues and Asian affairs for 40 years as a diplomat, strategic intelligence analyst and research scholar. He has published four books and over 50 peer-reviewed papers, most of them discussing Burma (Myanmar).*

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Published by Future Directions International Pty Ltd.
80 Birdwood Parade, Dalkeith WA 6009, Australia.
Tel: +61 8 9389 9831 Fax: +61 8 9389 8803
E-mail: lluke@futuredirections.org.au Web: www.futuredirections.org.au