## BULLETIN

No. 11 (344) • February 2, 2012 • © PISM

Editors: Marcin Zaborowski (Editor-in-Chief), Katarzyna Staniewska (Executive Editor), Jarosław Ćwiek-Karpowicz, Beata Górka-Winter, Artur Gradziuk, Beata Wojna

## **Myanmar—Perspectives for Democratic Transformation**

Patryk Kugiel

The political reforms unfolding in recent months in Myanmar open a rare window of opportunity for democratisation of the country and its full reintegration with the world community. The process is reversible and depends on both the wisdom of internal partners and support from international players to progress. The EU can play a crucial role in providing economic incentives to the government's reconciliation with the opposition and ethnic minorities and encouraging regional integration and cooperation. Also, the Polish experiences with democratic transition can be of special relevance for this country.

**Symptoms of Change**. Ruled under a military dictatorship since 1962, Myanmar has become one of the most internationally isolated and underdeveloped countries in the world. After a crackdown on peaceful demonstrations led by Buddhist monks in 2007 (the so-called "Saffron revolution"), the groundwork for a transition to a more inclusive system was set up when a new constitution was endorsed in 2008. The first general elections in 20 years were held in November 2010 and won by the military-backed Union Solidarity and Development Party (USDP). Although the elections were boycotted by the main opposition party, the National League for Democracy (NLD), and considered flawed by the international community, the pace of reforms eventually gained momentum after a former general, Thein Sein, was chosen in March 2011 to be the first nominally civilian president.

The new government opened up a dialogue with the opposition and gradually eased restrictions on political activities. In a few tranches (the last in January 2012), thousands of prisoners, including several prominent political dissidents, have been freed. Aung San Suu Kyi, the most prominent opposition figure and the leader of the NLD, was freed from house arrest in late 2010 and allowed to rejoin public life. In August, she met with President Sein, in December 2011, her party was reregistered as a political party, and in January, she registered to run for a seat in a parliamentary byelection to be held on April 1st. The government has recently created a National Human Rights Commission, eased media censorship, and allowed for peaceful demonstrations and the creation of labour unions.

In a move to put an end to over 60 years of civil wars with its numerous ethnic minorities, the government last December ordered the military to stop its offensive against the Kachin rebels and signed ceasefire deals with two other rebel groups. In a sign of more responsiveness to ethnic and ecological concerns, in September last year, the president suspended China's controversial investment in the Myitsone hydroelectric mega-dam—a move seen as a step to lessen Myanmar's over-reliance on its major foreign ally.

Moreover, the recent inflow of world leaders to Myanmar shows this country is ready to reengage with the world community. Visits by U.S. Secretary of State Hilary Clinton in December 2011 and British Foreign Secretary William Hague in January 2012 were the first high-level visits from U.S. and UK representatives in more than 50 years. The Obama administration recently expressed its willingness to normalize diplomatic relations and reopen the U.S. embassy in Myanmar. Also ASEAN, the main regional group, praised the changes in Myanmar by granting it in November 2011 the chairmanship of the organization in 2014.

**Challenges and Prospects**. Recent positive changes cannot overshadow the fact, that Myanmar is in a nascent phase of its democratisation and many challenges still lie ahead. First, in the current political system, the centre of power still rests with the army and the generals are really pulling the

strings. The current constitution reserves 25% of the seats in the lower house of parliament for the military and assumes that three key ministries: Defence, Interior and Border Affairs—must be held by serving generals. The incoming by-election involves a mere 48 of 440 seats in a parliament clearly dominated by the pro-military USDP. Potential struggles between reformists and hardliners within the military can still derail the transition and halt the process of liberalisation.

Second, despite encouraging moves, the end of the ethnic conflicts is still far from sight. In contrast to official declarations, the offensive against the Kachin rebels has actually intensified this year with new reports emerging in recent days of brutality by the army. Central authorities may fear that granting more autonomy to ethnic rebels—their main claims—could eventually lead to the disintegration of the country and loss of the mineral-rich areas.

Third, dire economic conditions may further complicate political reforms. If greater political freedom spurs social upheaval and more active expressions of economic demands, then the army may revert to force or violence to suppress public unrest. Myanmar's decades-long isolation from the world economy and the absence of many formal regulations and effective procedures could further hamper the process of economic liberalisation.

In this volatile situation, the incoming by-elections of 1<sup>st</sup> April would be seen as a major milestone. If Suu Kyi finds a place in parliament with a fair vote, the opposition will have a formal platform to discuss with the military the pace and direction of further democratisation. In a peaceful transition of power from a military junta, restraint from acts of revenge or the settling of old scores would be crucial. If incentives to relinquish power are in place and the security and wealth of the old elite is not threatened, then there will be much less risk for a serious backlash. The real test of intentions of the ruling elite, however, would be whether they will agree to changes to the current constitution or the drafting of a brand new, democratic one.

Furthermore, a credible process of political reconciliation must be accompanied by the simultaneous reconciliation with minorities. The government seems willing to open without preconditions a dialogue with rebel groups to accommodate the aspirations of all the ethnic groups. This reconciliation will depend on stimulating sustainable economic growth and ensuring equitable profits for all involved. This will depend not so much on the inflow of foreign aid, but rather on re-connecting to international trade and investments.

Conclusions and Recommendations. The democratic gains in Myanmar, although remarkable, are still weak and can be reversible. The success of the whole process will depend not only largely on the internal power struggles within the old regime but also on the wisdom and restraint of the opposition (represented by Suu Kyi) and international support for a peaceful transition. Although many experts encourage more caution in lifting international sanctions, it seems that rather fast and decisive action in this regard is necessary to building the momentum of change and taking it past the point of no return. The full normalisation of relations and the broader engagement of major powers and international organisations may strengthen reformists within the state apparatus and pave the way for a democratic transition. To broaden the room to manoeuvre, the West should coordinate its policy with local allies (Thailand and India), which also have sincere interest in the democratisation of Myanmar.

During the Foreign Affairs Council on 23 January the EU agreed to ease some restrictions on My-anmar (visa bans on prominent officials) and announced a willingness to further remove sanctions by the end of April, provided that the by-lections on 1<sup>st</sup> April are free and fair and political reforms continue (i.e., freeing the remaining political prisoners). It is important the 27 Member States use this time to forge a common policy on Myanmar. The EU needs to strengthen its diplomatic and financial support for comprehensive transformations in Myanmar. The development assistance it provides must be based on joint programming in line with the Agenda for Change of October 2011 to reduce fragmentation and increase the effectiveness of the aid. The EU could also encourage Myanmar's deeper regional cooperation and integration in dialogues with ASEAN, India or China.

Poland should continue support for democratic changes in Myanmar. The ongoing formulation of a Multiannual Development Cooperation Programme for 2012–2016 offers a good moment to consider including Myanmar as a priority partner for Polish Aid. This decision would be even more accurate if the EU were to recognize Polish specialty in particular sectors within a joint European development approach. The Polish experiences with the peaceful transition from authoritarian rule to democracy since 1989 and valuable progress achieved in economic liberalisation, administrative reform and a free media suggest these experiences may be of special relevance to Myanmar.