

BURMA / MYANMAR

Views from the Ground and the International Community

Forum report by

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This narrative report results from a half-day forum presented by The Atlantic Council of the United States, The National Bureau of Asian Research (NBR), and the US-ASEAN Business Council in cooperation with Refugees International on May 8, 2009

*Photo courtesy of Frances A. Zwenig
Pagan, Myanmar, February 2009*



Executive Summary

This report outlines discussion at a conference held on May 8, 2009, one year after Cyclone Nargis, to assess humanitarian needs and international responses to Myanmar. There was no attempt to guide the discussion toward consensus on findings or on policy measures.

Discussion Themes

Ongoing multi-faceted insurgencies and Cyclone Nargis have strained social safety nets and stretched Myanmar's economy to the breaking point. Politically, the government of Myanmar poses a significant challenge to the international community's common goal of improving conditions for the Myanmar people and urging reform. Since Cyclone Nargis however, the regime has allowed the international community to operate in greater capacity with local civil society and government officials. In addition, the upcoming 2010 Myanmar elections and recently increased Myanmar-ASEAN cooperation could be steps towards longer-term political progress. Opinions diverge within the international community on the nature of the Myanmar regime. Some believe the Myanmar government to be shielded from reality, while others see it as both rational and well connected to the outside world. Governments in the region emphasize dialogue and work on the ground, and Western countries with greater geographical and political distance favor a mixed application of carrots and sticks.

Policy Implications

- Humanitarian assistance to Myanmar needs to be increased and quickly expanded. Doing so would help address the deteriorating humanitarian situation, expand civil society, and create a cadre of younger generation moderate officials and non-governmental actors.
- A more realistic, coordinated, and long-term policy agenda in Myanmar should be implemented by the international community. Expanding capacity-building efforts would be a positive first step in bridging economic and political development, as well as improving relations between Myanmar and the outside world. This approach must include the government of Myanmar, but in the near-term should involve engaging younger generation officials in lower levels of the regime.

Project Report

A year after Cyclone Nargis struck Myanmar, making it the worst disaster in the country's recorded history, a conference to assess humanitarian needs and international responses to Myanmar was convened in Washington, D.C. Co-sponsored by The Atlantic Council of the United States, The National Bureau of Asian Research, and the US-ASEAN Business Council, in cooperation with Refugees International, the discussion was both retrospective and forward-looking. Beyond Myanmar's recovery from the cyclone, the broader humanitarian situation and the impact of the current global economic crisis were central concerns. Discussion also focused on the impact of ASEAN's (Association of Southeast Asian Nations) ongoing institutionalization on Myanmar, the review of policy toward Myanmar currently underway in the U.S. Government, and prospects for change with the 2010 elections in Myanmar.

The conference brought together a broad spectrum of participants, including representatives from international assistance groups working on the ground in Myanmar; officials from governments including Australia, China, Japan, Indonesia, Malaysia, Norway, Thailand, Singapore, the United States, and Vietnam; United Nations and congressional staff; and analysts and scholars who follow developments in Myanmar closely. The dialogue was conducted under Chatham House rules; as a result, none of the discussion reported in this paper should be attributed to any individual or institution. No attempt was made to forge a common position in the conference. Accordingly, this paper reports salient points and recommendations but does not represent a formal consensus, although informal agreement (or disagreement) is noted in places.

The Humanitarian Crisis

A majority of participants who operate inside Myanmar described a country in a state of silent collapse. An NGO representative reported that the rural economy is stretched to the breaking point and that the country's natural resilience is fading as social safety nets erode. The current economic crisis has forced crop prices to unprecedented lows, and most rural households are deeply in debt. They are forced to sell most of their crops to repay this debt, leaving meager rice stocks for household consumption. Many farmers lack the infrastructure to get their goods to market, further impoverishing them.

According to UN surveys, significant numbers of people in Myanmar live below the poverty line or just above it—90% of the population lives on 65 cents a day and has no margin to guard against economic shocks. Further economic hardship could push large numbers into poverty. Rural credit has dried up, and landlessness is increasing rapidly: 60–70% of village inhabitants are landless and try to survive as casual day laborers. Remittances from overseas workers have been sharply curtailed, and the workers themselves are returning to swell the ranks of the unemployed.

Beneath the hardship of the current economic crisis is a more long-standing humanitarian situation that is expressed most dramatically in the lives of children. 10% of all children in Myanmar die before their fifth birthday. The three main causes of childhood death—malaria, pneumonia, and diarrhea—are all easily preventable. Less than half of children finish primary school, and one-third are malnourished. Those children who do survive often work in hazardous environments, including the sex trade.

Two additional circumstances have exacerbated the humanitarian situation in Myanmar. First, recovery from Cyclone Nargis is incomplete. Many cyclone victims live in makeshift housing and per capita aid to them is a fraction of what victims of the 2004 tsunami received in Aceh. An NGO representative indicated that the international community has been able to help avert a second wave of deaths from a subsequent cyclone but has not been able to provide the second tier of assistance—boats, nets, seeds, and livestock—needed for victims to be self-supporting. One participant estimated that an additional \$690 million in cyclone relief will be needed over the next three years but noted that the per capita amount of \$100 per severely affected survivor is not excessive.

A second, more long-standing and more complex contribution to humanitarian distress has been Myanmar's multiple civil wars, the longest-running set of armed conflicts in the world. Although the majority of the two dozen or so armed ethnic-based groups have signed cease-fire agreements with the central government, large areas of the country remain outside formal state control. A Southeast Asian participant believed that there could be a significant push from the Burmese armed forces in the coming months to persuade these groups to accept the new constitutional order, and that campaign could have a negative impact on the humanitarian situation.

Humanitarian Space and the Impact of Aid

Despite these worsening conditions, or possibly because of them, many field-based participants maintained that the “humanitarian space”—the ability of international and local groups to provide assistance—is expanding. This is partly a function of the government of Myanmar’s eventual acquiescence to international assistance for the areas affected by Cyclone Nargis—which represented a quantum leap in international aid and access—but is also the result of steady, low-key efforts by international assistance groups over the past decade. Aid organizations are currently involved in all areas of the country except active conflict zones on the Thai-Burmese border, which can usually be accessed only by local groups or by cross-border programs. Beyond a geographic expansion, aid groups have noted that the issue agenda is also growing; they observe increased latitude to work in some sensitive areas, such as HIV-AIDS.

Much of this new openness might be described as accidental. One participant maintained that the central government tries to control aid activities in various ways but that they are often unable to do so at the local level. There are multiple factors that contribute to this de facto centralization, including limited administrative capacity and a high degree of fragmentation. This dynamic thwarts some central government officials who attempt to co-opt aid activities and direct aid toward groups loyal to the government and away from opposition groups. One participant indicated, for example, that there is no centrally directed policy of excluding supporters of the National League for Democracy or ethnic or religious minorities from humanitarian aid. Interlocutors reported government corruption in processing aid, but they did not view such corruption as greater than in other poor countries. Ironically, the government’s inability to maintain control over some areas has had the effect of curbing, but by no means eliminating, rent-seeking in the aid sector.

A second trend that field-based organizations observe is the quiet expansion of Burmese civil society at the local level, which serves to increase citizen participation and empower local communities. They attributed this in significant part to the capacity-building effect of the negotiation and delivery of humanitarian assistance. International aid organizations employ and train thousands of Burmese staff in entrepreneurial and

results-based projects. Some participants believed that this trend has encouraged more open and intense policy debate at the local level.

The primary emphasis of this conference was on the need to address Myanmar's deteriorating humanitarian situation, and presenters were largely positive on the role of humanitarian assistance for the country at this time. Some participants, however, believed that humanitarian assistance can be "a band-aid at best" and that many persistent problems in Myanmar require a longer-term, locally based development approach. A short-term humanitarian approach excludes some key areas where support is needed—particularly multi-year efforts to alleviate poverty and build sustainable human resource capacity—and tends to be disbursed in single-year increments. Another participant discouraged a strong focus on humanitarian assistance if it causes donor governments to substitute this type of aid for political action when that is required or to underestimate the political causes of the humanitarian crisis.

However, other participants did not see humanitarian assistance as conflicting with a development approach. On the contrary, they reported that humanitarian aid has been a mechanism for dialogue with government, particularly at the local level, that could open the door to broader cooperation on development at a future time.

Some discussants considered the primary problem to be an over-emphasis on a democratic transition at the national level. One participant remarked that in the 1990s international policy toward Myanmar was rooted in the assumption that such a transition was a near-term possibility, and that the best and most efficient course was to withhold aid and put political and economic pressure on the regime. That perception of an imminent democratic shift has eroded in this decade, and support for a more gradualist approach has strengthened, but there is little consensus in Western capitals on policy objectives for a more incremental and long-term approach, if indeed one is adopted.

These overarching issues notwithstanding, participants believed that enough humanitarian space now exists in Myanmar to make significant progress on disease control, disaster relief and even poverty alleviation with greater international attention and funding. However, one NGO representative cautioned that this room to maneuver could shrink in the run-up to the 2010 elections and aid organizations could face a more difficult operating environment. It may become more difficult to obtain necessary

approvals from the government as decision-makers focus on other priorities and as bureaucrats become more reluctant to make decisions without political guidance. Another discussant noted that humanitarian space has fluctuated significantly in recent years: for example, in the early 2000s, the presence of a group of more internationally oriented officials enabled humanitarian space to expand dramatically; but this space contracted in 2004 when many of those individuals were purged from government. Given this volatility, it is important to take advantage of humanitarian space and even attempt to enlarge that space when it is possible.

Perspectives on the Regime

Throughout the meeting, participants cautioned that ultimate responsibility for public welfare in Myanmar resides with the government and cannot be assumed by the international community. Beyond the moral obligation to safeguard human security, the monetary scale required is beyond the scope of international assistance organizations. Although firm statistics were difficult to obtain because of the opacity of the regime, speakers uniformly believed that the government contribution to public welfare was seriously lacking. One participant believed that the government spends at least eight times more on the military than on health care, and that combined health and education spending is less than a dollar per person per year. That said, many participants attributed Myanmar's persistent humanitarian crisis to a combination of state failure and relative international neglect.

Despite the short-term potential for expanding and utilizing humanitarian space in Myanmar, few participants believed that a quantum leap in international cooperation with the government, which would be required for more ambitious and long-term development plans, is possible with the current regime. Nor are most Western governments inclined to try, for the past two decades policy has focused on the top level of government, resulting in a stalemate that has made it difficult to maintain aid flows. Some participants argued that as a first step international partners should cease viewing the Myanmar government as a monolith. They should focus attention on middle and lower levels of the bureaucracy and the armed forces as well as more generally on younger generation Burmese. One

participant argued that the international community should focus on “creating new facts on the ground, not simply focusing on regime change at the top.”

In considering the current regime, however, there were sharp differences over the degree to which top political leaders are aware of conditions in Burma, particularly of the current humanitarian situation. At the heart of this debate is the issue of whether there is any point in attempting to engage the current regime. Some participants articulated a view of the regime as a Potemkin-like structure in which the upper levels are shielded from reality by underlings who fear retribution for bearing bad news. Decades of self-isolation and estrangement from the international community have left regime members unaware of their image in the world.

Other participants saw a more rational, but by no means more progressive, regime. One discussant characterized the leadership as a “sixty-year-old counter-insurgency operation,” victorious over a host of armed minority groups and able to fend off foreign threats by withdrawal from the international community. This regime views everything through the lens of national security, to a xenophobic degree, but is more coherent and united than a leadership structure that survives mainly through self-delusion.

Another participant presented a third portrait—this one, of a regime whose leaders are not only rational but also well-connected to the outside world, being able to secure overseas banking arrangements for their money, foreign education for their children, and health care outside the country that is far superior to that available in Myanmar. In this view, foreign aid acts as a buffer between the regime and the people and relieves the regime of the responsibility of addressing the country’s humanitarian crisis. “This is working for them,” he said, “why would they change?”

The 2010 Elections and Other Transitions

The one constant in the debate over the regime was that all sides harbored a pessimistic view of the top leadership in Myanmar. The prospects for democratization in Myanmar were not a central topic of the conference, but an assessment of the international community’s relationship with the country must by definition include the political sector. Although few discussants held out hope that the current senior leadership can be influenced by dialogue, they saw greater possibilities for engaging the younger

generations. In the humanitarian sector, international aid groups have already begun working with these generations.

In the political sector, some participants viewed the elections scheduled for 2010 as the first tangible possibility in Myanmar for change, however slight, in twenty years. They believed that with the violent suppression of demonstrations and the regime's moves to marginalize political opposition leaders by imprisoning them, a growing number of domestic groups consider the 2010 elections to be the only near-term possibility for political participation.

Speakers took a cautious and even pessimistic approach to the elections, but viewed them as significant nevertheless. Few participants were inclined to believe that the polls would deliver a new democratic government, however, pointing out that the new constitution was essentially lacking in "democratic content." The constitution specifies formation of a bicameral legislature and civilianization of non-security ministries. It also contains a decentralization component with the introduction of fourteen regional assemblies and administrations. These structures could easily be manipulated by the regime, but some participants observed that the introduction of new structures at the local level may provide modest openings for greater humanitarian space. Obviously, new openings could backfire and trigger further repression by the government; yet the regime might also see them as opportunities to undertake reforms.

An interesting variation on this view came from some younger generation Southeast Asian participants who saw the elections as an opportunity for political organization. They did not rule out the emergence of new parties, or at least of a significant group of candidates running as independents without party affiliation. Although they did not necessarily believe that opposition parties and independents would carry the election, they saw value in political participation of any kind at this point.

Whatever structural changes are made, elections under the new constitution mandate a crew change, with a new president and a new commander-in-chief. Whether or not this process creates an opening for more independent voices, it could lead to a large-scale shake-up of existing systems of authority and patronage. In navigating these new dynamics, international assistance groups may find opportunities to forge contacts with new levels of authority, though they may also encounter new resistance and obstacles.

Even without a new constitutional order and elections, some participants anticipated that leadership will inevitably change through generational shifts. One participant believed that one-man rule in Myanmar will end with the departure of the current leadership. Another pointed out, however, that the international community made the same assumption when General Ne Win left the regime—after a brief interval, one-man rule returned with no diminution of power. It is natural to expect that younger generations will be open to the international community, and anecdotal experience on the ground with civilian groups provides some evidence of this. However, a participant cautioned that new generations in the armed forces of Myanmar are, like the government, opaque. A generational transition in the military will bring an unknown cadre of senior officers to the top. These officers have had little contact with their counterparts in the West; moreover, they have been trained to view the West as a strategic threat. This participant did not rule out the possibility of a future clash within the new generations.

The ASEAN Approach

Two Southeast Asian diplomats commented on the situation in Myanmar and on the state of international cooperation to encourage reform there. Of particular interest is ASEAN's experience with Myanmar as a member government in the wake of the 2007 crackdown and the 2008 cyclone. A Singaporean diplomat indicated that in the 2007 crisis, the regime in Myanmar made clear that ASEAN was not central to its communications with the international community, and the association was thus forced to stand aside.

In the wake of Cyclone Nargis, however, ASEAN ultimately became the regime's interlocutor of choice. In response to the cyclone, ASEAN convened an emergency ASEAN Foreign Ministers' meeting, which led to the formation of the ASEAN Humanitarian Task Force and the Tripartite Core Group (TCG). The latter comprised the government of Myanmar, ASEAN, and the UN and became the mechanism which oversaw the flow of international relief for cyclone victims. Through an *ad hoc* ASEAN-UN International Pledging Conference, the TCG was able to raise levels of aid. ASEAN has since monitored the use of assistance, and the Singaporean discussant indicated the group had not discovered any substantial diversion of humanitarian supplies. She credited

ASEAN's capability for flexible response and the nature of the crisis for creating a larger opening for international cooperation.

A diplomat from Thailand indicated that ASEAN had seen the frustration of other external partners over the lack of progress in Myanmar but suggested that some of that frustration may be due to an unrealistic agenda from the international community. Other sources of frustration are the skillful maneuverings by the regime in Myanmar and the difficulty of coordinating international partners with diverse national interests. He also pointed out that, as aggrieved as the international community often is by developments in Myanmar, the country is not a central priority for any of the external powers.

This combination of factors strengthens support for an incremental approach to Myanmar. A participant maintained that any such approach must accept the presence and participation of the armed forces in any reforms, however unattractive that option may appear to some. For example, younger generation military might be included in capacity-building programs. This Thai diplomat also advocated that the international community reinforce and reward any steps forward by the Myanmar government, rather than insist on a democratic transition upfront. Lastly, he advocated an open-minded approach to the 2010 elections and argued that condemnation of the process before it begins could become a self-fulfilling prophecy.

Another ASEAN diplomat observed that an approach that only criticizes the government of Myanmar would not have the intended impact, because of the diversity of international actors. "If you are critical of Myanmar," he said, "[the regime] gravitates to other countries that are less critical." A representative from another ASEAN country challenged the view that the top leadership in Myanmar refuses to meet with the international community and rejects suggestions from international partners out of hand. He described more of a hit-and-miss approach, but did note that a consistent attempt to promote dialogue can yield modest gains. These concerns underline ASEAN's more pro-engagement approach to Myanmar, which manifests itself in a preference for dialogue over sanctions. In contrast to some Western governments, which attempt to pair targeted sanctions with cautious attempts at dialogue, ASEAN rules out sanctions as an effective instrument with Myanmar.

External Actors

Although there were several speakers from the outer circle of international actors, not all of the major powers participated. This discussion should therefore not be taken as a comprehensive account of perspectives from all of the major actors in Myanmar policy.

Nevertheless, some broad generalizations are possible. Among the external powers, governments in the Asia-Pacific region are more inclined toward dialogue and work on the ground than are Western countries with greater geographic and political distance from Myanmar. More distant external powers, particularly in the west, tend to favor a more mixed application of carrots-and-sticks, although there is a spectrum of views even within this group.

Japan has maintained high-level dialogue with the government of Myanmar and has been able to establish fairly regular contact at the prime minister level on a range of topics, including democracy promotion. In addition, Japan provides limited economic assistance through bilateral and multilateral mechanisms. Such assistance takes the form of humanitarian aid (post-Nargis levels are at \$46 million), capacity-building projects, and cross-border aid. Japan also strongly supports a role for the United Nations in Myanmar.

Among the external actors, Japan has been relatively forthcoming in its view that the 2010 elections are significant and that any substantial political progress should meet with a positive response from the international community. As did representatives from other countries, a Japanese participant called for closer coordination and a unified message to the Burmese regime, but did not deny the difficulty of those tasks in the current international environment.

An Australian diplomat agreed that this is “the time to work on the international approach” to urge Myanmar toward reform but, like other participants, also expressed frustration at the pace of reform to date. He joined ASEAN and Japanese participants in urging that the international community not dismiss the 2010 elections out of hand; however, he was pessimistic that the polls would be the mechanism for significant short-term political change. Instead, he envisioned a more gradual process rooted in generational shifts.

Australia imposed targeted financial sanctions against a senior regime member after the 2007 crackdown, but the discussant underscored the importance of Canberra's humanitarian assistance to Myanmar. It will provide \$16 million in aid in 2009 but expects to increase that amount in the near-term. In its approach to assistance, Australia is not averse to sending up trial balloons, and earlier in the decade it launched a modest training program in human rights for junior government officials. The program was suspended in 2003. Australia also helps train police to address the problems of drug trade and human trafficking. Beyond the objective of curbing transnational threats, the program assumes that a more professional police force can contribute to stronger civilian government in Myanmar at a future point.

A Norwegian diplomat described his country's emphasis on humanitarian assistance to Myanmar. He remarked that the aftermath of Cyclone Nargis demonstrated that providing assistance is challenging but possible. Norway advocates a longer-term approach to political change in Myanmar that emphasizes engagement over isolation. Moreover, Oslo is inclined to defer some degree of judgment on this matter to Asian countries, particularly Myanmar's Southeast Asian neighbors.

A U.S. official indicated that the United States was the second-largest provider of humanitarian assistance to Myanmar after the cyclone, providing over \$75 million in aid. He reported that there is support for continuing this assistance, as long as Washington is confident that the aid is reaching people in need. He also indicated that the U.S. government is in the process of reviewing Burma policy and remarked that policymakers appreciate the long-term nature of any attempt to encourage a different relationship between the government and the people in Myanmar.

Policy Options and Recommendations

Despite broad agreement that stronger coordination on policy toward Myanmar is needed in the international community, the discussion uncovered a range of approaches for pursuing the common goal of improving conditions for the Burmese people and urging that the government undertake reforms. As a result, there were few specific recommendations for improving coordination at the formal level. However, the discussion also suggested that the aftermath of Cyclone Nargis provided opportunities

and new models for cooperation. The conference further revealed strong common concerns for the humanitarian situation, thus raising the possibility of improving international coordination in that sector first.

As noted above, though there was no attempt to guide the discussion toward consensus, either on findings or on policy measures, recommendations were offered by discussants throughout the meeting. Some pertained to concrete actions, whereas others favored changing policy paradigms:

- *Strengthen and expand the humanitarian assistance window in Myanmar to the fullest extent and at the earliest opportunity.* This recommendation was proposed consistently throughout the discussion for a host of reasons, not least of which was the deteriorating humanitarian situation. However, interlocutors also saw significant value in this option for expanding civil society and helping to create a cadre of younger generation moderate officials and non-governmental actors that may be an important bridge to the international community.
- *Do not assume that it is not possible to partner with the current government on humanitarian assistance projects.* Southeast Asian participants in particular objected to the notion of attempting to “pry” funds from the government of Myanmar for humanitarian and development purposes and believed instead that the best approach would be to propose matching arrangements. They acknowledged that this recommendation was untested but considered it worth trying.
- *Aim for a more realistic policy agenda in Myanmar and a longer timeline to achieve it.* To many participants, this recommendation translated into a fresh look at the relative benefits of engagement and isolation. While acknowledging Secretary of State Hillary Clinton’s point that neither approach has been effective to date, the discussants were more inclined toward engagement than isolation.
- *Until a time when sanctions can be dropped altogether, modify them to avoid harming ordinary Burmese.* This recommendation was articulated by a Southeast Asian participant, who suggested that restraints on Western business be removed, and that companies should be encouraged to work in areas with the most severe humanitarian conditions.

- *Introduce new dialogue mechanisms in international policy toward Myanmar.* Participants from the United Nations, Japan and other Asian countries stressed the importance of the international community speaking with one voice on Burma/Myanmar policy. Specifically, Southeast Asian participants urged the United States to both establish a formal U.S.-ASEAN summit and delegate a significant part of U.S. policy toward Myanmar to that instrument. They pointed out that regular dialogue may be more productive than an ad hoc effort that would likely be affected by short-term developments.
- *Consider Southeast Asian experience with elections in the lead-up to the 2010 polls in Myanmar.* Southeast Asian discussants pointed out that the West often holds Myanmar up to standards for democratic development that are not always achieved in neighboring Southeast Asian countries. They believed that any election should be welcomed in Myanmar at this point, to prime the pump.
- *Although a comprehensive development program may not be possible at this point, expand humanitarian assistance to include more capacity-building efforts.* Capacity-building was viewed as a critical bridge to economic and political development, as well as to improved relations between Myanmar and the international community. Southeast Asian participants believed that an ASEAN capacity-building project would be a good mechanism, but pointed out that it would require significant funding from the external powers.
- *Realize that any effective, long-term approach must involve the government of Myanmar. In the near-term, engage with the lower levels where there are more opportunities to work with younger generation officials.* This may be more difficult in the run-up to the 2010 elections, but should be incorporated in future plans.
- *In a low-key manner, identify and provide training for a broad spectrum of future leaders in Myanmar.* Participants were very positive about the results of the Fulbright Program thus far, and saw any attempt to bring the younger generation out of isolation as providing exponential benefits.