ASIAN SURVEY

Volume XLV ■ Number 4 ■ July/August 2005

ASIAN SURVEY

A Bimonthly Review of Contemporary Asian Affairs ■ University of California Press

Vol. XLV, No. 4, July/August 2005

POWER POLITICS IN THE HIMALAYA AND BEYOND

RETHINKING THE UNITED STATES'S MYANMAR POLICY

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Abstract

U.S. sanctions against Myanmar, intensified in July 2003, are not working. The military junta remains firmly in power. Opposition to it is still repressed. Washington should adopt a more nuanced carrot-and-stick approach aimed at strengthening constructive engagement efforts led by Myanmar's neighbors in East and Southeast Asia.

For the best part of two decades since it suppressed mass democracy protests in September 1988 and refused to honor the result of a May 1990 general election, the military junta in Burma/Myanmar has been subject to increasingly stringent U.S. sanctions. Most recently, the July 2003 Burmese Freedom and Democracy Act and a linked executive order added a trade embargo to measures such as an investment ban introduced in May 1997. To date, however, the U.S. has little to show for its sanctions policy. The junta remains firmly in power. Charismatic opposition leader Aung San Suu Kyi is still under house arrest. While military leaders occasionally talk about change, they appear to have no intention of sponsoring fundamental political reform. In these circumstances, it is necessary to consider whether the U.S. should rethink its Myanmar policy. To do that, this article presents an overview of military government in Myanmar followed by a brief survey of global responses to it. It then constructs an analytical framework for evaluating external intervention in the internal politics of alien lands. On this basis, it assesses the Myanmar

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Asian Survey, Vol. 45, Issue 4, pp. 603–621, ISSN 0004-4687, electronic ISSN 1533-838X.

case. The argument is that current U.S. policy is too crude, blunt, and one-dimensional. Washington should adopt a more nuanced carrot-and-stick approach aimed at strengthening constructive engagement efforts led by Myanmar's neighbors in East and Southeast Asia.

Military Government in Burma/Myanmar

The military junta that brutally repulsed a pro-democracy movement in 1988, blithely ignored a landslide election victory won by the National League for Democracy (NLD) in 1990, and thereby reinforced a stranglehold on power, is now close to the middle of its fifth decade of rule. Along the way, there have naturally been changes of personnel following events such as the resignation of long-serving paramount military leader General Ne Win from his final official post in July 1988. There have also been changes of name with, for instance, Burma and its capital Rangoon becoming Myanmar and Yangon, respectively, in June 1989, and the State Law and Order Restoration Council (SLORC) that took power in September 1988 being rebranded as the State Peace and Development Council (SPDC) in November 1997. Throughout, however, the underlying reality has remained largely unchanged. For more than 40 years since a March 1962 military coup against a fragile and fractious democracy, a nation with a current population of some 50 million has been governed by an odious and incompetent military dictatorship whose major achievement has been to preside over division, deadlock, and decay.

Division is evident both in national politics, where the junta and opposition forces are engaged in near-perpetual conflict, and in regional and ethnic disputes. To be fair, post-colonial Burma was split beginning from the moment of independence in January 1948, with the long shadow of General Aung San's July 1947 assassination hanging over national politics and a series of ethnic insurgencies massively complicating territorial politics.[1] Indeed, concern that Burma was on the brink of disintegration was the main stated rationale for the 1962 coup against the country's nascent democracy. Moreover, in this domain the military junta can claim some progress, having concluded a series of ceasefire agreements with rebel forces in the past 15 years. However, while ceasefires have eliminated some of the worst symptoms of division in Myanmar, notably by reducing the body count, they have done little to address its root causes. Furthermore, military operations continue to take place in peripheral parts of the country, displacing individuals from their homes and wreaking economic

1. See Angelene Naw, *Aung San and the Struggle for Burmese Independence* (Copenhagen: Nordic Institute of Asian Studies, 2001); Josef Silverstein, ed., *The Political Legacy of Aung San*, rev. ed. (Ithaca: Cornell University, Southeast Asia Program, 1993); Aung San Suu Kyi, *Freedom from Fear: And Other Writings*, rev. ed. (London: Penguin, 1995), pp. 3–38; and Martin J. Smith, *Burma: Insurgency and the Politics of Ethnicity*, rev. ed. (London: Zed Books, 1999).

and social havoc.[2] Today, although the military junta has some popular support, Myanmar remains riven by political and ethnic fragmentation and mistrust.[3] Not surprisingly, division also reaches into the ranks of the armed forces.[4]

Deadlock is found chiefly in the stagnation that has been the major feature of national politics since 1990.[5] The NLD electoral landslide and the SLORC refusal to allow Parliament to convene generated a tense political stand-off focused on the emblematic figure of Aung San Suu Kyi. Placed under three long spells of house arrest, from 1989 to 1995, 2000 to 2002, and since 2003, the country's main opposition leader has not been able to engage in normal political activity. Occasional popular outbursts, including major demonstrations in 1996 and 1998, and limited terrorist activity have had no discernible impact on political development. Today, the most salient features of domestic politics remain military repression, the climate or milieu of fear in which opposition forces must operate, and the political deadlock that results.[6]

It is true that in August 2003, incoming Prime Minister General Khin Nyunt launched a seven-point "road map" to democracy that in December 2003 was taken up by some external powers in the so-called Bangkok Process.[7] Moreover, for eight weeks in May–July 2004 and six weeks in February–March 2005, a National Convention, which had worked from 1993 to 1996 to draft a new constitution, was revived and permitted to resume its deliberations. However, as Aung San Suu Kyi and other senior NLD leaders were not released from detention and could not join more than 1,000 delegates sequestered in a compound 50 kilometers north of Yangon, there was no political breakthrough. Furthermore, because General Khin Nyunt was purged and arrested in October 2004, the fate of the Convention, currently adjourned to the end of 2005, remains in the balance. Deadlock thus seems likely to continue. On one side,

2. Human Rights Watch, *"They Came and Destroyed Our Village Again": The Plight of Internally Displaced Persons in Karen State*, 17:4(C), June 2005, <http://hrw.org/reports/2005/burma0605/burma0605.pdf>, accessed June 14, 2005.

3. Ardeth Maung Thawnghmung, *Behind the Teak Curtain: Authoritarianism, Agricultural Policies, and Political Legitimacy in Rural Burma* (New York: Columbia University Press, 2003).

4. Mary P. Callahan, "Cracks in the Edifice? Military-Society Relations in Burma since 1988," in Morten B. Pedersen, Emily Rudland, and Ronald J. May, eds., *Burma/Myanmar: Strong Regime, Weak State?* (Adelaide: Crawford House, 2000), pp. 22–51.

5. David I. Steinberg, *Burma: The State of Myanmar* (Washington, D.C.: Georgetown University Press, 2001); Ardeth Maung Thawnghmung, "Preconditions and Prospects for Democratic Transition in Burma/Myanmar," *Asian Survey* 43:3 (May/June 2003), pp. 443–60.

6. Aung San Suu Kyi, *Freedom from Fear*, pp. 180–85; Christina Fink, *Living Silence: Burma under Military Rule* (London: Zed Books, 2001), pp. 127–33; Steinberg, *Burma*, p. xxvii.

7. The Bangkok Process brought together Myanmar and about a dozen Asian and European countries with an interest in facilitating political reform inside the country. An inaugural three-hour meeting was convened in Thailand in December 2003 and a second meeting, with broader international support, was planned for April 2004. However, at the last minute Yangon requested postponement of the second meeting. The Bangkok Process has been on hold ever since.

the military, now with a force of some half a million men, holds power and must feature in any conceivable medium-term future for Myanmar.[8] On the other, opposition forces, comprising both victors in the 1990 general election and ethnic groups with strong but unrealized constitutional claims to autonomy, occupy the moral high ground and must also play a key role in moving the country forward.

Decay can be documented in any number of ways. The U.N. Development Program's (UNDP) *Human Development Report 2004* ranked Myanmar 132 on its human development index. Among the 10 members of the Association of Southeast Asian Nations (ASEAN), this placed it above Laos (135), just below Cambodia (130), and within shouting distance of Vietnam (112).[9] Indeed, notwithstanding the U.N. General Assembly's designation of Burma as one of the world's 10 least developed countries in December 1987, few indicators point to a society mired in sub-Saharan levels of poverty and famine. Nevertheless, given what might have been expected at independence, the past half-century has clearly been disastrous. Steinberg draws comparisons with South Korea and Thailand, arguing that in the mid-1950s Burma was "the potential economic and political leader of the three."[10] It was already exporting food and fuel and had considerable natural resources, good transport infrastructure, high literacy rates, widespread use of English, and a modern legal system. Fifty years later, however, the UNDP placed Thailand at 76 on the human development index and South Korea at 28. Furthermore, whereas by the start of the 21st century both nations had passed through lengthy periods of military control and repression to establish functioning democracies, Myanmar was still governed by an authoritarian dictatorship. There is in this case a clear and tragic sense of missed opportunity and wasted potential.

Global Responses to the Military Junta

Global responses to this miserable state of affairs have been many and varied.[11] As is to be expected, they have also changed over time and been conditioned

8. Andrew Selth, "The Future of the Burmese Armed Forces," in Pedersen et al., eds., *Burma/Myanmar*, pp. 52–90; and Andrew Selth, *Burma's Armed Forces: Power without Glory* (Norwalk, Conn.: EastBridge, 2002).

9. United Nations Development Program, *Human Development Report 2004: Cultural Liberty in Today's Diverse World*, <http://hdr.undp.org/reports/global/2004/pdf/hdr04_complete.pdf>, accessed May 14, 2005. The human development index is a composite index based on longevity (life expectancy at birth), knowledge (adult literacy rate plus gross enrollment ratios in primary, secondary and tertiary education), and standard of living (GDP per capita using purchasing power parities).

10. Steinberg, *Burma*, p. 33.

11. See Morten B. Pedersen, "International Policy on Burma: Coercion, Persuasion, or Cooperation? Assessing the Claims," in Pedersen et al., eds., *Burma/Myanmar*, pp. 195–240; Chi-shad Liang, *Burma's Foreign Relations: Neutralism in Theory and Practice* (New York: Praeger, 1990);

by the fierce neutrality of successive governments in Rangoon/Yangon. Even in its constitutional phase from 1948 to 1962, Burma was deeply hostile toward international alliances and strongly protective of its independence. It thus declined to join the British Commonwealth and refused to align itself with either of the superpowers during the Cold War. Later, under military rule, it withdrew from the Non-Aligned Movement in 1979, citing violations of the principle of non-interference. Looking back, Burmese neutrality, verging on xenophobia, was for some years a smart policy orientation, ensuring both that the country did not become embroiled in the Vietnam War and that it managed to balance a complex set of external pressures. In the past decade and a half, however, neutrality has routinely been brandished by the military junta to ward off unwanted foreign engagement in its messy internal affairs. Somewhat paradoxically, links between the regime and the outside world have actually become more extensive in recent years. Naturally, most have been forged on terms with which the junta is all too comfortable.

When pursued as consistently as in the Burma/Myanmar case, the principle of neutrality must be taken seriously. Nevertheless, there remain many reasons why outsiders might still choose to interfere in the country's internal politics. Often topping the list of concerns articulated in the West is the human rights abuse routinely committed by the military junta, notably through harassment and detention of NLD leader Aung San Suu Kyi and campaigns of forced labor, extortion, and torture commonly conducted by military commanders.[12] However, for those who prefer to turn a blind eye to human rights violations, there are plenty of additional reasons to engage with Myanmar's internal politics. The country is the world's second largest producer, after Afghanistan, of illicit opium and the primary source in Asia of amphetamine-type stimulants.[13] Its long-standing, mainly low-grade, civil wars fought in ethnically divided borderlands have generated substantial refugee problems and large refugee camps

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Josef Silverstein, *Burma: Military Rule and the Politics of Stagnation* (Ithaca: Cornell University Press, 1977), pp. 167–96; and idem., "Burma and the World: A Decade of Foreign Policy under the State Law and Order Restoration Council," in Robert H. Taylor, ed., *Burma: Political Economy under Military Rule* (London: Hurst, 2001), pp. 119–36.

12. Stefan Collignon, "Human Rights and the Economy in Burma," in Taylor, ed., *Burma*, pp. 70–108; Amnesty International, *Myanmar: Amnesty International's Second Visit to Myanmar*, ASA/16/037/2003, December 2003, <http://web.amnesty.org/library/Index/ENGASA160372003?open&of=ENG-MMR>, accessed May 14, 2005; Amnesty International, *Myanmar: Lack of Security in Counter-Insurgency Areas*, ASA/007/2002, July 2002, <http://web.amnesty.org/library/Index/engASA160072002?OpenDocument?OpenDocument>, accessed May 14, 2005; U.S. Department of State, *Country Reports on Human Rights Practices, 2004: Burma*, February 28, 2005, <http://www.state.gov/g/drl/rls/hrrpt/2004/41637.htm>, accessed May 14, 2005.

13. U.S. Department of State, *Background Note: Burma*, <http://www.state.gov/r/pa/ei/bgn/35910.htm>, accessed May 14, 2005; and Bertil Lintner, *Burma in Revolt: Opium and Insurgency since 1948*, 2nd ed. (Chiang Mai: Silkworm Books, 1999).

in nations with which Myanmar shares a frontier.[14] Economic decline and an abysmal health care infrastructure have combined to produce major public health risks that could spread not only an emergent HIV/AIDS epidemic but also tuberculosis and malaria, to neighboring countries.[15] Environmental degradation, generated notably by logging concessions sold off by the junta in the past 15 years, is having transborder consequences. Disruption of ASEAN business is a constant concern, highlighted by a schedule designed to pass the rotating chairmanship to Myanmar in July 2006. More generally, the possibility of the country's economic and social collapse always hangs over the region.

The result is that since the failed revolution of 1988 and the abortive election of 1990, many external actors have sought to engineer a solution to Myanmar's internal political problems. Two very broad clusters of positions are visible. On one side is an argument for constructive engagement, which holds that the military junta should be appeased and cajoled through a policy of active dialogue and investment. With differing degrees of emphasis, this is the line taken by all the most important regional powers: China, ASEAN, India, and Japan.[16] It is pursued through political and economic incentives designed to smooth away any rough edges the dictatorship may have revealed over the years and to open the political process to opposition forces.[17] Periodic political crises in Myanmar may prompt expressions of concern, and even changes of policy, but they do little to alter the basic approach.

In the non-state sector, some multinational corporations (MNCs) also favor this strategy and foreign direct investment (FDI), though notoriously difficult to document, continues to flow into the country.[18] The Ministry of Foreign Affairs reports that as of December 31, 2002, 367 MNCs had invested a total of $7.46 billion in Myanmar. By value, the five leading sources were Singapore

14. Human Rights Watch, *World Report 2005: Burma*, <http://hrw.org/english/docs/2005/01/13/burma9826.htm>, accessed May 14, 2005; Amnesty International, *Thailand: The Plight of Burmese Migrant Workers*, June 2005, <http://web.amnesty.org/library/Index/ENGASA390012005>, accessed June 14, 2005.

15. World Health Organization, *Myanmar*, <http://www.who.int/countries/mmr/en/>, accessed May 14, 2005; United Nations Children's Fund, *The UNICEF Myanmar HIV/AIDS Project*, <http://www.unicef.org/myanmar/pages/HIV_AIDS_Proj.html>, accessed May 14, 2005; International Crisis Group, *Myanmar: The HIV/AIDS Crisis*, Asia Briefing, no. 15, April 2002, <http://www.crisisgroup.org/home/index.cfm?id=3178&l=1>, accessed May 14, 2005; and Larry Jagan, "HIV-AIDS in Burma: A Time Bomb about to Wipe Out Millions," *Bangkok Post*, June 10, 2005.

16. Jürgen Rüland, "Burma Ten Years after the Uprising: The Regional Dimension," in Taylor, ed., *Burma*, pp. 137–58.

17. John Bray, *Burma: The Politics of Constructive Engagement* (London: Royal Institute of International Affairs, 1995).

18. Stephen McCarthy, "Ten Years of Chaos in Burma: Foreign Investment and Economic Liberalization under the SLORC-SPDC, 1988 to 1998," *Pacific Affairs* 73:2 (Summer 2000), pp. 233–62.

(71 enterprises with $1.57 billion), the U.K. (37 with $1.40 billion), Thailand (49 with $1.29 billion), Malaysia (32 with $0.64 billion), and the U.S. (16 with $0.58 billion).[19] Broadly consistent with these data, the International Confederation of Free Trade Unions reports that in April 2005, 436 companies were "linked with" Myanmar, in the sense of having some commercial relationship with the country. The five leading sources were the U.S. (45), Japan (43), Singapore (33), and Thailand and the U.K. (31 each).[20] In the late 1990s, 15 international nongovernmental organizations (NGOs) were also active inside the country.[21]

On the other side is the argument for sanctions, premised on confronting and rebuking the regime through an isolation policy. Again with differing degrees of emphasis, this is the line taken by the U.S. and its major allies. Commonly, Western sanctions comprise an arms embargo, a visa ban on top members of the military junta, and an assets freeze. They also include formal and informal pressures on companies not to invest in Myanmar. U.S. sanctions are unique in imposing stringent constraints on economic activity through the ban on new investment imposed in May 1997 and the trade embargo signed into law in July 2003. The strategy of confrontation also finds expression in periodic General Assembly censure motions, though these are sometimes balanced by the more engaging work of U.N. envoys to Myanmar. Strikingly, in 2000 the International Labor Organization (ILO) for the first time in its 80-year history activated Article 33 of its Constitution to impose sanctions on Myanmar, citing "widespread and systematic" use of forced labor.[22] In its Global Report 2005, the ILO returned to the "special case" of Myanmar, noting that while some progress had been made, "no real breakthrough for effective action against forced labour in Myanmar [had] taken place."[23]

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19. Ministry of Foreign Affairs, Myanmar, *About Myanmar: FDI in Myanmar*, <http://www.mofa.gov.mm/aboutmyanmar/fdi.html>, accessed May 14, 2005.

20. Global Unions, *Companies Linked with Burma*, <http://www.global-unions.org/burma/>, accessed May 14, 2005.

21. David Tegenfeldt, "International Non-governmental Organizations in Burma," in Taylor, ed., *Burma*, pp. 109–18.

22. U.S. Congress, *Burmese Freedom and Democracy Act of 2003*, <http://www.theorator.com/bills108/hr2330.html>, accessed May 14, 2005; U.S. Department of State, *Burmese Freedom and Democracy Act of 2003 and Executive Order*, <http://www.state.gov/p/eap/rls/rm/2003/22851.htm>, accessed May 14, 2005; European Union, *The EU's Relations with Burma/Myanmar*, <http://europa.eu.int/comm/external_relations/myanmar/intro/>, accessed May 14, 2005; International Labor Organization, *International Labor Conference Adopts Resolution Targeting Forced Labor in Myanmar (Burma)*, June 14, 2000, <http://www.ilo.org/public/english/bureau/inf/pr/2000/27.htm>, accessed May 14, 2005.

23. International Labor Organization, *A Global Alliance against Forced Labor*, June 2005, <http://www.ilo.org/dyn/declaris/DECLARATIONWEB.DOWNLOAD_BLOB?Var_DocumentID=5059>, accessed June 14, 2005.

Formal and informal sanctions, and the reputational problems they generate for leading MNCs with global brands, have ensured that most major corporations with headquarters or markets in the West do not do business with Myanmar. Similarly, high-profile aid agencies often refuse to work inside the country. One impact of the isolation strategy can be seen in official development aid statistics. The World Bank reports that aid per capita currently stands at roughly $2 in Myanmar, compared with $33 in Cambodia and $53 in Laos. The U.N. estimates that in 2000 Myanmar received a total of $76 million in official development aid.[24] On this side of debate, denunciations of the regime are common and the goal of regime change is openly articulated.

There is, then, considerable division among external actors concerning the correct response to military dictatorship in Myanmar. To think through the validity of the arguments made on both sides, it is necessary to construct a framework for analysis.

Evaluating Intervention in Alien Lands

The core issue is the conditions in which intervention, understood broadly as external interference in the politics of an alien land, might legitimately take place. Three main questions can be put. First, what forms might intervention take? Second, which are the key factors in assessing the merits of each form? Third, how should contributions to debate about those merits be ordered? The analytical framework constructed here therefore has three components: a typology of intervention, a checklist for evaluating each type, and a procedure for debating their respective merits.[25]

Typology

Three dimensions of intervention are especially important when building a typology. First, is the intervening agent a government or non-government? Second, is the mode of intervention coercive or non-coercive? Third, is the intervention to take place inside or outside the borders of the target society? Many qualifications and refinements can be added. Intervening actors may come in the form not only of single governments or non-governments but also of coalitions of such actors. The line between coercion and non-coercion can be difficult to draw. Even whether action is to take place inside or outside the borders of a state can be hard to determine. However, while these are all important issues, they are not pertinent to the construction of a typology. A typology built

24. U.S. Department of State, *Background Note: Burma*, <http://www.state.gov/r/pa/ei/bgn/35910.htm>, accessed May 14, 2005.

25. For fuller analyses, see Ian Holliday, "When Is a Cause Just?" *Review of International Studies* 28:3 (July 2002), pp. 557–75; and Ian Holliday, "Ethics of Intervention: Just War Theory and the Challenge of the 21st Century," *International Relations* 17:2 (April 2003), pp. 115–33.

FIGURE 1 *Typology of Intervention*

Governments		
	Coercive	
	Inside	Belligerent state engagement (e.g., war)
	Outside	Aggressive state pressure (e.g., sanctions)
	Non-coercive	
	Inside	Consensual state engagement (e.g., peacekeeping)
	Outside	Discursive state pressure (e.g., diplomatic pressure)
Non-governments		
	Coercive	
	Inside	Belligerent civil engagement (e.g., terrorism)
	Outside	Aggressive civil engagement (e.g., boycotts)
	Non-coercive	
	Inside	Consensual civil engagement (e.g., NGO political aid)
	Outside	Discursive civil pressure (e.g., conditional FDI)

on three dimensions has eight cells. In Figure 1, the contents run from belligerent state engagement to discursive civil pressure. In a rather loose way, the cells can be seen as two parallel ladders of interventionist types, with one in the state sector and the other in the non-state sector. Each cell captures a wide variety of real-world experience. However, each also contains a distinctive type, given in parens in the figure. In the state sector, belligerent state engagement typically takes the form of war. Aggressive state pressure most clearly means sanctions. Consensual state engagement is usually peacekeeping. Discursive state pressure is epitomized by diplomatic pressure. In the non-state sector, belligerent civil engagement is exemplified by terrorism. Aggressive civil pressure takes the form of boycotts. Consensual civil engagement tends to be NGO political aid. Discursive civil pressure is often conditional FDI.

Checklist

Once a typology has been established, it is necessary to partner it with a checklist of factors to be considered in evaluating the various types. This is most readily found in the long-standing just-war tradition.[26] Commonly, just-war theorists focus on three main issues: a problem that might trigger intervention, a proposed solution, and relevant contingent factors. These are precisely the sorts of issues that need to be weighed by individuals contemplating intervention of the much broader kinds identified here. Before any intervention takes place,

26. International Commission on Intervention and State Sovereignty, *The Responsibility to Protect: Report of the International Commission on Intervention and State Sovereignty* (Ottawa: International Development Research Center, 2001).

FIGURE 2 *Checklist for Evaluating Types of Intervention*

Problem:	Intractable Injustice
	Demonstrable injustice
	Last resort
Solution:	Responsible Intervention
	Legitimate authority
	Right intention
Contingency:	Risk Factors
	Reasonable prospects
	Proportional means

there must be a problem of sufficient magnitude to prompt external engagement. The proposed solution to that problem must be clear and responsible. Contingent factors must line up satisfactorily. The checklist of conditions presented in Figure 2 draws on standard just-war theory while at the same time recasting it to fit a broad political conception of intervention. It indicates that in advance of any proposed intervention, a number of key issues must be examined. The first is the nature of the problem. Only an intractable injustice can provide a warrant for intervention. The two conditions that need to be met are demonstrable injustice and last resort. The second issue is the nature of the solution. Only responsible intervention can be justified. The two conditions are legitimate authority and right intention. The third issue is the relevant contingent factors. Only if the outcome is likely to improve on the existing situation can intervention go ahead. The two conditions are reasonable prospects and proportional means.

Procedure

With a typology and checklist in place, the final matter is the procedures that will govern debate over any proposed intervention. The literature on deliberative democracy is an obvious place to look for guidance. There, however, the tendency is to argue that as many people as possible should have a voice and get a say.[27] When debating intervention, it is necessary to develop a more structured conception that acknowledges the privileged status of key actors. Furthermore, on the government side, realist concessions to sovereignty and national interest must be made. On the non-government side, parallel concessions to the private character of organizations are required.

In any rank ordering of voices to be heard in debates about intervention, insiders must have a privileged status. This is not to say that any insider, or any

27. Amy Gutmann and Dennis Thompson, *Democracy and Disagreement* (Cambridge, Mass.: Belknap, 1996).

outsider for that matter, possesses a veto but simply that insider voices are most important. Before interfering in others' affairs, it is at least necessary to listen to what they have to say. The next-most privileged status goes to those with some sort of engagement or stake in the target society. Finally, the voices of those with little stake may be heard.

Framework

The argument is that this three-part framework can be used to structure analysis of any form of political intervention, proposed or actual. The framework covers both government and non-government action, addresses the central issues generated by intervention, and indicates that in debate, the voices of key stakeholders, notably insiders, must be heard first.

Evaluating External Intervention in Myanmar

In a country as closed, repressed, and fearful as Myanmar, it is difficult to develop an accurate sense of what insiders think about intervention. While the positions of leading political protagonists such as the SPDC, NLD, and many ethnic parties are clearly stated, the views of the mass of the people can only be inferred. On the part of the junta, there is no hesitation in repudiating any form of external intervention in Myanmar's internal political affairs. The remark made in 1998 by Foreign Minister Win Aung is well known: "For us, giving a banana to the monkey and then asking it to dance is not the way. We are not monkeys."[28] This is not to say that external actors have no influence on the political path taken by the junta. Indeed, they have clearly been important, prompting most of its limited reformist measures. However, that influence is not welcomed but rather, is tolerated as the necessary price of inward investment and minimal international legitimacy. By contrast, the NLD and many ethnic parties have consistently supported the sanctions strategy pursued by the U.S. and its leading allies.

Among outsiders with a stake in Myanmar, regional allies are largely united in favoring constructive engagement with the military regime. The three most important neighbors, all of which have a very clear interest in the future of the country, are China, Thailand, and India.[29] Beijing has been especially significant since 1988, when it launched a major economic offensive, quickly supplemented by extensive support for the junta. Moving into the policy vacuum created by the international isolation of Burma after the September 1988 clampdown,

28. Pedersen, "International Policy on Burma," p. 231; also see Fink, *Living Silence*, p. 4.

29. Silverstein, *Burma*, pp. 170–80; Mohan Malik, "Burma's Role in Regional Security," in Pedersen et al., eds, *Burma/Myanmar*, pp. 241–77.

and finding itself similarly isolated following the Tiananmen Massacre of June 4, 1989, China rapidly became the regime's key external support. In so doing, it forced the hand of many other regional actors. Thailand, which for many years had tense relations with its historic enemy and major competitor, has been a great deal more friendly to Myanmar under Thaksin. India, long opposed to the dictatorship, sought to build renewed ties in the course of the 1990s and remains engaged today.

By and large, other key regional stakeholders have taken similar positions. Japan, critical in principle of the junta, nevertheless provided debt relief and focused aid in the early 1990s and boosted its contacts with the regime in 1995, the year of Aung San Suu Kyi's first release from house arrest.[30] ASEAN, prompted by Indonesia, Malaysia, and Singapore, admitted Myanmar as a full member on July 23, 1997. In the decade after 1990, Myanmar was also made part of other regional initiatives: the Asian Development Bank's Greater Mekong Subregion Economic Cooperation Program in 1992; Bangladesh, India, Myanmar, Sri Lanka, Thailand–Economic Cooperation in 1997; the Conference on Regional Cooperation and Development among China, India, Myanmar, and Bangladesh in 1999; and Mekong-Ganga Cooperation (among India, Myanmar, Thailand, Cambodia, and Laos) in 2000.[31]

Those with a less clear stake in the country line up on both sides of the debate. The case for sanctions made by the global superpower is supported not only by many Western states but also by Burmese exiles, overseas campaigning groups such as the Burma Campaign UK, and think tanks such as the Heritage Foundation in the U.S.[32] Equally, constructive engagement draws support from disengaged outsiders.[33]

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30. Ministry of Foreign Affairs, Japan, *Japan-Myanmar Relations*, <http://www.mofa.go.jp/region/asia-paci/myanmar/>, accessed May 14, 2005.

31. Asian Development Bank, *Greater Mekong Subregion Economic Cooperation Program*, <http://www.adb.org/documents/events/2002/asia_forum/sixth/gmsecp_malik.pdf>, accessed May 14, 2005; Bangladesh, India, Myanmar, Sri Lanka, Thailand–Economic Cooperation, *about BIMST-EC*, <http://www.bimstec-energy.org.mm/about.htm>, accessed May 14, 2005; Asia Source, *India-China Trade Relations*, <http://www.asiasource.org/trade/fifteen.cfm>, accessed May 14, 2005; Ministry of Foreign Affairs, Kingdom of Thailand, *Mekong-Ganga Cooperation*, <http://www.mfa.go.th/web/882.php>, accessed May 14, 2005.

32. Zaw Oo, *Burma Sanctions: The Case For*, BBC News, March 4, 2002, <http://news.bbc.co.uk/2/hi/asia-pacific/1847227.stm>, accessed May 14, 2005; the Burma Campaign UK, *The Case for Sanctions against Burma's Military Dictatorship*, November 2003, <http://www.burmacampaign.org.uk/pressreleases/sanctions.html>, accessed May 14, 2005; Dana R. Dillon, *Burma: Coordinate Sanctions to Force Change*, August 12, 2003, <http://www.heritage.org/Research/AsiaandthePacific/em896.cfm>, accessed May 14, 2005.

33. Leon T. Hadar, *U.S. Sanctions against Burma: A Failure on All Fronts*, Cato Institute for Trade Policy Studies, March 26, 1998, <http://www.cato.org/pubs/trade/tpa-001.html>, accessed May 14, 2005; and John H. Badgley, ed., *Reconciling Burma/Myanmar: Essays on U.S. Relations with Burma, NBR Analysis* 15:1 (2004).

It is thus clear that both major clusters of positions on intervention in Myanmar gain support from key stakeholders and observers. Sanctions secure insider support from the NLD and many ethnic parties, and outside support from the U.S. and the EU. Constructive engagement gains insider support, often rather grudging, from the SPDC, and outside support from neighboring powers. Other forms of intervention have few proponents. Although some argue for military intervention, most join Steinberg in holding that "in the case of Burma the use of force is not credible."[34] The evaluation here can therefore focus on the two major positions: sanctions and constructive engagement.

Sanctions

Assessing the sanctions strategy against the checklist of factors identified earlier generates a negative result. It is not difficult to make a case for intractable injustice. The May 1990 general election produced a strikingly clear outcome that was then ignored by the military junta. To add injury to insult, many NLD leaders were arrested and thrown in jail. NLD activities have been monitored and repressed ever since, notably through the many physical and political restrictions placed on Aung San Suu Kyi and other leading figures. Here is one demonstrable injustice. There are of course many others, notably those visited on ethnic minorities over the years. A claim of last resort can also be upheld, for it can readily be shown that even when dialogue has been attempted, the regime has not negotiated in good faith. The National Convention, launched three years after the suppression of democracy in 1990, has neither allowed fair debate nor ever made anything other than glacial progress. While it might produce a draft constitution in 2006, nobody expects any document emanating from the Convention to meet the aspirations of the people. In addition, a case for responsible intervention can be sustained. States have the authority to impose sanctions, just as non-state agencies have the authority to organize boycotts. Regarding right intention, NLD endorsement provides critical justification for a strategy of sanctions and boycotts.

The difficulty for the sanctions strategy comes when contingent matters are considered and risk factors weighed. Does this strategy have reasonable prospects and does it employ proportional means? At present, the prospects of sanctions working are not reasonable, chiefly because sanctions are very partial. Only the U.S. has imposed stringent economic sanctions on Myanmar, while some close U.S. allies have adopted parallel measures chiefly by informal means. The result is that sanctions are largely ineffectual. For instance, Washington's July 2003 measures barred Myanmar exports to the U.S., thereby eliminating

34. Shelby Tucker, *Among Insurgents: Walking Through Burma* (New Delhi: Penguin, 2000); Shelby Tucker, *Burma: The Curse of Independence* (London: Pluto Press, 2001); Steinberg, *Burma*, p. 120.

trade worth some $350 million in 2002. However, Kurlantzick notes that in 2003, "China gave Rangoon a $200 million loan package, wrote off many of Burma's debts, and sold it a range of new military hardware at discounted prices, all of which soften the blow caused by the U.S. sanctions."[35] Similarly, a ban on trade in U.S. dollars prompted a financial intermediary to create software that could convert Myanmar's financial dealings into euros.[36] When, in July 2003, the U.K. government made an "exceptional request" for British American Tobacco to pull out, the firm sold its 60% stake to a Singaporean investor and the Myanmar operation continued undisturbed.[37] This is not to argue that economic sanctions are having no effect, simply that because they are limited to the U.S. and its closest allies, they are having little more than a minimal impact on the military junta. There is no united front and no U.N. endorsement, as in the much-cited South African case. Rather, U.S. sanctions on Myanmar have more in common with the inconsequential embargoes imposed by the superpower on many other nations over the years.[38]

One obvious remedy would be to impose multilateral sanctions. In August 2003, Dillon advanced this argument through the Heritage Foundation: "American efforts should focus on persuading Japan, India, and the ASEAN countries to join the U.S. in imposing strong sanctions on the junta."[39] The problem is that such a strategy runs directly counter to moves currently being made by all of those countries. Dillon is also silent about China, the pivotal external actor. Indeed, in present circumstances the chance of building a genuinely multilateral sanctions regime is close to zero. There is also a deeper issue, which is whether multilateral sanctions are even desirable. This is where the question of proportional means comes in.

This requirement mandates that interventionist measures have a clear prospect of generating more benefits than costs in the long run. It is not clear that watertight sanctions would pass the test. They would clearly impose considerable costs on many ordinary citizens of Myanmar. The reported loss of tens of thousands of jobs by garment workers as a result of the 2003 U.S. export ban would pale in comparison with the unemployment generated by effective

35. Joshua Kurlantzick, "Harsh Burmese Rule Hurts Business Elite," *Washington Times*, January 17, 2004, <http://www.washtimes.com/world/20040116-093103-9569r.htm>, accessed May 14, 2005.

36. Nick Mathiason, "Banks Bust Burma Trade Ban," *Observer*, January 18, 2004, <http://bserver.guardian.co.uk/business/story/0,6903,1125399,00.html>, accessed May 14, 2005.

37. British American Tobacco Co., *British American Tobacco and Myanmar*, <http://www.bat.com/oneweb/sites/uk__3mnfen.nsf/vwPagesWebLive/DO5GBGDZ?opendocument&SID=BC44F707DA25A5119B68765CE6F8F0A8&DTC=20050516&TMP=1>, accessed May 14, 2005.

38. Center for Strategic and International Studies, *Altering U.S. Sanctions Policy: Final Report of the CSIS Project on Unilateral Economic Sanctions* (Washington, D.C.: CSIS, 1999).

39. Dillon, *Burma.*

sanctions. The assumption is that costs of this magnitude would place so much pressure on the regime that it would have no option but to engage in real political reform leading in a full transition to democracy. However, although this assumption could be well founded, it seems more likely that it is not. On the one hand, the pressure may not be great enough to trigger political change. While the impact on urban zones would obviously be considerable, Myanmar remains a predominantly agricultural country with a propensity for autarkic practices. Tough sanctions might never really bite. On the other hand, even if sanctions did bite, the evidence of recent years is that the SPDC has a well-thought out strategy to isolate Aung San Suu Kyi and the NLD, strike a series of deals with insurgent ethnic groups, and consolidate its grip on power. More generally, it can be argued that the military hold on society is now so overwhelming, so enveloping, that the junta could ride out even the considerable urban suffering and strife likely to flow from effective sanctions. It is thus difficult to argue that sanctions constitute a viable policy tool in the Myanmar case. On this side of the argument, there is too much wishful thinking and too little attention to the realities of power both inside and outside the country.

Constructive Engagement

Checking constructive engagement, the major alternative to sanctions, against the list of factors identified earlier also generates a negative result. However, on this side of the argument it is possible to find ways of turning the negative into a positive and of building an effective interventionist strategy.

Running through the six factors listed in Figure 2, it is again easy to tell a story about intractable injustice. For proponents of constructive engagement, the events of 1988–90 are not always a major concern. Nevertheless, there is still widespread injustice in Myanmar, evident in economic decline, ethnic division, deep poverty, health crises, and so on. Last resort can be derived from the stagnation that has now characterized the country's politics for more than 15 years. It is certainly not difficult to hold that without some form of external engagement, it will be extremely hard to find a way out of the political impasse that has persisted since 1990. Contingent factors are also readily dealt with. It is a straightforward argument that the only reasonable prospect for Myanmar is a negotiated transition brokered by external parties. Proportional means would be secured by a minimal invasion of Myanmar's sovereignty.

However, for constructive engagement as currently practiced, difficulties arise when responsible intervention is considered. Legitimate authority is no problem. Both state and non-state actors can certainly adopt non-coercive measures. Right intention is more tricky. It is clear that at present, much constructive engagement does not meet this condition in that it is not primarily directed toward helping Myanmar find a way out of its current troubles. Rather, the main intention frequently relates to moves and counter-moves in regional balance-

of-power games, regional economic strategizing, and corporate competitive positioning. This is certainly the dominant interpretation made of Chinese involvement in Myanmar and it also fits other states. Similarly, MNCs that do business with or in Myanmar are usually seen to be concerned primarily with their own bottom line, rather than the welfare of the people of Myanmar.

Constructive engagement thereby presents problems; however, it also generates opportunities. Alongside self-interested motives, it is possible to conceive of more altruistic concerns and a desire on the part of both state and non-state actors to contribute to a political solution in Myanmar. The key issue for this analysis is whether those concerns rank sufficiently high to meet the right intention condition. While it is fair to say that in some present instances, the balance tips too far toward self-interest, it is possible to conceive of forms of constructive engagement that strike an acceptable balance. It is on these grounds that this strategy can generate a positive result when checked against the matrix presented earlier.

Rethinking U.S. Intervention in Myanmar

For a decade and a half, the U.S. has intervened in Myanmar. To date, however, its policy has failed to secure its stated aims. Looking forward from the perspective of 1990, Steinberg wrote that "an indefinite policy of isolation may not work."[40] So it has proved. In some quarters, the failure of current U.S. policy is fully acknowledged and proposals for new ways forward are floated.[41] In others, however, the opportunity to rethink existing policy is largely missed.[42] The argument developed here is that there is little chance that the U.S. policy of isolation through sanctions will ever work and that it should therefore be revised. What should take its place?

In advocating constructive engagement, this article does not endorse the bland form that that strategy currently takes. Rather, it holds that additional strands should be added to make the strategy more robust. On the part of states, a nuanced set of carrots and sticks should be developed. Targeted economic sanctions, focused on the wide range of economic activity undertaken and overseen by the military junta, should be tied to measurable and verifiable progress toward implementation of an agreed set of political reforms. Targeted strategic investment, designed to alleviate the worst aspects of Myanmar's economic crisis, should also be made and tied to measurable and verifiable political progress. Confidence-building forums should be convened to bring together

40. David I. Steinberg, *The Future of Burma: Crisis and Choice in Myanmar* (Lanham, Md.: University Press of America, 1990), p. 91.

41. Badgley, *Reconciling Burma/Myanmar*.

42. Mathea Falco, *Burma: A Time for Change* (New York: Council on Foreign Relations, 2003).

both the junta and key opposition groups. In the medium term, peace-keeping activities, preferably organized through the U.N., may be necessary.

On the part of non-states, active engagement should also be tied to measurable progress. At a minimum, inward investment by MNCs should be informed by the kinds of values expressed by the ILO and should be linked to, or even conditional on, verifiable progress in outlawing forced labor. In the longer term, FDI should seek to prompt government action in, for instance, enhancing labor standards. In this domain, debates about corporate social responsibility offer many valuable pointers. While there will always be resistance to moves of this kind, ethical investment in Myanmar could be a way for prominent MNCs to demonstrate in practice the social responsibility to which they subscribe so fulsomely in their corporate propaganda.[43] Similarly, leading aid agencies could engage with Myanmar on a parallel basis, seeking, as a condition of engagement, measurable structural advances toward a range of social policy objectives. It is conceivable that interventions of these kinds could generate a wide degree of consensus, spanning a large coalition of state and non-state actors.

Taking a more focused look at the role of the U.S., what is required is a return to the mind-set of the 1960s, when constructive engagement and positive sanctions were central to mainstream thinking. Coker writes, "It was almost a point of law, an *idée reçue*, among American officials and academics alike in the 1960s that sanctions could not work. Most believed that there could be no direct linkage between economic deprivation and political change."[44] The wisdom of the 1960s, reflected in a range of academic and practitioner writings, was revised notably in light of the South African experience that saw negative sanctions play a key role in triggering the collapse of apartheid. However, Coker argues that the failure of positive sanctions in South Africa should be pinned not on inadequate policy design but on implementation problems under Presidents Nixon, Ford, and Carter. More generally, there is no reason to assume that policies that succeed in one environment will automatically work in another. In devising sanctions, context is everything. The internal and external environments in which Myanmar policy is being developed today are very different from those in which policy toward South Africa was formed in the mid-1980s. In particular, the Myanmar economy is less integrated into the global

43. John R. Schermerhorn, Jr., "Terms of Global Business Engagement in Ethically Challenging Environments: Applications to Burma," *Business Ethics Quarterly* 9:3 (July 1999), pp. 485–505; and Ian Holliday, "Doing Business with Rights Violating Regimes: Corporate Social Responsibility and Myanmar's Military Junta," *Journal of Business Ethics* (forthcoming, vol. 58, 2006).

44. Christopher Coker, *The United States and South Africa, 1968–1985: Constructive Engagement and Its Critics* (Durham, N.C.: Duke University Press, 1986), p. 29.

trading environment, the junta is less isolated from its main external support base, and the domestic opposition is less powerful.[45]

The additional issues are how such an agenda might be implemented and the role the U.S. might play in the process. Because a strong form of constructive engagement may not readily emerge within Asia, either through ASEAN or other regional structures, the U.S. and its allies could become critical actors in an extended diplomatic process embracing both state and non-state sectors. However, this is not to say that the U.S. should be the most vocal proponent of a robust policy of constructive engagement. Indeed, the chances of success are likely to be greater if the public face is Asian, not Western. The U.S. may not be able to recast the Myanmar policy of China, the military junta's most important regional supporter. However, Washington does have powerful ties with Japan, which also occupies a strategic position in relation to the Myanmar stalemate. The U.S. should look especially to Tokyo to promote meaningful constructive engagement.[46]

In opening remarks made at her January 2005 Senate confirmation hearing, U.S. Secretary of State Condoleezza Rice insisted that "the time for diplomacy is now."[47] Furthermore, in some critical foreign policy arenas the Bush administration has indeed taken a diplomatic turn. In the early months of 2005, for instance, Washington made a notable modification to its stance on Iran's nuclear program. While keeping stringent sanctions in place, it pledged a measure of support for EU economic incentives developed through a long dialogue process mediated chiefly by the U.K., France, and Germany. As a first step, parallel moves could be made to deal with Yangon. Without dismantling its sanctions regime, the U.S. could begin by signaling support for diplomatic initiatives launched by its Asian allies. If progress were made, Washington could, over time, replace sanctions with a robust form of constructive engagement.

Conclusion

The U.S. has an ineffective Myanmar policy. To compound the problem, the policy enables the U.S. to claim the moral high ground while actually making little or no contribution to resolving the deep-seated difficulties that face the country. It is time for a rethink. The strategy advocated here has the objective of enabling practical steps to be taken toward political change. It acknowledges some critically important realities. Inside Myanmar, the military is a force

45. Pedersen, "International Policy on Burma," p. 212.

46. Ian Holliday, "Japan and the Myanmar Stalemate: Regional Power and Resolution of a Regional Problem," *Japanese Journal of Political Science* (forthcoming, vol. 6, 2005).

47. Senate Foreign Relations Committee, *Opening Statement by Dr. Condoleezza Rice*, January 18, 2005, <http://foreign.senate.gov/testimony/2005/RiceTestimony050118.pdf>, accessed June 14, 2005.

that simply has to be reckoned with and opposition to it is in a weak and disadvantageous position. Outside Myanmar, many pivotal powers, including China, have no interest in sanctions as a policy tool and are happy to support the military junta. Given these factors, a graduated shift to the robust form of constructive engagement outlined here offers the best way forward for the U.S. Furthermore, there is no need for the grandstanding rhetorical displays that have until now characterized its Myanmar policy and that characterize so many of its other foreign policies. Quiet diplomacy, led by trusted Asian allies, is likely to be more effective in securing Washington's stated policy goal of political reform.