

# ALTSEAN BURMA

ALTERNATIVE ASEAN NETWORK ON BURMA  
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## PRESSURE WORKS: BURMA BACKS OFF FROM ASEAN CHAIR

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## **PRESSURE WORKS: BURMA BACKS OFF FROM ASEAN CHAIR**

- Unprecedented pressure from Asean governments and parliamentarians led to the Burmese junta's reluctant decision to relinquish its first opportunity at chairing Asean in 2006. Although billed as "Burma's own decision", the move – affecting the regime's credibility and prestige – was a defeat for regime head Senior-General Than Shwe.
- Than Shwe, desperate to cling to the chair in the face of increasing pressure, tried to play the China card at the last minute. However, the strategy backfired, leading Asean to insist, in a thinly-veiled message, that his regime relinquish the chair in Laos.
- Rangoon-based diplomats and some academics were convinced Than Shwe would not let go of the chair because he had too much to lose.
- A week-long news blackout of the decision in Rangoon suggests that Than Shwe's failure in securing the chairmanship could undermine his position in a junta already demoralized by a sharply deteriorating economy as well as heightened internal and international pressure.
- The Asean Inter-Parliamentary Caucus on Myanmar (AIPMC) is credited for leading the regional charge against Burma. This pressure group of elected Asean parliamentarians had arguably achieved more in the seven months of its existence than Asean had achieved in eight years of "constructive engagement" with Burma.
- Following the lead of the AIPMC, Asean foreign ministers found their voices and started questioning Burma's capability in chairing Asean.
- Ministers and parliamentarians from all over Asean were elated and relieved by the decision, while the US, EU and Japan welcomed it. However, all parties said much more pressure is needed to push for actual reforms in Burma.
- Some Rangoon-based diplomats were unhappy over the pressure exerted on Burma that forced it to defer the chair. Sounding like a mouth-piece for the junta, one senior diplomat quipped "it was a lost opportunity".
- In a rare criticism of one of its members, the Asean Regional Forum demanded that the junta ease political restrictions in Burma and release Daw Aung San Suu Kyi.
- China was so upset with Asean pressure on Burma that its foreign minister rushed to Rangoon from Laos after the announcement, boycotting the Asean Regional Forum.
- Millions of dollars already spent upgrading Rangoon's dilapidated infrastructure for the Asean summit would have further depleted the regime's meager coffers. Meanwhile, a much hoped-for boost to the economy will not materialize.

## **MOVING ON: BEYOND THE CHAIRMANSHIP**

Burma's decision to relinquish its turn at the Asean chairmanship shows that persistent pressure works, and it works most effectively when applied from within Asean. Although being forced to relinquish the chairmanship was undoubtedly a success for Asean and the Burma democracy movement, it was only one of many steps towards the country achieving a genuine democracy.

Keeping the pressure on the junta is the only way of ensuring future successes. And these successes are crucial. Every time a victory is gained in favor of democracy, the junta leadership loses legitimacy, power and confidence.

Moving beyond the chairmanship, Asean should now insist the junta set a clear timetable in fulfilling its long-standing pledge to Asean and the international community to commence a genuine and inclusive process towards democratization in Burma.

In the eight years since 1997, when Burma was admitted into Asean, despite continual promises and stalling tactics, the junta has made no progress towards democratization and national reconciliation in Burma. Asean has endured embarrassment from tolerating Burma's empty promises. So it should immediately demand that the junta:

1. Release from detention of Daw Aung San Suu Kyi and restore to her, all her civil and democratic rights; and to enable the participation of all sections of Burma's diverse society, including minority groups, in the democratic process.
2. Release all political detainees including the Members of Parliament elected during the 1990 General Elections.
3. Ensure the convening of the legitimately elected parliament as a first step towards genuine democratic and constitutional reforms in Burma, and concurrently, requiring the restoration of legal and political authority to the elected parliament.
4. Secure the holding of a meaningful, representative and legitimate National Convention to lay the basis for democratization and national reconciliation which should involve tripartite participation of the military junta, the National League for Democracy and the ethnic nationalities, as well as the full and free participation of all MPs elected at the 1990 General Elections.

In this process, Asean should engage with China and India – both countries which have significant influence and business ties with the regime – to convince them that a free, democratic and prosperous Burma presents a better business case and strategic partner than the bankrupt, pariah state it is now.

### **Asean's Continuing Leverage**

Although much has been said about how Burma could simply shift its attention to China and away from Asean if the grouping demanded too much of it, the reality is that Burma's economy is significantly dependent on trade and investment with Asean. With US sanctions in place, and China primarily interested in flooding its cheap manufactures into Burma, this situation is not likely to change in the foreseeable future.

Burma's economy is significantly intertwined with Asean member states:

- Asean is a large source of foreign direct investment and trade with Burma. According to SPDC statistics, Asean countries account for more than 50% of "Foreign Investment of Permitted Enterprises" as of 30 September 2004. (Living Color Magazine, June 2005)

- Asean countries consistently rank as top importers, and export destinations, for Burma.<sup>1</sup>
- Many development projects in Burma benefit from the technical and financial coordination of Asean and its member states.
- The regime has made considerable efforts to promote tourism to Burma within Asean. Successful tourism promotion greatly benefits from strong and amicable relationship between governments, a point that is unlikely to be lost on the generals. Withdrawing from Asean could have considerable negative impacts on Burma's tourism industry.

## **THAN SHWE BACKS DOWN**

### **The Official Announcement**

#### **Statement of the ASEAN Foreign Ministers Vientiane, 26 July 2005**

We, the Foreign Ministers of ASEAN have been informed by our colleague, Foreign Minister U Nyan Win of Myanmar, that the Government of Myanmar had decided to relinquish its turn to be the Chair of ASEAN in 2006 because it would want to focus its attention on the ongoing national reconciliation and democratisation process. Our colleague from Myanmar has explained to us that 2006 will be a critical year and that the Government of Myanmar wants to give its full attention to the process.

We would like to express our complete understanding of the decision by the Government of Myanmar. We also express our sincere appreciation to the Government of Myanmar for not allowing its national preoccupation to affect ASEAN's solidarity and cohesiveness. The Government of Myanmar has shown its commitment to the well-being of ASEAN and its goal of advancing the interest of all Member Countries.

We agreed that once Myanmar is ready to take its turn to be the ASEAN Chair, it can do so.

### **Asean's New Reality: Pressure Works!**

A stern rebuke for Senior-General Than Shwe: that was what Asean skillfully asserted when the grouping met for the ASEAN Ministerial Meeting in the Laotian capital on July 26. The statement announcing Burma's decision to relinquish the Asean chair in 2006 may have been masked in face-saving, diplomatic language – and made to look like it was a voluntary decision by Rangoon – but it was clear the junta was forced to back down when confronted with unprecedented peer pressure from Asean.

If Than Shwe had imagined helming the only significant organization of which Burma is an active member would give his regime recognition, credibility and prestige, having to give it up under intense regional pressure and full glare of the international media must reek of weakness and impotence.

And that's exactly what this three-paragraph statement was: it was a surrender note by the commander-in-chief of Burma's armed forces admitting defeat. Losing the battle against pressure from usually docile Asean neighbors like Singapore and Malaysia – which had previously been the unquestioning protectors of his regime against international criticism – only seemed all the more painful and embarrassing.

It was a new reality for Asean too: when it comes to Burma's recalcitrant regime, it's clear that strong, persistent pressure works better than constructive engagement.

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<sup>1</sup> Economist Intelligence Unit, Country Risk Service Report: Myanmar: Trends in foreign trade, 1 June 2005

## **Asean, US, EU elated**

The responses from the international community, the National Coalition Government of the Union of Burma (NCGUB) and other Burma democracy groups were overwhelmingly positive. They ranged from elation to relief within Asean, while the US and Europe warmly welcomed the move. Even so, no parties were under the illusion that the task of democratizing Burma was anywhere near complete: all stressed that much more needed to be done to pressure the junta into reforming.

“This (deferment) should not be seen as an excuse to ignore the urgent need for political reforms in Myanmar. Myanmar will continue to afflict Asean long after this debate on the chairmanship is over,” said Teresa Kok, secretary of the Asean Inter-Parliamentary Caucus on Myanmar (AIPMC) in a statement.

The NCGUB, while thanking Asean and the AIPMC for its efforts, said the fundamental issues that had been the root of the problem remain unresolved. “Asean should and must continue to insist that the Burmese generals keep their promise and immediately and unconditionally release Daw Aung San Suu Kyi, U Tin Oo, Khun Htun Oo, and other political prisoners so that genuine political reforms for reconciliation and democracy can be initiated,” it said in a statement.

US Congressman Senator Mitch McConnell meanwhile said Burma’s deferral “serves as evidence” that the Burmese junta “does indeed respond to international pressure, particularly from its neighbors.” (See below for more comments and responses from around the world).

## **Burma, China, Rangoon-based diplomats upset**

Burma’s foreign minister Nyan Win made no comment, but his dour expression in Laos said everything that needed to be said. It was an understandably stressful time for Nyan Win: the last time a foreign minister returned to Burma bearing bad news from an Asean meeting, he was sacked.

China, a supporter of Burma’s chairmanship of Asean in 2006, was so dismayed by the setback that its foreign minister Li Zhaoxing broke protocol and left Vientiane in a huff, completely boycotting the Asean Regional Forum he was meant to attend. Li flew out immediately for Rangoon, where meetings were hastily arranged with Than Shwe and prime minister Lt-Gen Soe Win, on the pretext that Burma was “the only country in Asean that I’ve never visited.”<sup>2</sup>

Observers, however, believe that Beijing wanted Burma to accept the Asean chair and was upset with Asean and the junta for failing to secure it. “For China, it’s a defeat on the diplomatic front in the face of western power,” Nyo Ohn Myint, a member of NLD-LA’s foreign affairs committee, was quoted as saying. “I think China is worried that the junta’s attitude attracts western interference.”<sup>3</sup>

Criticism also came from an unusual quarter. A strangely unenthusiastic foreign diplomatic community in Burma dismissed the pressure against the junta as “not serving the causes of democratization.”<sup>4</sup> Instead of applauding Asean’s efforts, this small group of Rangoon-based senior diplomats – sounding like seasoned spokespersons for the junta – said the result was “a hollow victory” and suggested it was a mistake to disallow this habitual violator of human rights the chair of Asean. One diplomat, who declined to be named, told AFP news agency that “perhaps, it was a lost opportunity”<sup>5</sup>.

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2 Associated Press, Chinese cuts short ASEAN visit, to travel to Myanmar, 27 July 2005

3 Irrawaddy, Rangoon and Beijing’s quiet diplomacy, 28 July 2005

4 Agence France Presse, Myanmar ASEAN pullback seen as empty victory for Europe, US, 27 July 2005

5 Agence France Presse, Myanmar ASEAN pullback seen as empty victory for Europe, US, 27 July 2005

## ARF hits out at Burma

In rare criticism of one of its members, the Asean Regional Forum (ARF) told Rangoon's generals to ease restrictions on the political opposition, which includes the house arrest of Daw Aung San Suu Kyi.

The final communique of the ARF meeting that followed the Asean Ministerial Meeting in Laos said the group's 25 ministers "expressed their concern at the pace of the democratization process" and urged the junta to open talks with the NLD<sup>6</sup>.

Meanwhile, US deputy Secretary of State Robert Zoellick, who attended the ARF in place of Condoleezza Rice, called Burma "a cancer" that threatens the region.<sup>7</sup>

## News Blackout in Rangoon

Although some commentators have said that the regime had "nothing to lose" by giving up the chair, the regime's behavior since suggests the opposite.

The news of Burma relinquishing the Asean chairmanship made headlines in Bangkok and Singapore, and countless editorial column-inches around the world but a blanket ban was imposed on reporting the decision in Burma<sup>8</sup>.

The ban was only lifted one week later on August 2 when junta-mouthpiece *The New Light of Myanmar* "broke" the news in the middle of an obscure article on page 11 of the newspaper, without comment<sup>9</sup>. The failure to secure a chairmanship the *Myanmar Times* had described as "rightfully" Burma's<sup>10</sup> must have defeated even the most determined Rangoon spin doctor.

There was no doubt the decision was a significant loss of face for Than Shwe, who's desperately trying to shore up support and consolidate loyalty after last year's purge of Khin Nyunt and his associates. With his troops demoralized and on edge, a psychological defeat such as this was the last thing he wanted. (See below for why the chair was so important to Than Shwe).

## THE ROAD TO VIENTIANE

### Asean Parliamentarians Lead the Charge

The decision in Laos was the result of months of sustained pressure from Asean. The formation of the Asean Inter-Parliamentary Caucus on Myanmar (AIPMC) in Kuala Lumpur in November 2004 dramatically changed the dynamics of Asean's approach to Burma. Comprising a group of elected parliamentarians from Thailand, Malaysia, Indonesia, the Philippines, Singapore and Cambodia, the AIPMC called for accountability from the military junta running Burma, after acknowledging that the country's continuing political and economic turmoil had serious implications for the rest of the region.

The AIPMC's stated objectives were the commencement and promotion of a genuine, inclusive democratic transition in Burma that included the unconditional release from detention of Daw Aung San Suu Kyi and all other political detainees such as members of parliament elected during the 1990 general elections.

A resolution passed by the AIPMC read that "unless progress towards constitutional and democratic reforms is evident, we strongly urge Asean not only replace Myanmar as Chairman of Asean in 2006

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6 Reuters, Asia meeting in rare swipe at Myanmar, says free Suu Kyi, 29 July 2005

7 Associated Press U.S. official likens situation in Myanmar to cancer as Washington renews sanctions, 28 July 2005

8 Irrawaddy, Junta breaks press silence on Asean decision, 2 August 2005

9 The New Light of Myanmar, Foreign Minister attends 38th Asean Foreign Ministers' Meeting, 1 August 2005

10 Myanmar Times, Myanmar and charter on agenda for ASEAN talks, 25 July 2005

but immediately review its membership with a view of suspending Myanmar as a member.” Such pressure from any Asean country, let alone six, was clearly unprecedented.

In editorials and press conferences, AIPMC members expressed their frank views on Burma that must have alarmed Rangoon. Such language may have been expected from US congressmen about to propose the adoption of a Burma sanctions bill, but certainly not from otherwise polite neighbors in Asean!

AIPMC president Zaid Ibrahim said that “Asean must have more self-respect than to accept leadership by a regime that rules not by the voice of the people, but by the barrel of a gun, by a regime that has consistently failed to honor its promises...Asean should no longer be a buffer for Burma, which has come at the expense of Asean’s reputation and productivity. No other member in the 38-year history of Asean has garnered such negative attention for the entire group,” Zaid wrote in a stinging editorial days before the regional ministerial meeting<sup>11</sup>.

In Indonesia, where a resolution was passed in parliament urging the government to boycott Asean meetings if Burma took over the regional grouping’s chairmanship<sup>12</sup>, AIPMC member Nursyahbani Katjasungkana likened the struggle in Burma to that against the dictatorial rule of Indonesia’s President Suharto. “While we were struggling against the injustices of the military, the Burmese people’s overwhelming vote for democracy in 1990 gave us hope that we could achieve the same in Indonesia, despite what seemed at the time like a hopeless cause in the face of an entrenched military regime and an unshakable dictator. So it can be with Burma too,” she wrote in the *Asian Wall Street Journal*.<sup>13</sup>

The AIPMC even attracted the attention of those outside the region. Australia’s former ambassador to Burma Garry Woodard, criticizing his country’s engagement with junta, said “Australia’s challenge... is just to catch up with the Asean governments and legislatures, which are ahead of it in pressuring an indefensible and unacceptable regime.”<sup>14</sup>

Asean secretary-general Ong Keng Yong said the creation of the AIPMC was “a reflection of the maturity of the political culture” in Asean and showed that “in public policy making, there is a growing acceptance that not everything has to come from the government.”<sup>15</sup>

The AIPMC was a key driver behind the move to deny Burma the chair of Asean. Direct and behind-the-scenes pressure from the AIPMC had contributed significantly to Burma’s decision to relinquish the position. It is arguable that the group had achieved more in pressuring Burma during the seven months of its existence, than Asean managed during eight years of constructive engagement.

Singaporean caucus member Charles Chong wrote in his *Wall Street Journal* editorial that Asean should recognize “constructive engagement” has had its day. It has not only failed to bring about change in Burma, he said, but was “making a mockery of Asean”, which was seen in some quarters, “as being complicit in the derailing of democratization” there: “Admitting that ‘constructive engagement’ was a mistake would not be wrong,” said Chong, but “pretending it is still relevant going forward would be inexcusable.”<sup>16</sup>

## **Asean Ministers Follow Suit**

In the run-up to the Asean Ministerial Meeting in Laos, senior Asean politicians – normally well-trained in the essentially mute art of “non-interference” in their neighbor’s affairs – discovered their voice-boxes. One Asean leader after another began voicing their concerns on Burma’s chairing of the organization in 2006.

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11 Zaid, Ibrahim, Time for Asean to Stop Dithering, The Nation, Bangkok, 13 July 2005

12 Associated Press, Indonesian parliament rejects Myanmar’s plan to chair Asean, 1 June 2005

13 Katjasungkana, Nursyahbani, Indonesia’s lessons for Burma, Asian Wall Street Journal, 30 May 2005

14 Woodard, Garry, Dragging the chain on Burma, The Age, Melbourne, 6 June 2005

15 Agence France Presse, ASEAN expects Myanmar’s decision on leadership issue next month: Ong, 17 June 2005

16 Chong, Charles, Destructive Engagement, Wall Street Journal, 28 July 2005

Although always stressing that it would be Burma's own decision, the chorus of disapproving voices got progressively louder as the Vientiane meeting neared. And positions shifted markedly over just a few months. In March 2005, former Asean secretary-general Rodolfo Severino was quoted as saying that disrupting the selection process for the Asean chairmanship could set an unwelcome precedent. "Does this mean that when you don't like what another member is doing, you skip the rotation process? This is a rather dangerous move," he said.<sup>17</sup>

By April however, Singaporean Prime Minister Lee Hsien Loong on a visit to Rangoon, was already forewarning the generals about what was in store for them. "In an interdependent world, developments in one Asean country could impact on Asean as a whole," he said.<sup>18</sup>

Perhaps it was more the possibility that key dialogue partners like the US and EU would downgrade their relationship with an Asean chaired by one of the world's leading human rights violators rather than a genuine concern for lack of reform in Burma, but it certainly forced a refreshing frankness from more and more Asean leaders.

In June, almost pre-empting Burma's decision by a month, Thai foreign minister Kanthathi Suphamongkhon assured reporters that Asean had received "very positive signs" that the junta would give up its chairmanship of the grouping,<sup>19</sup> while his Singaporean counterpart George Yeo said the junta had told its Asean partners it would "not be selfish." "We took that to mean that Myanmar might withdraw on its own from assuming the chair," Yeo concluded<sup>20</sup>.

Even Asean secretary-general Ong Keng Yong added his two-cents to the winning side by saying in July that "in the light of what's happening now, I think that would be a good idea, good politics" for Burma to relinquish the chair<sup>21</sup> despite his being skeptical only weeks earlier.

Asean also didn't fall for the junta's usual tricks. The release in July of some 400 prisoners – over half of them political – was seen as another means to deflect pressure and criticism. It was quickly noted that as the releases were happening, the junta was simultaneously arresting many others. Instead of drawing praise, commentators criticized the regime for toying with political prisoners' lives, as a kidnapper would do with his hostage.<sup>22</sup> AIPMC president Zaid Ibrahim said "the military junta must do more... this is not enough. I don't think Asean should fall for it."<sup>23</sup>

## **THE CHAIR WAS IMPORTANT TO THAN SHWE**

### **He wanted it – bad**

Will he or wouldn't he? That was the proverbial question in the run-up to the July Asean Ministerial Meeting in Laos. Although a number of Asean foreign ministers tried to pre-empt the decision by liberally interpreting Burma's pledge that it would "take the interests of Asean into account" as relinquishing the chairmanship, it was clear no one outside Burma knew for sure.

Despite countless comments on this topic – reported on an almost daily basis – that emanated from Asean ministers and parliamentarians to regional academics, the fact that no response was forthcoming from Rangoon suggested that perhaps the generals in Burma were hoping to find a way to retain their claim on the chair.

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17 Bangkok Post, KL ups the ante on Rangoon, 27 March 2005

18 Horn, Robert, Ganging up on Burma, TIME Magazine, 11 April 2005

19 Reuters, Myanmar likely to forego ASEAN chair – Thailand, 22 June 2005

20 Agence France Presse, Myanmar may give up ASEAN chair to uphold common interests: Singapore, 24 June 2005

21 Reuters, Myanmar seen giving up turn at ASEAN chair-sec gen, 18 July 2005

22 Aung Zaw, The real reason behind prisoner releases, Irrawaddy, July 2005

23 Agence France Presse, ASEAN lawmakers hail release of prisoners in Myanmar, call for more, 7 July 2005



Some Rangoon-based diplomats, many ceasefire groups and academics were convinced Sr-Gen Than Shwe would not let go: it was too much to lose, they said. In military terms, giving up the chair would be seen as defeat. And that's a bad thing for a soldier.

Furthermore, Burma had the support of China, or so it would seem. The China card was played and "news" that China supported the regime's 'right' to chair Asean was circulated. Diplomats, media and activists were being encouraged to think that with China acting as Than Shwe's 'godfather', the SPDC was invincible, that Asean would cower in fright and withdraw its objections.

Clearly, as the meeting neared, Asean was still in the dark. Just days before the start, Malaysian foreign minister Syed Hamid Albar, sounding more activist than diplomat, said "we don't want to tell (Burma) they must get out, or that they must miss their turn, but they know what they need to do, and the action must be done by them."<sup>24</sup>

This thinly-veiled warning told Than Shwe that Asean was in no mood to play games: it wanted Burma to give up the chair. Asean had called Than Shwe's bluff and his China strategy backfired.

Asean may have realized that under a Burma chair, the USA and other western partners were likely to downgrade or even boycott key meetings. Without their presence to counterweight China, many Asean governments would have shuddered at the possibility of being swallowed up when all they wanted is lots of profitable economic engagement.

So, a compromise was reached. The Asean foreign ministers tried to be gentle as possible, but beyond the diplomatic, face-saving text of the announcement confirming Burma's deferral, it is clear that Asean finally put its foot down.

## **Why did he need it?**

Some analysts have said that Sr-Gen Than Shwe had "nothing to lose" by giving up the Asean chair. Here are some reasons why by losing the Asean chair, Burma's most senior general may be in danger of losing his head.

## **SPDC Rank and File Demoralized**

Than Shwe's loyalists are feeling demoralized and on edge. It was rumored that many of them bought their way into their posts after the purge of Gen Khin Nyunt and his faction. They now need return on their investment, which has not been forthcoming. The denial of the Asean chair would further compound the fear that there will not be enough business deals in order for everyone to get their cut.

Given the economic and political insecurity and the 'brain drain' from the purge, the government has been virtually paralyzed.

- Since the purge of Khin Nyunt and tens of thousands of intelligence officers and their cronies, there has been an underlying sense of caution and unease of who will be targeted next. Although there have been regular purges of high ranking officers in the past, it has typically only been a handful of officers at a time.
- All the businesses and business cronies of Khin Nyunt and his extensive MI empire came under scrutiny. Many family members of senior MI officials (including Khin Nyunt) who were involved in these businesses were jailed. Beginning in late February 2005 several hundred MI officers went on trial for corruption and other charges. 38 MI officers close to Khin Nyunt were given long prison terms in April 2005.<sup>25</sup> Three former SPDC ministers, including the ex-foreign minister Win Aung

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<sup>24</sup> Agence France Presse, Malaysia hopes Myanmar will settle ASEAN chair issue next week, 19 July 2005

<sup>25</sup> AP, Officials: Ousted Myanmar prime minister not sent to prison, 12 June 2005

were arrested in early July 2005 and are expected to stand trial for economic crimes and corruption in the near future.<sup>26</sup>

- There is now a relatively large disaffected ex-military cadre among the population with considerable knowledge of the extent of corruption within the military.
- The move against Khin Nyunt and his faction has set the stage for further tension and back-biting within the senior military ranks.
- It is important to keep in mind that many military officers that were purged in the past by previous dictator Ne Win became members of the opposition groups, including the NLD. By purging tens of thousands along with Khin Nyunt, a new base of political opposition may emerge.
- The division between Sr-Gen Than Shwe and his deputy Sr-Gen Maung Aye is apparent and presents the possibility of internal conspiracies to undermine Than Shwe's power base.

## Evaporating Ethnic Trust

The ceasefire agreements brokered between Khin Nyunt and various armed ethnic groups are in danger of being dismantled one by one. Since the purge of Khin Nyunt, the SPDC has tried to publicly promote the line that nothing had changed with the ceasefire agreements. However this had not been easy with many groups now distrusting the sincerity of the SPDC. Ethnic groups taking up arms once again must be another serious source of concern for Than Shwe. Among the key developments over the last few months are:

- The SPDC has begun pressuring groups to disarm which led to the Shan State National Army ending its ceasefire agreement in late May 2005 (in place since 1995) and taking up arms with the Shan State Army-South.<sup>27</sup> On 24 May 2005, it was reported that the Democratic Karen Buddhist Army (DKBA) is "very likely to merge with the KNU if the junta keeps pressuring it to disarm."<sup>28</sup>
- The ceasefire agreement between the UWSA and SPDC is growing more fragile. The SPDC is trying to assert its power over the UWSA by placing new stipulations on the agreement such as SPDC troops being allowed to enter any of the autonomous regions as they please without prior approval or having to be disarmed and escorted.<sup>29</sup>
- The SPDC miscalculated the determination of many ceasefires groups at the National Convention session in May – July 2004. 13 ceasefire groups (including the UWSA) banded together and submitted a joint proposal challenging the regime's agenda for a strongly centralized state, but calling for a genuine federal union. The SPDC disregarded the proposal and warned the groups not to continue with that agenda.<sup>30</sup>
- The arrests of 10 influential Shan leaders in February and March 2005, were viewed in the context of the regime's intimidation campaign to quash resistance to the procedures at the Convention. Khun Htun Oo and Sai Nyunt Lwin, Chairman and General Secretary of the SNLD, are being charged with treason, punishable by life imprisonment.<sup>31</sup>

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26 Jagan, Larry, Junta in a fix how to fight corruption, Bangkok Post, 6 July 2005

27 Associated Press, Two Ethnic Rebel Groups Announce Merger to Fight the Junta, 23 May 2005

The Palaung State Liberation Army was forced to disarm in late April 2005 and in early April a faction of the Shan State National Army was forced to disarm. Irrawaddy, Another Ethnic Ceasefire Group to Disarm, 28 April 2005

28 Irrawaddy, More Ceasefire Groups Expected to Break with Rangoon, 24 May 2005

29 Pathon, Don, UWSA prepared to assert independence more aggressively, The Nation (Thailand), 18 July 2005

30 South, Ashley, Beyond the National Convention: Burma's ceasefire groups look ahead, Irrawaddy, September 2004

31 Human Rights Watch, They Came and Destroyed Our Village Again: the plight of internally displaced persons in Karen State, June 2005 pp 18-19

- The National Convention reconvened on 17 February 2005 and was adjourned a month and a half later on 31 March. Analysts suggest that this is a sign of “unsolved problems with ethnic ceasefire groups.”<sup>32</sup> Six ceasefire groups, undeterred by the intimidation, issued a statement, repeating their demands of the previous year and calling for a review of the draft constitution’s Principle No. 6, which provides that the military will continue to play a leading role in politics. They also asked for non-ceasefire groups to be allowed observer status at the convention, to allow disagreements and debate, and for the convention minutes to record such dissenting voices.<sup>33</sup>

## Economy in the Doldrums

The Burmese economy is in the doldrums, and in dire need of a boost. The Asean chairmanship would have provided at least some business opportunities for the military and its well-connected cronies. The failure to deliver the chairmanship would have lost Than Shwe some friends in the business community and support in the army. Some of the many endemic problems faced by the Burmese economy include:

- A severely depleted foreign exchange reserve that are at their lowest level for many years.<sup>34</sup> Reportedly, Maung Aye and Than Shwe have urged the business community to earn more foreign currency.<sup>35</sup>
- Much of the country’s economic activity having ground to a halt after Khin Nyunt was sacked and his supporters purged from the administration. “At least the former prime minister understood economics and supported the country’s business community,” a Burmese businessman said.<sup>36</sup>
- Despite estimates by the International Monetary Fund and anecdotal evidence suggesting a national growth rate of nearly zero, the SPDC’s fantasy statistics showed a 12.6% GDP growth rate for FY2004, faster than any other Asean country.<sup>37</sup> A recent report prepared for the European Commission suggests that Burma’s economy had likely contracted last year.<sup>38</sup>
- There are symptoms of capital flight, of which the SPDC is aware. In May 2005, the Deputy Minister of Finance and Revenue used a press briefing to warn against taking more than the permitted US\$100 out of the country. The population was sternly reminded that with the exception of tourism-associated ventures, it was illegal for citizens to possess any foreign currency.<sup>39</sup> Citizens and tourism businesses were exhorted to deposit their foreign currency in bank accounts.
- In March 2005, it was reported that beginning April 1 the salaries of the civil servants would increase up to three times their current salary, reportedly to help attract new workers. The plan was later shelved because the regime couldn’t finance it.<sup>40</sup> Pay raises typically take place when inflation rates get too high or there is discontent within civil service members.
- The price of rice has soared especially in parts of Arakan State. Even public servants are finding the cost exorbitant as one bag of rice reportedly costs about two to three times their monthly salary.<sup>41</sup>

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32 Human Rights Watch, *They Came and Destroyed Our Village Again: the plight of internally displaced persons in Karen State*, June 2005 pp 20

33 Human Rights Watch, *They Came and Destroyed Our Village Again: the plight of internally displaced persons in Karen State*, June 2005 pp 18-19

34 Jagan, Larry, *Junta in a fix how to fight corruption*, Bangkok Post, 6 July 2005

35 Jagan, Larry, *Junta in a fix how to fight corruption*, Bangkok Post, 6 July 2005

36 Jagan, Larry, *Junta in a fix how to fight corruption*, Bangkok Post, 6 July 2005

37 Crampton, Thomas. *Economic fog shrouds Myanmar*. International Herald Tribune, 16 April 2005

38 Crampton, Thomas. *Economic fog shrouds Myanmar*. International Herald Tribune, 16 April 2005

39 Xinhua General News Service, *People in Myanmar urged to abide by foreign exchange control rule*, 15 May 2005

40 AFP, *Myanmar civil servants set for sharp pay rise*, 18 March 05

41 Narinjara News, *Phenomenal Rice Price Rise in Western Burma Threatens Social Unrest*, 5 July 2005

## No “Face”, No Money

There’s no doubt giving up the Asean chair resulted in a huge loss of face for Than Shwe. Militarily, this is seen as a sign of the senior general’s weakness. The magnitude of the defeat can be seen by the long news blackout period after the announcement of the chair deferral was made, and the shortage of editorials in junta-run press arguing why the chairmanship was unnecessary. It wasn’t helped by heightened publicity in the local media about the Asean chairmanship prior to the Laos meeting.

In the past year, Burmese domestic media had hyped up preparations for the Asean chair. Despite the shrinking economy, projects to upgrade hotels, meeting facilities and Rangoon’s notorious roads were started.

In April 2005, even as Asean foreign ministers were publicly admitting that the Burma chair was a bad idea, it was declared that preparations for the Burma chairmanship were “on course”. In late May, despite bombs wrecking two shopping centers and the Yangon Convention Centre, which was being renovated to host Asean meetings, the regime went ahead in awarding Singapore-listed CNA Group Ltd a \$10.6mil deal to expand Rangoon’s International Airport.<sup>42</sup>

In fact, Burmese economists have hailed the coming Asean summit as a means to kick-start the economy and increase the country’s employment levels, with well-known economist Dr Maung Maung Soe reportedly telling *The Myanmar Times*: “I certainly think it is true that employment... will have increased a lot as a result of the coming summit, and I think that this will give the economy enough of a boost to get some momentum going.”

Without the chairmanship, the Burmese economy faces a double whammy. It would fail to get its much-needed boost, while the country’s meager coffers risks losing the millions of dollars that have been spent developing and beautifying Rangoon when the returns are now questionable.

According to *Irrawaddy*, the junta has since 2003, sped up several development projects designed to revamp the city, including the construction of apartments to house Asean delegates – worth about US\$1.8mil and the convention Centre, designed to host the summit, reportedly worth a similar amount.<sup>43</sup> An overhaul of Kandawgyi Park in the center of Rangoon also began in 2003 and was expected to finish in time for the 2006 summit. The development was thought to be worth at least US\$5mil.

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42 Stothard, Debbie, Asean has found its spine, *Malaysiakini*, 28 July 2005

43 *Irrawaddy*, Burma’s wasted investment, 27 July 2005

## WHAT THEY SAID: STATEMENTS ON BURMA'S ASEAN CHAIRMANSHIP

### NATIONAL COALITION GOVERNMENT OF THE UNION OF BURMA

Excerpts from a statement by the National Coalition Government of the Union of Burma: "The NCGUB wishes to express its thanks to Asean governments, particularly its founding members, for their clear-sighted approach in resolving the problem and to the 'Asean Inter-Parliamentary Caucus for Myanmar' for helping raise the awareness about Burma among officials in the Asean region.

"The NCGUB wishes to remind Asean members that the fundamental issues that had been the root of the problem remain unresolved. Asean should and must, therefore, continue to insist that the Burmese generals keep their promise and immediately and unconditionally release Daw Aung San Suu Kyi, U Tin Oo, Khun Htun Oo, and other political prisoners so that genuine political reforms for reconciliation and democracy can be initiated."<sup>44</sup>

### ASEAN PRESS

**THE STRAITS TIMES:** The Singaporean paper was highly critical of Burma's military junta despite it relinquishing the Asean chair. In an unusually candid editorial, it said Rangoon's "dogged insistence on sticking to its own conduct of political engagement - overturning election results, jailing opposition politicians as a matter of routine, neglecting the rights of minorities - was attracting for Asean unwanted notice."

It blamed the junta for hampering Asean's work, and causing Japan and the United States to send junior officials to the ARF. "Asean should hold the Myanmar government to its undertaking that it is passing up the chair so as to concentrate on 'national reconciliation and (the) democratization process.' Passing it off as diplomatese would give Yangon an out," the Straits Times said.

**JAKARTA POST:** In an editorial headlined *No cure for Asean*, the paper warned that Burma's decision to relinquish the chair merely provided "an opiate to temporarily ease a passing pain."

The Post said the problem with Asean was that "it believes it can continuously overlook problems by simply refusing to deal with them", while Burma's problem was that "it believes coercion and force to be a sovereign right". A combination of the two "brings about a corrosive predicament that reduces one of the most dynamic regional groupings to a state of lethargy, typified by persistent grogginess," it said.

**NEW STRAITS TIMES:** Kuala Lumpur-based NST commented that the passing of the chairmanship issue "was a mere temporary respite" as long as the issue of democratic reforms in Burma remained unresolved. There was need for Burma to live up to its pledges to Asean, it said. "Asean's constructive engagement with Myanmar has not achieved the desired results so far, and if Yangon keeps on dashing hopes for reform, this will continue to damage the reputation of the regional association. There is a need for Myanmar to listen to its neighbors and to take the necessary steps towards a more representative government. This is the very least Myanmar could do for its neighbors who had admitted it into the grouping against the wishes of those countries which believe in a hard line and tough sanctions," it said.

**THE NATION:** An editorial in this independent Bangkok newspaper asked Asean governments "not rest on their laurels and think that Asean has polished its image with a minimum of fuss" after Burma relinquished the chair. "Together, they must continue to heap pressure on Burma to open up the country and release Aung San Suu Kyi and the rest of the political prisoners being held. The grouping's future relevance depends very much on how it can influence the situation in Burma for the better," the paper said.

**PHILIPPINE DAILY INQUIRER** on 21 June 2005 said the Philippines, as one of the vibrant democracies in Asia, "has to lead the effort in the region to maintain pressure on Burma to democratize." And it could begin "by continuing to call on Burma to give up the chairmanship of the Asean unless it shows a clear indication that it is following the road map to democratization."

### INTERNATIONAL PRESS

**INTERNATIONAL HERALD TRIBUNE** said Burma's decision had been taken "with obvious reluctance" and praised Asean for "a display of decisiveness within the divided and usually cautious regional association."

It said that for Burma "it was a particularly painful rebuke, coming not from Burma's usual critics in the West but from neighboring countries that had welcomed it into their group eight years ago."

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44 NCGUB, ASEAN role vital in Burma's democratic future, 26 July 2005

**JAPAN TIMES** commented that while the Burmese regime had resisted change, it was not immune to pressure. "Two years ago, it revealed a seven step "road map" that would lead to democracy. This readiness to appear to embrace change is proof – denied by authoritarians everywhere – that public pressure can pay off. While the regime's decision to give up the chair lets Asean off the hook for now, the organization and other concerned nations must not let up," it said.

**THE PEOPLE'S DAILY:** An editorial in the Chinese government's mouthpiece sounded like it had been written by the same journalists who daily contribute stories for *The New Light of Myanmar*. The paper attributed unnamed "analysts" as saying that Burma's decision to relinquish the chair amounted to the United States "interfering in the internal affairs of others in the region."

"Ever since the Myanmar military government came to power in 1988, the United States has always put pressure on the country politically and economically. Up to now, the United States still maintains economic sanctions against Myanmar. Putting pressure and imposing sanctions and isolations can not settle any of international conflicts and Myanmar's affairs should be decided by its government and the people," it attributed analysts as saying.

## ASEAN LEADERS

**July 2005 – Thai foreign minister Kantathi Suphamongkhon** said that while Asean would keep the pressure on Burma, it should also continue dialogue with the generals. "Since we have kept Myanmar engaged, we have been able to relay to them our concerns about their national reconciliation process," Kantathi said. "So that door we have left open with them has been very, very useful."<sup>45</sup>

**July 2005 - George Yeo, Singapore's foreign minister** said the move to relinquish the chair "removes a thorny issue" from south-east Asia's relations with western powers "Their domestic politics and our interests as a region have been intertwined," he said. "It is good that these will be decoupled."<sup>46</sup>

**July 2005 – Malaysian Foreign Minister Syed Hamid Albar** said that engaging with Burma was "the best thing to do." He said the junta understood that it was now under pressure to reform. "When they move on national reconciliation, there is also democratization... there must rule of law, there must be free elections. I think they understood this," he was quoted as saying in Laos after Burma's decision.

**July 2005 – Alberto Romulo, Philippines foreign minister** expressed his appreciation to Burma "for not allowing its national pre-occupation to affect Asean's solidarity and cohesiveness." He said: "Myanmar's decision is one that shows its commitment as a nation and as a member of Asean to the well-being of Asean and the association's goal of advancing the interests of all its members."<sup>47</sup>

**July 2005 – ASEAN secretary-general Ong Keng Yong** in a complete u-turn said it may be better for Burma not to chair Asean in 2006. "In the light of what's happening now, I think that would be a good idea, good politics," Ong said, referring to threats from Washington and Europe to boycott meetings with Asean.<sup>48</sup>

**June 2005 – ASEAN secretary-general Ong Keng Yong** said, "If Myanmar chairs Asean, then there will be constant international attention on this situation in Myanmar, and there will be a certain amount of pressure in moving the national reconciliation and democratization process. But if they are out of the chair, then for the next one or two years, they won't be on the radar scope. This is the downside."<sup>49</sup>

**June 2005 – ASEAN secretary-general Ong Keng Yong** when asked a possible compromise that would allow Myanmar to take up the Asean helm but for Thailand to host all international meetings, Ong said it was impractical. "It is best not to take a half-baked decision. On paper it may be attractive, but you may have to spend more money and there may be more headache," he said.<sup>50</sup>

**June 2005 – Thai foreign minister Kantathi Suphamongkhon** said the National Convention and draft constitution should be completed by early 2006. He told reporters, "We expect that after finishing the draft, Aung San Suu Kyi will be released. There are some signs showing she will be freed after that time."<sup>51</sup>

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45 Agence France Presse, Asia says engagement of Myanmar more effective than isolation, 29 July 2005

46 Financial Times, Burma gives in and skips Asean chairmanship, 27 July 2005

47 Deutsche Presse-Agentur, Philippines hails Myanmar's decision to give up ASEAN chairmanship, 26 July 2005

48 Reuters, Myanmar seen giving up turn at ASEAN chair-sec gen, 18 July 2005

49 Associated Press, ASEAN chairmanship may encourage reform in Myanmar, bloc's chief says, 13 June 2005

50 Associated Press, ASEAN chairmanship may encourage reform in Myanmar, bloc's chief says, 13 June 2005

51 Agence France Presse, Thai FM sees Myanmar's Aung San Suu Kyi freed early next year, 14 June 2005

**June 2005 - Malaysian foreign minister Syed Hamid Albar** said Asean respected Burmese sovereignty and its right to make its own decision. "But it's also our duty to inform them [the junta] of the feelings of each Asean country".<sup>52</sup>

**June 2005 - George Yeo, Singapore's foreign minister**, said that Asean has agreed not to take away the chairmanship from any member but that Burma in turn promised to take Asean's interests into account. "Asean foreign ministers took this to mean that Myanmar (Burma) would voluntarily forgo its turn to chair...This would be a good solution."<sup>53</sup>

**June 2005 - Thai foreign minister Kantathi Suphamongkhon** while on an official trip to Washington, DC said, "We do have a plan to try to create a condition for (a) positive outcome...Just as an example, if they were to postpone their chairmanship then there would be a strong incentive for them to also complete that process of national reconciliation so that they could come back and participate actively in ASEAN."<sup>54</sup>

**May 2005 - Thai Prime Minister Thaksin Shinawatra** said Thailand had already formulated its position about Myanmar's chairmanship but it would not be diplomatically prudent to reveal it. "Thailand has decided (its position) but we will not publicly speak out...Sometimes it is not positive to speak out."<sup>55</sup>

**May 2005 - A Thai government official**, speaking on condition of anonymity, said, "Myanmar is looking for a suitable time to announce its withdrawal from the chairmanship".<sup>56</sup>

**May 2005 - Thai foreign minister Kantathi Suphamongkhon** said, "What we are working on with them of course would be a dual track situation," without elaboration. "We would like to see to democracy and national reconciliation being realised and we would like to see also that Asean can function effectively." This statement occurred as rumors circulated that Myanmar could become chairman, but for Thailand to host all the big diplomatic meetings.<sup>57</sup>

**May 2005 - Malaysian foreign minister Syed Hamid Albar** said the government will not block a motion seeking to deny Myanmar the Asean chairmanship when parliament reconvenes next month: "There's no problem...If they want to, they can discuss it."<sup>58</sup>

**May 2005 - Sihasak Phuangketkeow, a Thai Foreign Ministry spokesman** said, "I wouldn't say it's been a negotiation, but we've had discussions among Asean foreign ministers on this, and also some bilateral discussions...I think the Myanmar side is aware of the situation and the complications it could cause if, under the present circumstances, Myanmar takes up the chair...I am sure, at the present time, Myanmar wants to concentrate on its internal priorities."<sup>59</sup>

**April 2005 - Singapore Foreign Minister George Yeo** admitted that there was reluctance from Asean to strip Burma of the chairmanship because it would set a "very dangerous and very bad precedent."<sup>60</sup>

At the same time, Yeo said "there were very serious concerns expressed by the members." "It is a tough decision they got to make and the earlier they make it, I think the better it is for their own domestic political process," Yeo said. "We don't want Asean to be dragged into Myanmar's own internal politics," he added.<sup>61</sup>

**April 2005 - Indonesia Foreign Ministry spokesman Marty Natalegawa** reportedly said that Rangoon was expected to formally announce its decision to skip the Asean chairmanship by July this year. This statement was after Burma's foreign minister U Nyan Win met with Indonesian foreign minister Hassan Wirajuda on the sidelines of the Asian-African Summit in Jakarta.<sup>62</sup>

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52 Ganjanakhundee, Supalak, ASEAN chair: Members express concern, the Nation (Thailand), 10 June 2005

53 Mallet, Victor, Burma expected to forgo turn at Asean, Financial Times, 9 June 2005

54 Aglay, Dolly & Wolf, Jim, Myanmar may delay ASEAN chair as pressure grows, Reuters, 13 May 2005

55 Chitradon, Boonradom, Thailand seeking to end Myanmar's ASEAN chair deadlock: Thai FM, Agence France Presse, 10 May 2005

56 Chitradon, Boonradom, Thailand seeking to end Myanmar's ASEAN chair deadlock: Thai FM, Agence France Presse, 10 May 2005

57 Cropley, Ed, Myanmar may skip ASEAN chairmanship, Thailand says, Reuters, 4 May 2005

58 Agence France Presse, Malaysian FM says govt will not block anti-Myanmar parliamentary motion, 31 May 2005

59 International Herald Tribune, Junta is expected to forgo Asean helm, 19 May 2005

60 Agence France Presse, ASEAN's stability threatened by failure to act on Myanmar: analysts, 15 April 2005

61 Conde, Carlos, Asean puts ball in Myanmar's court; Junta is likely to take turn at chairmanship, International Herald Tribune, 13 April 2005

62 Asia Pulse, Philippines may yet assume 2006 chairmanship of Asean, 27 April 2005

**April 2005** - Singaporean prime minister **Lee Hsien Loong** visited Rangoon last week, where, he warned Burmese leaders: "In an interdependent world, developments in one Asean country could impact on Asean as a whole."<sup>63</sup>

**April 2005** - Cambodia's Prince **Norodom Ranariddh** said: "Because of internal problems, Myanmar has agreed not to host the ASEAN summit next year, and in the future Myanmar will announce it." The remarks were made just before prime minister Hun Sen left to attend the Asia-Africa summit in Indonesia.<sup>64</sup>

**April 2005** – Cambodian prime minister **Hun Sen** reportedly told Burma's premier Lt-Gen Soe Win that Cambodia supported his country's chairmanship in 2006.<sup>65</sup>

**April 2005** - A Laotian diplomat said if not handled properly, and if Asean is seen as buckling to the pressure by the United States and Europe, Burma could end up a divided country "like Yugoslavia", referring to the serious political and ethnic instability in Burma. "It is in the interest of Asean to have a stable Myanmar," the diplomat said.<sup>66</sup>

**March 2005** - Former Asean secretary-general **Rodolfo Severino** said that while Burma has been "a thorn in Asean's side", disrupting the selection process could set a dangerous precedent. "Does this mean that when you don't like what another member is doing, you skip the rotation process? This is a rather dangerous move... we all know that there are member states that are not happy with what's going on in Burma. But I also think that they should look at the problems the Burmese government is facing and also look at the consequences."<sup>67</sup>

**Nov 2004** - As Malaysia's Foreign Minister, **Syed Hamid Albar**, said that "there is no such thing as absolute non-interference."<sup>68</sup>

## **ASEAN INTER-PARLIAMENTARY CAUCUS ON MYANMAR (AIPMC)**

**July 2005** – AIPMC statement released after Burma's decision to relinquish the Asean chair said it should not be seen "as an excuse to ignore the urgent need for political reforms in Myanmar. Myanmar will continue to afflict Asean long after this debate on the Chairmanship is over."

"Asean now needs to demonstrate that it is capable of handling its own conflict in the region, by setting out a plan of action, with a firm and detailed timetable that is inclusive of all stakeholders.

"Thus, in spite of the decision made today by the Myanmar regime, Asean must ensure that the regime will fulfill its promises made to the organization on the commencement of genuine political reforms, national reconciliation, and the release of political prisoners including Nobel Peace Laureate and democracy leader Daw Aung San Suu Kyi. AIPMC will continue to advocate for the day when the people of Myanmar can join us as free and democratic citizens of Asean," it said.<sup>69</sup>

**July 2005** – Charles Chong, Singaporean committee member of the AIPMC argued in an editorial that persistent pressure worked in pushing Burma to relinquish the chair. "For Asean, Myanmar's decision presents tremendous opportunities. It shows that stronger, consistent pressure works better than 'constructive engagement'. And this pressure should continue in order that the momentum for change in Myanmar not be lost," he said.<sup>70</sup>

**July 2005** – Teresa Kok, secretary of the AIPMC said the task remains for Asean governments to get Burma to actually implement the democratic reforms it promised two years ago - including drafting a constitution and elections. "They shouldn't be too soft on Burma because compared to other countries (in Asia) Burma is the worst in terms of human rights and democracy records. So Asean should continue to also demonstrate its ability to bring change in Burma through the network of Asean," she said.<sup>71</sup>

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63 Horn, Robert, Ganging up on Burma, TIME Magazine, 11 April 2005

64 Japan Economic Newswire, Prince Ranariddh says Myanmar will abandon ASEAN chairmanship, 21 April 2005

65 Japan Economic Newswire, Prince Ranariddh says Myanmar will abandon ASEAN chairmanship, 21 April 2005

66 Conde, Carlos, Asean puts ball in Myanmar's court; Junta is likely to take turn at chairmanship, International Herald Tribune, 13 April 2005

67 Bangkok Post, KL ups the ante on Rangoon, 27 March 2005

68 Vatikiotis, Michael, Neighbors lean on Myanmar, International Herald Tribune, 2 February 2005

69 AIPMC, Statement on deferment of Myanmar as ASEAN Chair in 2006, 26 July 2005

70 Chong, Charles, Destructive Engagement, Wall Street Journal, 28 July 2005

71 Voice of America, Pro-democracy activists applaud move to make Burma's military leaders skip ASEAN Chair, 28 July 2005



**July 2005** – **Zaid Ibrahim, president of the AIPMC** said that “giving up the chair is not the end of the story, there should be some real effort on the part of the regime to change to accommodate the views of the many on reforms. I hope they will accommodate the political and economic views of the people of Myanmar as well.”<sup>72</sup>

**July 2005** – **Zaid Ibrahim, president of the AIPMC**, in an editorial for Bangkok’s *The Nation*, said: “No other member in the 38-year history of ASEAN has garnered such negative attention for the entire group ... or been the cause of multiple cancelled meetings between the group and key dialogue partners.”<sup>73</sup>

**July 2005** – **Zaid Ibrahim, president of the AIPMC** was not impressed by the release of more than 200 political prisoners, dismissing it as a show by the military to defuse pressure in the run-up to the Asean meeting in Laos. “The military junta must do more than just this. This is not enough. I don’t think Asean should fall for it,” he said.<sup>74</sup>

**June 2005** – **Kraisak Choonhavan, a vice-president and Thai member of the AIPMC** said Asean’s constructive engagement had failed. “These outrageous human rights violations that have been going on unabated need international opposition... there is no other option,” said Kraisak. And to those still espousing constructive engagement, he added: “when you see villages marked for relocation, state-sanctioned mass murder, gang rapes, disappearances and torture, you have a moral obligation not to engage that government in business.”<sup>75</sup>

**May 2005** – **Nursyahbani Katjasungkana, a vice-president and Indonesian member of the AIPMC** likened the struggle for freedom in Burma to the fight against the Suharto dictatorship in Indonesia. She said with the flowering of democratic change in the region, now was the time for Southeast Asian parliamentarians to take a more proactive stance on Burma. “If our fates as a people are becoming inextricably linked, then so should our moral duty to support each other. At this point, supporting their struggle for democracy is the least that Burma’s people should expect from us,” she said.<sup>76</sup>

## OTHER INTERNATIONAL LEADERS AND COMMENTATORS

**July 2005** – **Razali Ismail, UN Special Envoy to Burma** who was snubbed in Laos by Burmese foreign minister Nyan Win said the decision not to take up the chairmanship was a good one and expressed hope it would yield positive results. “We don’t interpret negatively. We take that the national reconciliation process will include the release of all political prisoners, including Suu Kyi. We’ll keep trying to go back.”<sup>77</sup>

**July 2005** – **Dr Mahathir Mohamad, former prime minister of Malaysia**, and staunch ally of the junta when he was in power, said he was hopeful for the situation in Burma after it relinquished the chairmanship. “We need to persuade Myanmar, maybe to adopt gradually a greater degree of democracy. You find it difficult to persuade them, because you know what happens to dictators who accepted democracy – they were thrown into jail,” he said.<sup>78</sup>

**July 2005** – **Aung Zaw, editor of Irrawaddy magazine** was skeptical that anything would change in Burma. “The junta knows full well that by compromising with Asean it has nothing to lose. It is easier for the generals to give up the chairmanship than adopt political reform and release Suu Kyi at home. Why? Because the junta is not willing to countenance change,” he said. “The junta clearly made a carefully calculated decision to renounce Asean chairmanship. This is no sign of defeat. The truth is: everything remains the same,” he argues.<sup>79</sup>

**July 2005** – **An unnamed Rangoon-based diplomat** was quoted after Burma’s decision as being worried about developments. It “may leave its mark, as the generals might feel resentment that (Asean members) did not support Myanmar,” he said. The coming weeks and months could prove telling and will be watched closely, the diplomat said. “They didn’t slam the door (on Asean), at least that is something,” but their withdrawal “is nonetheless not good news” for Burma’s democratic prospects.<sup>80</sup>

**July 2005** – **Another unnamed Rangoon-based diplomat** was quoted as saying the loss of the chairmanship was “a lost opportunity.”<sup>81</sup>

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72 Irrawaddy, Burma concedes Asean chair, 26 July 2005

73 Agence France Presse, Myanmar poses a constant headache for 10-nation ASEAN, 19 July 2005

74 Agence France Presse ASEAN lawmakers hail release of prisoners in Myanmar, call for more, 7 July 2005

75 Asohan, A, A free and democratic Myanmar remains elusive, The Star, Malaysia, 26 June 2005

76 Katjasungkana, Nursyahbani, Indonesia’s lessons for Burma, Asian Wall Street Journal, 30 May 2005

77 New Straits Times, Hoping welcome mat is out for Razali, 28 July 2005

78 Agence France Presse, Mahathir says Myanmar forgoing ASEAN chair a positive sign, 28 July 2005

79 Aung Zaw, Burma’s Asean decision alters nothing, Irrawaddy, 27 July 2005

80 Agence France Presse, Myanmar ASEAN pullback seen as empty victory for Europe, US, 27 July 2005

81 Agence France Presse, Myanmar ASEAN pullback seen as empty victory for Europe, US, 27 July 2005

**July 2005 – Debbie Stothard, coordinator of Altsean-Burma** said that by openly and successfully pressuring Burma for the first time, “Asean has finally found its spine.”

“Burma pro-democracy and ethnic nationality movements in Burma should feel encouraged that they are not alone. Many Asean countries have openly made a stand for human rights and democracy in their country,” she said.<sup>82</sup>

**July 2005 – Javier Solana, EU foreign policy chief** welcomed the chairmanship deferral as “going in the direction the European Union wants.” EU sanctions against the regime remain in place because Burma has so far shown no signs of implementing promises to reform and release political prisoners, Solana spokeswoman Cristina Gallach said. “We do not see any change for the better,” she said.<sup>83</sup>

**July 2005 – Li Zhaoxing, China’s foreign minister** cut short his visit to Laos and skipped the ARF to visit Rangoon immediately after Burma announced it was relinquishing the Asean chair. When asked why he was leaving early, Li quipped: “Myanmar is the only country in Asean that I’ve never visited.”<sup>84</sup>

**July 2005 – US Senator Mitch McConnell** said he welcomed the news that the Burmese junta had deferred its 2006 chairmanship of the Asean. “I appreciate and recognize the individual, and collective, efforts of certain ASEAN member states for their support of substantive political reform in Burma. This deferral serves as evidence that the illegitimate military junta does indeed respond to international pressure, particularly from its neighbors,” he said.<sup>85</sup>

**July 2005 – Kyaw Yin Hlaing, assistant professor of political science at the National University of Singapore** said that although the decision was good for Asean, it wouldn’t necessarily translate into real progress. “Within the Asean community the (Burmese) government might score some points,” he said. “I don’t think it will have a lot of impact on the political situation inside the country.” Commenting on whether the episode had been embarrassing for the junta, he said: “It doesn’t have much to lose. For the (Burmese) government, when you really think about it, I don’t think this is something they should be embarrassed about. People know that they are a military government and if they have to be embarrassed about something they should be embarrassed about many other things.”<sup>86</sup>

**July 2005 – Ernest Bower, former US-Asean Business Council president** was quoted as saying that if Burma became the chairman of Asean in 2006, the grouping’s “global profile could be severely damaged.” Bower said that “such damage would come at a time when it can be least afforded – when markets are bouncing back, foreign direct investment is returning to the region and intra-regional trade is growing nicely.”<sup>87</sup>

**July 2005 – Jusuf Wanandi, co-founder and senior fellow of Indonesia’s Centre for Strategic and International Studies** argued for more pressure against Burma. In an op-ed for the *Jakarta Post*, he advocated that parliamentarians, civil society groups and the media put more pressure on Asean’s governments, its political leaders and its business elite to “maximize their efforts to encourage political change” in Burma. “This means including the NLD in the political development process and freeing leader Suu Kyi from house arrest,” he said. “Arguing that Suu Kyi and the NLD are passe is not credible. The issue of change in Myanmar should be given serious attention by Asean and should not be left to the rest of the international community.”<sup>88</sup>

**June 2005 – Anwar Ibrahim, former deputy prime minister of Malaysia** writing for the *Asian Wall Street Journal* said Asean’s policy of constructive engagement has become a euphemism for “a multi-lateral scam to milk an already impoverished nation.” He said it was time it was recognized as a diplomatic failure in delivering democracy to Burma. “It is in the organization’s own interests that its leaders shift away from the Cold War mindset... Radical changes must be instituted to make the leap to democracy in Burma, and constructive intervention is just the first step in this direction,” he said.<sup>89</sup>

**June 2005 – Garry Woodard, former Australian ambassador to Burma** said the four Asean countries most active in pressuring Burma, Malaysia, the Philippines, Singapore and Indonesia, “have given their legislatures unusual licence to join to add to their pressure.” The parliamentarians have gone beyond governments in unequivocally demanding that Aung San Suu Kyi be released from confinement and restrictions, he said. “Today

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82 Stothard, Debbie, Asean has found its spine, Malaysiakini, 28 July 2005

83 Associated Press, Friends, foes hail Myanmar decision to skip ASEAN chair, as clamor for Suu Kyi release rises, 27 July 2005

84 Associated Press, Chinese cuts short ASEAN visit, to travel to Myanmar, 27 July 2005

85 McConnell, Mitch, Statement by Senator Mitch McConnell, 26 July 2005

86 Irrawaddy, Burma concedes Asean chair, 26 July 2005

87 Agence France Presse, Myanmar, accountability to top ASEAN meeting in Laos, 22 July 2005

88 Wanandi, Jusuf, Asean’s problem with Myanmar, Jakarta Post, 13 July 2005

89 Anwar, Ibrahim, Destructive Engagement, Asian Wall Street Journal, 15 June 2005

Australia's challenge on Burma is just to catch up with the Asean governments and legislatures, which are ahead of it in pressuring an indefensible and unacceptable regime,” he said.<sup>90</sup>

**June 2005 - Kishore Mahbubani, dean of Singapore's Lee Kuan Yew School of Public Policy and former Singapore ambassador to the U.N.** said Burma must not be seen to lose face. “Behind the scenes, people are working on a solution. The key thing is that nobody is humiliated”.<sup>91</sup>

**June 2005 - former Thai deputy foreign minister Sukhumbhand Paribatra** said that if Myanmar was forced to withdraw from the Asean chair, there was a danger that the country might withdraw from the organization altogether. He said that whatever the solution, there should be no loss of face for Burma. “The question of face is very important for the Burmese,” he said.<sup>92</sup>

**May 2005 – Verghese Mathews, former Singaporean ambassador to Cambodia** argued against action on Burma by raising the fear that if Asean pressured Burma too much, it would just walk out of the organization. “In such a situation, Myanmar would have calculated it need not fear isolation – it can move closer to China and to India while continuing to maintain bilateral relations with its erstwhile Asean partners. Such a move will neither be good for the region nor for the people of Myanmar,” he said.<sup>93</sup>

**May 2005 - Hadi Soesantro, executive director of Indonesia's Centre for Strategic and Development Studies** said, “Asean must find a way for Myanmar to relinquish its chairmanship because it can't handle it. It has so many domestic problems to solve...If it continues like this, I don't think Asean will survive as a viable organization.”

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90 Woodard, Garry, Dragging the chain on Burma, The Age, 6 June 2005

91 De Clercq, Geert, Myanmar hints at alternative to ASEAN chair, Reuters, 4 June 2005

92 De Clercq, Geert, Myanmar hints at alternative to ASEAN chair, Reuters, 4 June 2005

93 Mathews, Verghese, Don't push Myanmar into a Corner, Straits Times, 23 May 2005