



Page-Turner In Burma

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Myanmar (Burma) is a country that deserves more attention.

In case you missed it, the US is currently pursuing a diplomatic outreach to Myanmar's ruling State Peace and Development Council (SPDC) – the military junta headed by Senior General Than Shwe. US State Department officials have just returned from what was the highest-ranking American foray into the country in 14 years. Yet Myanmar is one of the most repressive states in Asia, if not the world, and its opposition leader, Aung Sang Suu Kyi, is one of the most famous dissidents on earth. So what gives?

To some degree, the US outreach can be interpreted as part of a genuine desire to bring Myanmar out from the cold in the hope that it will liberalise. However, I would highlight that geopolitical motivations are also at work here.

Myanmar's Geopolitical Importance

Myanmar is geopolitically important for several reasons:

Myanmar lies at the intersection of China and India, and as such has been subject of competition for influence by Beijing and New Delhi, with the former generally holding the upper hand.

China sees Myanmar as a crucial transportation corridor connecting its landlocked inner western provinces to the Indian Ocean, and thus world markets.

China plans to build new pipelines from Myanmar's gas fields and ports to its industrial centres, so that less oil to China needs to be shipped via the Malacca Straits.

Chinese access to Myanmar's ports could eventually allow the Chinese navy to increase its ability to project power in the Indian Ocean, which is shaping up to be a major arena of global competition.

Indian dominance over Myanmar could counteract some of China's geopolitical clout in the region.

A Myanmar closely allied to the US would allow Washington to increase its influence in South East Asia, a region that it has generally paid less attention to in recent years due to the wars in Iraq and Afghanistan. Like India, the US worries about rising Chinese influence.

Myanmar remains vulnerable to separatist pressures, and any full-scale collapse of the country could lead to massive refugee flows into China, India, Thailand, and Bangladesh, none of which are necessarily well-positioned to cope with them.

Myanmar is a major centre of illegal trafficking of gems, timber, drugs, and labour (including prostitutes).

Myanmar has emerged as an ally of North Korea, and there are reports that Pyongyang is assisting Naypyidaw in developing a nuclear programme.

Myanmar's Long-Term Potential: A Second Thailand?

Despite its structural woes, Myanmar has considerable economic potential for the following reasons:

With a population of 52 million, it is arguably Asia's biggest economic development story still waiting to happen. In that sense, Thailand stands out as a potential model.

Myanmar's strategic location and adjacency to rising China and India mean that it should benefit more as a regional logistics hub.

Myanmar has considerable natural resources, including natural gas, coal, zinc, gemstones, and timber.

Myanmar, once the world's biggest rice exporter, could become a major agricultural power in the region.

Myanmar has a rich cultural heritage, and could thus become a major tourism destination in the South East Asia circuit.

Admittedly, Myanmar is a long way from achieving its potential. Accurate data is difficult to come by – in fact, it is the only Asian country whose central bank does not have a website – and despite its relative isolation, anecdotal evidence suggests that it too has been hit by the global recession, as I previously argued would be the case. However, the real problem is the isolationist and statist policies of the ruling junta, which has been in power since 1962.

Myanmar is to hold its first elections since 1990 in 2010, but that does not mean that liberalisation is at hand. It is hard to believe that they will be free and fair, and in any case the generals will reserve 25% of parliament's seats for themselves, and retain the right to exercise power in emergencies.

Therefore, Obama's outreach to Myanmar has a high chance of failing to get the regime to liberalise. There is a real risk that they will seek to extract concessions from the US without offering anything in return. Chances are, the SPDC will seek to play off Beijing and Washington, while seeking to maximise rewards from both.

Further Reading

Those wishing to acquaint themselves further with Myanmar could check out the following titles:

From The Land Of Green Ghosts. This is a memoir from dissident Pascal Khoo Thwe, and chronicles growing up in 1970s-80s Myanmar, his time at university and as a guerrilla fighter, and his eventual journey to Cambridge University, where he studied as an undergraduate. Fans of *The Kite Runner* would probably enjoy this book.

The Burma Chronicles. This is a graphic novel by Canadian animator Guy de Lisle, author of *Pyongyang: A Journey Into North Korea*. The latter is excellent, but in *Chronicles*, de Lisle provides us with a glimpse of daily life in Myanmar, where he lived in 2005 with his aid worker wife.