
Pragmatic Diplomacy: Reviewing International and Malaysian Policy toward Myanmar

A report prepared by the Institute of Strategic and International Studies,
Malaysia for the Asia Society's Burma/Myanmar Initiative

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Executive Summary

A roundtable discussion on Myanmar was held at the Institute of Strategic and International Studies (ISIS) Malaysia on September 9, 2009. The discussion was organized to provide input for a review of international policy toward Myanmar as part of the Asia Society's Burma/Myanmar Initiative. This report contributes to that initiative by providing an overview of Malaysian policy toward Myanmar. The proceedings opened with introductory remarks on recent events in Myanmar by Tan Sri Razali Ismail, former president of the United Nations General Assembly and special envoy of the secretary-general to Myanmar. An overview of Malaysia's policy toward Myanmar was provided by Ambassador Nazirah Hussin, director-general of the Department of Policy Planning and Strategy in Malaysia's Ministry of Foreign Affairs.

A general discussion of the various points and issues related to Myanmar was held. The participants agreed that sanctions imposed on Myanmar's military regime by the West have not achieved their intended results. The West and the international community—including Malaysia—must come to an accommodation with the military regime, which will likely remain in power even after the planned 2010 elections. Western countries, in particular the United States and the European Union, must be more pragmatic as they pursue democracy in Myanmar. Radical political change imposed from the outside is too difficult to achieve. The consensus was that the Association of Southeast Asian Nations (ASEAN) should take a leading role in addressing the situation in Myanmar. Malaysia was instrumental in bringing Myanmar into ASEAN, believing that the chances of inducing change in Myanmar would be greater if the country was a member of ASEAN.

A "dual approach" to dealing with Myanmar was proposed. Western and international actors such as the United States, the European Union, and the United Nations should continue to pressure Myanmar on the issues of human rights and democracy. At the same time, Asian and regional players such as China, India, and ASEAN—including civil society organizations from

these countries—should focus on soft diplomacy, technical aid, and capacity building, while continuing to press Myanmar firmly on democratic change.

The meeting was chaired by Tan Sri Mohamed Jawhar Hassan, chairman and chief executive officer of ISIS Malaysia. Participants in the roundtable included Malaysian diplomats and policy makers—both past and present—members of academe, and journalists. Participants included:

- Tan Sri Mohamed Jawhar Hassan, Chairman and Chief Executive Officer, ISIS Malaysia
- Tan Sri Razali Ismail, Former Special Envoy of the United Nations Secretary General to Myanmar
- Tan Sri Hasmy Agam, Executive Chairman, Institute of Diplomacy and Foreign Relations, Ministry of Foreign Affairs
- Ambassador Nazirah Hussin, Director General, Department of Policy Planning and Strategy, Ministry of Foreign Affairs
- Datuk Dr. Rebecca Fatima Sta Maria, Deputy Secretary-General (Trade), Ministry of International Trade and Industry
- Dato' Ahmad Zamzamin Hashim, Director General 1, Research Division, Prime Minister's Department
- Dato' Mohd Ridzam Deva Abdullah, Former Ambassador, Distinguished ISIS Fellow
- Dr. Chandran Jeshurun, Director, Academic Research and Publication Division, Institute of Diplomacy and Foreign Relations, Ministry of Foreign Affairs
- Associate Professor Jatswan Singh Siddhu, Department of International and Strategic Studies, Faculty of Arts and Social Sciences, University of Malaya
- Assoc. Professor Ruhanas Harun, Strategic Studies and International Relations Program, Faculty of Social Sciences and Humanities, Universiti Kebangsaan Malaysia
- Dr. Stephen Leong Mun Yoon, Visiting Fellow, ISIS Malaysia
- Mr. Bunn Sri Na Nagara, Associate Editor, STAR Publications (M) Bhd.
- Dr. Tang Siew Mun, Head of Department of Strategic Studies, National Defence University

In attendance:

- Mr. Keith Leong, Researcher, ISIS Malaysia
- Mr. Woo Hon Weng, Researcher, ISIS Malaysia

Myanmar's Relationship with the International Community and Malaysia

The military regime in Myanmar has become entrenched, and therefore the chances that it will be dramatically removed from power in the short term are slim. While some improvements were made under Khin Nyunt's term in power, these advances were drastically rolled back after his purge. In the past, the State Peace and Development Council (SPDC) has simply ignored external pressure, and today remains largely immune to it. Therefore, there is no way forward but to seek some form of engagement with the generals for a more productive approach toward Myanmar.

Several participants expressed the idea that the people of Myanmar have become accustomed to military rule and that their Buddhist ethos has somehow made them impervious to the sufferings that have been inflicted on their country in the past. Aung San Suu Kyi's ability to take power was limited, not least because of the fact that the youth of Myanmar are increasingly disconnected from the pro-democracy uprisings of 1988–1990, from which she derives most of her mystique.

On the other hand, many participants conceded that Suu Kyi remains a powerful symbol and that any postmilitary dispensation in Myanmar would require some form of acquiescence from her, even if she were not allowed or able to participate in it. Even military regimes are wary about remaining in power for too long. Indeed, the SPDC is aware that it cannot hold onto power indefinitely.

Participants were divided on whether Myanmar constitutes a problem for the international community. Some participants felt that the country does not, claiming that the risk of the country "failing" is not as great as other countries, such as Afghanistan or Somalia. Additionally, Myanmar does not pose a threat to regional peace and security, and neither Myanmar nor any armed group inside the country threatens neighboring countries or international commerce. The country's domestic problems are more a question of how to bring about a peaceful transition to civilian rule, not an issue of human rights and democracy.

Other participants, however, pointed to Myanmar's alleged nuclear ambitions and the outflow of Rohingya refugees to neighboring countries—which has become a social as well as a humanitarian issue of some prominence in Malaysia. The possibility that the Myanmar issue could disturb Southeast Asia's geopolitical dynamics cannot be discounted.

The capacity of outside powers to effect dramatic internal political change is usually limited if the state concerned is a strong state, like Myanmar. Only weak, failing, or defeated states—such as Japan and Cambodia in the past and Afghanistan and Iraq more recently—are amenable to radical political change imposed from outside. Political change toward greater democracy generally comes from within, and it is often accompanied by violence, as in the case of France and the United Kingdom. Therefore, the policy discourse on Myanmar must be more pragmatic, unlike Western policies, which so far have been too ideologically driven, unbending, and heavily reliant on isolation as well as ineffective and punitive sanctions.

Several participants were critical of the role and influence of pro-democracy groups in the West, claiming that their doctrinaire views on Myanmar have actually limited the ability for reform or

for pro-democracy elements within the country to maneuver. For instance, Suu Kyi was unable to rescind the tourism boycott championed by these groups even though she had changed her mind on the issue. A few participants believed that Suu Kyi and nongovernmental organizations (NGOs) in Myanmar have adopted a more flexible and accommodating stance on engaging with the military. This scenario opens the door for the possibility of some sort of deal among the competing factions, and international action should be geared toward facilitating this.

Some participants were skeptical that the United States would attempt to intervene directly because it would not want to upset the balance with China. It is also possible that the United States would prefer to coordinate policy on Myanmar in tandem with China and India wherever possible. Some attention was also given to China's possible role in the Myanmar issue. Again, it was thought that the initiative should first come from ASEAN, as certain participants felt that China would not move until and unless ASEAN did.

Indeed, the consensus was that ASEAN should take a role in addressing the situation in Myanmar, not least because Myanmar is a member of that association. A resolution to the Myanmar issue is also important for ASEAN because this has made the negotiation of free trade agreements with the United States and the European Union difficult. The participants differed on how this might be done. Many believed that a certain degree of cooperation with the United States is necessary, whereas others felt that ASEAN member states (particularly Malaysia) should be more proactive in this matter.

Despite strong criticism from Western nations and some opposition within ASEAN, Malaysia was instrumental in bringing Myanmar into the ASEAN fold. Malaysia felt that Myanmar would be better positioned to change as a member of ASEAN than outside the organization. However, doubts remain about how effectively ASEAN can induce reform in Myanmar. After all, the military regime had all but "given up" on the regional grouping after it was not allowed to assume the chair of ASEAN in 2006. On the other hand, direct efforts by Singapore, Thailand, Cambodia, Laos, and Vietnam have borne fruit in the past.

Many participants were critical of Myanmar's military leaders, particularly in regard to their reliance on astrologers to make important policy decisions and their erratic policy making and irrational goals. Myanmar's leaders, for instance, have claimed that the country would enjoy economic growth of up to 13%. Several participants also expressed impatience with the SPDC, especially given the damage that its actions have caused to the reputation of both Malaysia and ASEAN.

Participants admitted that Malaysia feels "disappointed" by Myanmar, and thus it is seeking to reformulate its policy toward the isolated country. They agreed that Malaysia should play a more activist role, albeit one that is respectful of the SPDC. There was a feeling that Malaysia, having brought Myanmar into ASEAN, is therefore "responsible" for it and has a greater responsibility to do more to bring the country into the international mainstream.

The 2010 Elections and a “Dual Approach” to Myanmar

The elections slated for 2010 will mark a critical point in Myanmar’s evolution toward democracy. However, the elections are unlikely to be genuinely democratic, and they will be far from free and fair. The new constitution is flawed, as it is imposed on the people from above. It is also unclear who the participants in the elections will be and how the military will manifest itself as a political party (under the aegis of the old National Unity Party, or a new entity?). Nevertheless, the elections could open the door to important reforms in the future, with the military playing a progressively diminishing direct role.

On the other hand, the very fact that elections are to be held is an important step forward and possibly a sign that international pressure has indeed worked, although still within the limitations set by the junta. Malaysia and the international community should welcome the 2010 elections as a step forward, as well as provide any assistance necessary to ensure their success. If the elections are successful, Myanmar will progress further along the road to democracy than some other countries in ASEAN. Additionally, the leadership of the SPDC and the military elite have been sending their children to be educated or trained abroad. In doing so, they are acquiring professional skills instead of being brought up in the military. This could be an indication that the junta is realizing that political transformation toward civilian democratic rule eventually must come.

The focus for the 2010 elections should be on incrementalism. If the 2010 elections are indeed a step toward democracy, the international community should respond positively and facilitate the desired incremental change toward greater civilian democratic rule. As one roundtable participant noted, “Myanmar has to be prepared for change.” The country’s civil service and society, as well as the institutional cultures of both, need to evolve to be able to function according to democratic norms and practices.

The international community also must anticipate leadership changes and succession within the SPDC to better engage with the military leadership. In Malaysia’s case, much of its relations with Myanmar in the last two decades were done through Khin Nyunt’s military intelligence establishment. His fall from power in 2004 ended this access and robbed Malaysia of previously intimate and fruitful linkages to the Myanmar leadership.

Therefore, the international community should continue to monitor the transitions within the SPDC, particularly now that Senior General Than Shwe is out of the picture. In this regard, Generals Aung Kyi and Chuey Man could be particularly influential in the future. In engaging the military, it is vital to assure the regime that such engagement is not aimed at subverting its political power and that its members will not be subjected to any widespread persecution in a postmilitary Myanmar.

Trust building is the most important change that needs to occur in Myanmar’s political circumstances. Previously, the lack of trust and outright hostility between the SPDC, the opposition National League for Democracy, and the international community made any change or positive reform difficult. Consequently, any new initiative should focus on reducing tensions between the various factions, creating working relationships, and strengthening democratic practices.

While Malaysia and most ASEAN members have provided extensive humanitarian and technical assistance to Myanmar, this was channeled exclusively through governmental outlets, essentially limiting their effectiveness. Thus, greater emphasis on people-to-people linkages and aid is needed. For example, in addition to training Myanmar diplomats and civil servants, contacts should also be expanded to NGOs, students, and youth. Participants felt that the SPDC would not object to these sorts of linkages as long as they are conducted within established frameworks. The importance of developing and strengthening such nonofficial bodies cannot be understated, because of the huge role they will inevitably play in a more democratic Myanmar.

In light of the upcoming elections, voter education and assistance in disseminating best practices among electoral authorities is seen as timely as well as appropriate. Political parties and internationals can also play a role in assisting the various factions in Myanmar participating in the elections through training and other capacity-building initiatives.

The media of the Asia-Pacific region, particularly that of Southeast Asia, should pay more attention to developments in the country, as there has been a dearth of in-depth reporting on the issue in local newspapers. It was also suggested that Malaysian think tanks such as ISIS and its ASEAN partners could organize more seminars to circulate information on Myanmar and to discuss policy responses toward it.

A “dual approach” to Myanmar must be taken by the various actors in the region and within the international community. Western and international actors such as the United States, the European Union, and the United Nations should continue to pressure Myanmar on the issues of human rights and democracy. On the other hand, Asian and regional players such as China, India, and ASEAN should focus on soft diplomacy, technical aid, and capacity building, while simultaneously urging Myanmar to fulfill its pledge to implement democratic change. Of course, this requires a highly nuanced diplomatic strategy. Additionally, the role of Track 2 and 3 institutions—such as think tanks and NGOs—will be vital in applying pressure on Myanmar and in assisting Track 1 players in coordinating strategies.

Myanmar's Economy

Myanmar's economy is in need of reform. Malaysian companies in Myanmar suffer from red tape and other economic distortions and leakages imposed by the regime. One imagines that the same is true for most foreign companies operating there. Whatever reforms the military will concede to, it must take this economic reality into account.

The SPDC's military-industrial complex (i.e., its extensive business holdings) needs to evolve from instruments of patronage, personal aggrandizement, and enrichment into responsible and efficient government-linked companies. Currency stabilization is a vital issue. A Japanese study of this issue in Myanmar was conducted in the past, but its recommendations were never adopted.

International financial institutions should continue to promote free market practices in Myanmar to facilitate economic reforms there, but not in an extremely dogmatic manner. The

International Monetary Fund conducted an in-depth study of the economy of Myanmar, but its recommendations also were ignored by the military leadership. Malaysian corporations with interests in Myanmar, particularly Petronas (Malaysia's national oil and gas company), could play a positive role in development and promoting free market practices through corporate social responsibility initiatives.

Malaysia has advanced extensive aid to Myanmar. The government of Malaysia, for example, has at various times provided technical assistance in education, health care, and agriculture to the country. More people-to-people, nonpolitical programs would be better suited to improving conditions on the ground in Myanmar.

Sanctions

Any punitive action toward Myanmar, including sanctions of any kind, should be assessed from the viewpoint of effectiveness. If sanctions are not likely to be effective, there is no point in persisting, except perhaps to make a political point. In the case of Myanmar, economic sanctions are largely not working. While economic sanctions do not appear to have modified the political behavior of the junta in any substantial way, they are still serving a purpose by demonstrating the gravity with which the international community or the relevant countries view the situation. If the junta is indeed seeking the assistance of Suu Kyi to reduce the sanctions on Myanmar—as reported by the media in recent weeks—then it appears that the sanctions are indeed having some impact.

Any decision to end sanctions should be tied to some movement or change on the part of Myanmar. Any positive movement or change will provide an opportunity to seamlessly reduce or end sanctions that we know are not really working. However, ending sanctions in the absence of any movement would send the wrong signal.

The Malaysian government believes that there should be a range of responses to dealing with Myanmar. Many in Malaysia view the United States and the European Union—largely through their political influence in the United Nations—as predisposed to use sanctions. Less reliance on sanctions and a greater openness to pragmatic diplomacy would yield more tangible progress.