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Presented by Nang Charm Tong
Concerned Individuals of Burma & Shan Women's Action Network (SWAN)
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Case study: Impacts of regional economic cooperation on human rights in Burma

Background

Burma has been ruled by a series of military dictatorships since 1962. Despite the fact that Burma is rich in natural resources, the military stranglehold on the economy has reduced it to one of the world's Least Developed Countries. The military refused to hand over power to the National League for Democracy, which won the 1990 elections, and is denying them a role in the current national convention being organized to draw up a future constitution. The people of Burma continue to suffer from denial of their basic human rights. The regime's policies of increased militarization, particularly to control resources in Burma's ethnic states, has led to widespread abuses, such as forced relocation, forced labour, torture, rape and extrajudicial killing. These violations have been well documented by local and international NGOs, as well as the United Nations. Refugees are continuing to flow into the neighbouring countries of Thailand, Bangladesh and India.

Regional economic cooperation: life support for the regime

Between 1962 and 1988, the Burmese military regime practiced a policy of economic isolation, under its so-called Way to Socialism. After the 1988 democracy uprisings, fuelled by the critical state of the economy, the regime began opening up the country to foreign investors to gain urgently needed foreign capital. While most western countries boycotted trade with Burma immediately after the 1988 democracy crackdown, Burma's neighbours, keen to exploit Burma's untapped natural resources, had no such reservations. Thai and Chinese investors benefited from logging, gem and mineral concessions in the ethnic states. This provided foreign capital to the regime, and, in the case of China, enabled the regime to purchase over US\$1 billion's worth of weapons as part of a barter deal. Regional trade thus salvaged the regime economically, and paved the way for resumption of trade relations with other countries during the 1990s.

Regional trade and investment directly leading to human rights abuses

Foreign trade and investment have not only subsidized military expenditure, but have directly led to further human rights abuses. Local people are being denied the right to participate in decisions about the use or sale of their land and resources, and rarely gain profits from any of the business deals. More commonly, people are dispossessed of their lands, and, particularly in the case of infrastructure development, suffer abuses at the hands of the increased number of troops needed to provide security for the projects. For example, the Yadana and Yetagun pipelines which export natural gas from Burma to Thailand have been notorious for causing forced relocation, forced labour, torture and extrajudicial killing of local ethnic peoples. The exploitation of natural resources has also led to serious environmental destruction. Formerly thickly forested areas of Kachin, Shan and Karen States have now been clear-felled, seriously impacting the livelihoods of local communities.

At the same time, the emphasis on economic relations with the regime has caused neighbouring countries such as Thailand increasingly to crack down on Burmese refugees and dissidents sheltering there.

Trend of further regional economic integration

Despite the clear evidence that trade with the regime involves direct or indirect complicity with human rights abuses, the trend is currently for further economic integration of the regime into the region, a process facilitated by Burma's entry into ASEAN in 1997. This is generally rationalized as a form of "constructive engagement" which will enable other members of ASEAN to coax Burma's regime into democratic reform. In fact, it simply allows further economic exploitation of Burma's resources by ASEAN business interests. Not only ASEAN countries, but also neighbours such as India and Bangladesh are also increasing economic ties with the Burmese regime. India is currently negotiating with the regime to import gas from a massive reserve off Burma's Arakan coast, which will potentially provide revenue of billions of dollars to the regime.

Despite an official suspension of loans by the Asian Development Bank to Burma since 1988, the ADB has been actively engaging with Burma's military regime in various ways. The ADB sends consultative missions to Burma to give advice on macroeconomic and other sector reforms. The ADB also issues Country Assistance Plans for Burma. A representative of the ruling military regime sits on the ADB's Board of Executive Directors. The most significant method of engagement, however, is done through the Greater Mekong Subregional economic cooperation program. Under this cover, the ADB is promoting plans for various infrastructure projects in Burma. These include a planned giant hydroelectric dam on the Salween River in Shan State, to feed into a regional power grid. This dam is being planned in an area where 300,000 villagers have already been forcibly relocated, and extrajudicial killing, rape and torture have taken place on a massive scale. Another project is a deep-sea port on the Andaman Sea in southern Burma, which will be part of the East West Economic Corridor linking with Da Nang on the South China Sea in Vietnam. These projects are being promoted without any attempt to address either the serious human rights violations already taking place in the areas, or those that will be directly caused by the projects.

Increased humanitarian aid to Burma: hindering not helping reform

Together with the increased trend for regional economic cooperation has come increased bilateral development aid. For example, Japan restricted ODA to Burma after 1988, but in recent years, has given increasing support to "humanitarian" projects. This is in response to the Burmese military regime's call for more assistance from the international community to alleviate poverty and solve the country's "humanitarian crisis." Unfortunately, the reality is that aid to the regime subsidizes, legitimates and ultimately prolongs the life of the regime itself, thereby perpetuating the root cause of the country's problems.

Although those that espouse engagement with the regime claim that bilateral assistance to the regime will slowly bring political reform, the reality is that international agencies in Burma rarely raise human rights issues with the regime. This allows the regime to use their presence to defend itself against charges of abuse. In September 2002, the regime rejected charges that it was using rape as a weapon of war in Shan State, saying that if this had been the case, UN agencies and INGOs in Shan State would have reported on it.

On the rare occasions that donor countries threaten to suspend aid over human rights issues, the threats are not seriously carried out, suggesting that other agendas related to promotion of bilateral trade interests are more important than human rights. For example, in June of last year, Japan stated that it would suspend bilateral aid after the massacre of supporters of Aung San Suu Kyi in May 30, 2003. It also demanded the immediate release of Aung San Suu Kyi and that her party the National League for

Democracy should be allowed to resume its political activities freely. Aid was temporarily suspended, but in October 2003 was again discreetly resumed, despite the fact that Japan's demands had not been met.

Conclusion and Recommendation

It is clear that the military regime's policies are directly responsible for poverty and systematic environmental and economic destruction in Burma. Until there is radical political reform, restoration of the rule of law, and local people's customary rights to land and resources are respected, impoverishment and widespread environmental abuse will continue in Burma.

We therefore make the following demands to the international community:

1. To stop all trade and investment in Burma until there is genuine democratic reform.
2. To stop all aid programs to Burma through the military regime.
3. To stop funding IFIs which are supporting Burma's military regime.