A Risk Assessment Report: Republic of the Union of Myanmar (Burma)

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EXECUTIVE SUMMARY

The Union of Myanmar (Burma) has suffered protracted political and ethnic conflict for the past 63 years. Key conflict supporting trends can be found in the following CIFP key indicators: Military, Governance and Political Instability, Population Heterogeneity, Human Development, History of Armed Conflict. As such, this diagnostic finds that the most likely scenario is that political inclusion will continue to improve but be limited by the fact that the government seems unwilling or unable to address core grievances of the major political and ethnic opposition groups.

BACKGROUND OF CONFLICT

Since Myanmar’s independence in 1948, the Central government has faced armed conflicts from dozens of ideological, ethnic and political groups. Myanmar has been under military rule since a coup d’état in 1962. A violently suppressed student uprising in 1988 prompted the 1990 elections. The opposition National League for Democracy (NLD) won the election by a landslide, but the military refused to recognize the results of election and placed the NLD’s leader Aung San SuuKyi under house arrest. After the elections, the Junta negotiated seventeen ceasefire agreements with several ethnic-national insurgent forces, thus reducing the scale of the violence after decades of low intensity conflicts. These ceasefires have led to the establishment of semi autonomous regions within Myanmar. However, as several groups were omitted from these ceasefires, political grievances persist. In 2007 fuel price hikes sparked popular unrest as Buddhist monks led protests against the government. Although these protests were suppressed, the government responded with a constitutional referendum in 2008 and held the first parliamentary elections in 20 years in November 2010. Both the referendum and election were heavily controlled and led to the election of the military backed Union Solidarity and Development Party (USDP). The validity of the election results has been widely disputed by pro-democracy opposition groups.

STABALIZING STAKHOLDERS

National League for Democracy (NLD) led by Aung San SuuKyi, the NLD is the main opposition party. The mission statement of the NLD is to “organize unity among the democratic forces... and to create conditions for holding free and fair general election.” Despite being deprived of victory in 1990 it has called for dialogue with the military and reject violence. The NLD boycotted the 2010 election. Its leader Aung San SuuKyi was released in November 2010 and initiated a dialogue with the government.

Ceasefire groups have been given formal autonomy over areas defined as Special Regions, along with financial support and business opportunities in exchange for a pledged to cease hostilities against the government. The largest and most powerful ethnic minority militia is the United Wa State Army (UWSA) which continues to hold talks with the government.

Thein Sein is Former Prime Minister from 2007 until 2011, and President since March 2011. He is generally considered to be a reformist in the new government and politically moderate.

The People’s Republic of China has a strong interest in a stable Myanmar. China is Myanmar’s second largest trading partner and provides diplomatic and financial support. Currently, Chinese companies are constructing hydroelectric dams in Myanmar. These dams are controversial because of the displacement of people and because most of the electricity will be sold to China. In September 2011 the Myanmar government halted construction on one of the dams, angering China.

The Republic of India is developing closer ties to the government of Myanmar. India hopes to counter Chinese influence and is assisting the Myanmar government in securing its borders in an attempt to stamp out Indian separatist rebel groups that are operating in Myanmar.

DESTABALIZING STAKHOLDERS

Insurgent Groups not part of the ceasefire consist of, the Karen National Union (KNU), the Karenni National Progressive Party (KNPP), and the Shan State Army (SSA). In June 2011 the Kachin Independence Army (KIA) and part of the Democratic Karen Buddhist Army (DKBA) broke the ceasefire. These groups have formed a united umbrella and refuse to abide by the ceasefire unless there are negotiations that include all groups. They fear the government’s ‘divide and rule’ strategy which aims to make separate deals with each group and deal militarily with groups that fail to cooperate.
Thailand’s diplomatic relations with Myanmar have improved over the past 10 years. A large number of Myanmar refugees are living Thailand. However, poor monitoring of the border has encouraged large-scale smuggling, criminality and Myanmar insurgent groups to move freely between countries. xvii

The Russian Federation has repeatedly opposed sanctions against Myanmar. xviii Bilateral relation with Russia are the strongest enjoyed by Myanmar. Myanmar had recently entered into a controversial atomic research program with Russia. Opponents of the regime fear that this research program could be used for military purposes.

USDP & the Military are the most powerful actor in Myanmar. The military has been heavily involved in politics since 1962. Speculation persists that the former head of the Junta from 1990-2011, General Than Shwe, maintains considerable influence behind the scenes despite his ‘retirement’ and the ‘election’ of Thein Sein.xix

### 2006 CIFP SCORE

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<thead>
<tr>
<th>CIFP 6.07</th>
<th>INDICTORS</th>
<th>TREND ANALYSIS</th>
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<tr>
<td>History of Armed Conflict</td>
<td>Slightly Deteriorating</td>
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Stabilizing:
- Despite a small spike in 2010, battle casualties in Myanmar have been on a downward trend since 2006. xxi

Destabilizing:
- The total number of refugees originating from Myanmar has increased from 164,864 in 2006 to 514,670 in 2010. xxii
- The number of stateless persons has increased from 236,587 in 2006 to 797,388 in 2010. xxiii
- The total number of IDPs in Myanmar in 2010 was estimated to be 451,000xxxiv, which are consistent with the 2006 estimatexxv
- The refusal of major armed groups to join the Government’s Border Guard Force (BGF) has led to tension.xxxvi
- In June 2011 the ceasefire between the KIO and government forces broke down displacing over 11,000 people and causing dozens of casualties. Recently, ceasefires have also broken down with Karen and Shan opposition forces.xxxvii

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<th>CIFP 7.67</th>
<th>INDICTORS</th>
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<tr>
<td>Governance, Political Instability</td>
<td>Stable</td>
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Stabilizing:
- Since the 2010 election there has been some liberalization in media censorship laws.xxxviii
- The government has proven to be highly durable with the military regime remaining in power for 49 yearsxxix
- The World Bank’s Worldwide Governance Indicators (WGI) showed an improvement in rule of law and accountability between 2005 and 2010. However, they also showed a decrease in political stability, regulatory authority and government effectiveness.xxx
- In October 2011 the Myanmar government announced the release of 2,600 prisoners including political prisoners.xxxi

Destabilizing:
- Previous political uprisings in 1988, 1990, 2003, 2007 have been violently suppressed.xxxii
- In 2010 Transparency International ranked Myanmar as the second most ‘corrupt’ country in the world and scored 1.4 on the Corruption Perception Index (CPI).xxiii In 2006 it ranked 160th and received a score of 1.9.xxxiv
- Freedom House has given the country the lowest possible score for civil and political rights (unchanged since 2002).xxv
- The 2008 constitutional referendum and 2010 parliamentary election were widely perceived as fixed.xxxvi
- Democratic opposition parties boycotted the 2010 election. xxvii Because the militias’ of major ethnic parties refused to integrate into the national military, they were barred from participating in the election.xxxviii 300 villages and 32 townships were barred from participating due to the ‘security situation’xxxix

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<th>CIFP 8.89</th>
<th>INDICTORS</th>
<th>TREND ANALYSIS</th>
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<tr>
<td>Military</td>
<td>Deteriorating</td>
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Stabilizing:
- Government forces defeated an insurgent group, the Myanmar National Democratic Alliance Army (MNDA) in 2009, which may discourage other groups from resorting to conflictx.

Destabilizing:
- The military has doubled in size over the past 20 years and now has an estimated 350 000 members.xli
- The government has been importing new weapons and is improving the training of military forces.xlii
- Ethnic militias have increased arms procurement and involvement in the drug trade in order to maintain the balance of power.xliii
CIFP 6.00  Population Heterogeneity  Stable
Stabilizing:
- The autonomous area created by the ceasefire agreement has improved conditions for ethnic populations in some areas.\(^{xlvi}\)
- Ceasefires have encouraged ethnic armed groups to pursue their goals through political means.\(^{xlviii}\)
- In September 2011, the government announced a national human rights commission, demonstrating interest in reconciliation.\(^{xlxi}\)
- Five ceasefire groups and four local militias have integrated into the national military as part of the BGF.\(^{lx}\)

Destabilizing:
- A third of Myanmar’s population consists of ethnic groups who have substantial numbers of kindred groups in neighboring countries.\(^{lx}\)
- There are over 50 ethnic based political parties currently active in Myanmar. Few have been included in the new political system with political and ethnic exclusions continuing.\(^{lxi}\)
- Ethnic minorities are subject to arbitrary arrest, torture, discrimination, as well as, “widespread and systematic human rights violations.”\(^{lxii}\)

CIFP 5.10  Demographic Stress  Stable
Stabilizing:
- The Youth Bulge has steadily decreased over the past 5 years with 32.2% of the current population between the ages of 15-29.\(^{lxiv}\)

Destabilizing:
- Myanmar currently has the 26\(^{th}\) largest population in the world at 53,999,804 people.\(^{lxv}\)
- Almost 35% of the population lives in urban areas and urbanization is expected to continue growing at a rate of 2.9% between 2010 and 2015.\(^{lxvi}\)

CIFP 5.00  Economic Performance  Improving
Stabilizing:
- Despite a decrease in GDP growth from 13.1% in 2006 to 10.4% in 2010, Myanmar’s economy continues to grow rapidly.\(^{lxvii}\)
- Foreign direct investment increased from 279 million $US in 2006 to 756 million $US in 2010.\(^{lxviii}\)
- International humanitarian aid after Cyclone Nargis increased from 145.71 million $US in 2006 to 356.98 million $US in 2010.\(^{lxix}\)
- Both exports and imports have increased significantly; most notably there has been a major increase in energy exports.\(^{lx}\)

Destabilizing:
- Inflation has moderated, the consumer price index increased by 20.0% in 2006 but only increased by 9.9% in 2010.\(^{lxi}\)

CIFP 7.10  Human Development  Marginally Improving
Stabilizing:
- Myanmar has gone up six places in the UNDP’s Human Development Index ranking between 2005 and 2010.\(^{lxii}\)
- HIV/AIDS has steadily been decreased over the past 5 years.\(^{lxiii}\)

Destabilizing:
- Myanmar remains, “a source country for women, children, and men trafficked for the purpose of forced labour and commercial sexual exploitation.”\(^{lxiv}\)
- The national military is the main perpetrator of forced labour in the country with vast amounts of child soldier conscription.\(^{lxv}\)
- The Myanmar population has a high risk of contracting major infectious diseases. This risk is substantially higher in ethnic borderlands.\(^{lxvi}\)
Environmental Stress

Stabilizing:
- The rate of deforestation has been slowly decreasing over the past 5 years and freshwater resources have remained consistent.\textsuperscript{lxvii}
- People per sq km of arable land has increased slightly since 2006, however, both arable land and population size have increased at a comparable rate.\textsuperscript{lxviii}

Destabilizing:
- Deforestation remains very high in Myanmar despite government efforts to control both legal and illegal logging.\textsuperscript{lxix}

International Linkages

Stabilizing:
- Myanmar has been participating more frequently in the international community, and has established a working relationship with such influential countries as China and Russia.\textsuperscript{lxx}
- In 2009 the United States re-opened communication with Myanmar and in August 2011 a “Special Representative” was selected to further help improve relations.\textsuperscript{lxxi}

Destabilizing:
- Many western nations continue to impose strong sanctions on Myanmar.\textsuperscript{lxxii}
- Myanmar is involved in only a small number of international organizations and has limited international linkages.\textsuperscript{lxxiii}

SCENARIOS

Best-Case Scenario:
- As economic liberalization continues to improve ethnic minority groups will experience benefits from investments, resulting in the reduction of nationwide tensions with the central government.
- The currently elected military government will peacefully retain power, further integrating varying ethnic minority groups into the political system. They will remain responsive to public demands in order to gain popular support both nationally and internationally. There will be a resumption of ceasefire agreements and a formalization process to further encompass any excluded militias.
- With the October 2011 announcement of the release of political prisoners there will be a positive international response and the revision of sanctions on Myanmar.

Most Likely Scenario:
- Most ethnic militias continue to uphold ceasefire agreements already in place. However, political tensions will put pressure on existing ceasefires, leading to periodic breakdowns. Clashes continue with some of the non-ceasefire insurgent groups resulting in low level casualties.
- There will be some economic liberalization but international co-operation will be limited to non-military and humanitarian aid.
- Ethnic militias remain armed but inactive and political participation remains heavily controlled.

Worst-Case Scenario:
- Increase government oppression and continued exclusion of ethnic groups in the political process, coupled with a government crackdown on the illegal narcotic trade (the main source of funding for ethnic militias), results in the dissolution of ceasefire agreements and ethnic rebellion.
- The continued large scale flow of refugees into neighboring countries, will increase political tension further weakening ties with Thailand, China and India and further isolating Myanmar from the international community. As a result additional sanctions are imposed causing strain on economic growth. As international linkages weaken foreign aid is reduced placing added strain on the already fragile economy.

Bibliography


