# REALISTIC OPTIMISM AND CAUTION: MYANMAR'S POLITICAL LIBERALIZATION

Bridget Welsh Singapore Management university Prepared for the ISIS Myanmar Round Table



# POLITICAL LIBERALIZATION



- Overview Events August 2011 Meeting "Pact-Making"
- November and January Prisoner Releases
- April By-Election
- Accompanied by ongoing economic reforms.
- April 1, 2012 floating exchange rate
- Investment and land laws
- Roots of change 2002-3, Nargis of 2008

#### SUBSTANTIVE CHANGES IN MYANMAR

- Freer press (open discussion of issues and significant reduction censorship)
- Diffusion of political power
- Reduction of direct military role
- Broader political opposition in legislatures
- Engagement with West and others more broadly
- Open discussion of issues
- Dissipation of fear



#### PROCESS OF POLITICAL LIBERALIZATION

- Led by President Thein Sein, but supported widely by sectors within and outside government.
- "Win-Win" transition rather than "zero-sum"
- Process begun but no transition as yet, but simultaneously talk of reversals not realistic
- Resistance to change inside system, while political opposition (primarily NLD) pressures on pace and substance of changes
- Nature of opposition to liberalization – inside and outside. Hardliners and nationalists



#### POLITICAL REALITIES OF LIBERALIZATION



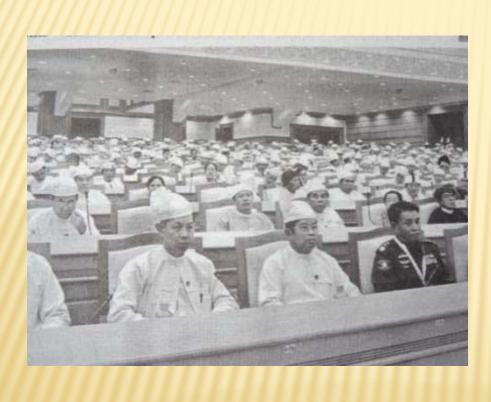
- Not a "democracy" (no broad free and fair election until 2015 expected)
- Key issues in transition not likely to be substantively addressed (impunity, corruption, displacement of old elite/cronies)
- Important to see profound changes, but also realize limits of change to date
- Ongoing changes contested over their substance and pace

# **CONFLICTING CURRENTS - CORRUPTION**

- Legal anti-corruption framework
- -New anti-corruption law
- -Civil servant ethics law
- -Considerable political will at presidential level
- Crony "signature" culture
- Political uncertainty and vested interests
- Public anger growing over this issue



#### **CONFLICTING CURRENTS - POWER DIFFUSION**



- President key figure for change and decisionmaking
- Reality is that power is more diffuse in parliament, bureaucracy, military and among cliques. Recent addition of ASSK. Process of accommodation.
- Limited civil society engagement
- Slow decision making

#### **CONFLICTING CURRENT - ETHNIC MINORITIES**

- \* Approach toward conflict resolution historic, Karen peace agreement
- Establishment of peace building initiatives
- At same time, ongoing problems in Rakhine and Kachin states.
- Legacy of exclusion of minorities.
- Challenge of Burman nationalism
- Difficult search for effective ethnic representation



# **CONFLICTING CURRENTS - REFORMS**

- Focus on rule of law and legal framework.
   Intense investment in framework for liberalization.
- Difficulty of implementation and buy-in from stakeholders
- Reforms not felt on the ground



# CHALLENGE OF GOVERNANCE



- Open recognition of problems within Myanmar, e.g. poverty, infrastructure
- Challenge of prioritization
- Capacity building multiple levels, building institutions
- Challenge of delivery
- Strengthening political will
- New military role toward professionalism

# CHALLENGE OF PERSONALITIES

- Lessons from history of 1950s
- Political fragmentation on many fronts
- Managing division among leaders
- Trust building
- Jockeying and competition for resources and position



#### CHALLENGE OF PARTY BUILDING



- Institution building for representation
- NLD ASSK iconic status. Difficulty finding quality candidates and moving party beyond the leader
- USDP has identity, recruitment and leadership issues.
- Engagement with society

# CHALLENGE OF PEOPLE'S EXPECTATIONS

- Rising expectations in society
- Rising activism in civil society and protests (land, electricity and students)
- Pressures for translating reforms into results



# CHALLENGE OF DEVELOPMENT



- Focus remains on basic needs --incomes, infrastructure, electricity, health, housing, education.
- High levels of poverty and vulnerability. Yangon alone 50% below poverty line
- Rising inequalities

#### WINDOW FOR CHANGES 2012-2014

- Pre-election window critical. Next two years.
- Challenge of sustaining political cooperation at the top and within government, shared common purpose
- Concrete economic gains and governance



#### IMPERATIVE OF INTERNATIONAL ENGAGEMENT

- Rising Myanmar
- Needs international recognition and support
- Process "Myanmar" driven
- Right type of support on partnerships, peoplecentered collaborations, institution building.
- Building sustainable relationships



#### **MYANMAR BETWEEN CHINA AND WEST**



- Myanmar currently moved toward "West"
- Expectations of sanction removal, technical support and international aid.
- China still and always be a major player, given neighbor and economic interests. Yet aim is to gain more autonomy from "big brother"

# **MYANMAR & ASEAN**



- Myanmar welcomes investment and capacitybuilding support from ASEAN.
- Within Myanmar resistance to being seen as a "problem" and concerns of local producers of maintaining competitive position.
- Concerns over pace of changes and tone of engagement

#### REFLECTIONS

- "Hurry up and wait"
  Need for patience.
- Non-linear changes with uncertainties
- Steep learning curve, with considerable people's will with future focus
- Central role of trustbuilding on multiple fronts

