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## Burma Comes in from the Cold

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[Doug Bandow](#) <sup>[2]</sup>



Once isolated by the West, Burma, also called Myanmar, has chosen to join the rest of the world. Although Burma's future course is not guaranteed, the country's prospects are growing brighter. The United States should reward the government in Naypyidaw for further expanding democratic reforms.

The military first seized control in Burma in 1962. The junta varied between bizarre (long-time dictator Ne Win was guided by astrology) and brutal (suppressing democracy protests equally ruthlessly in 1988 and 2007). Callous incompetence after Cyclone Nargis in 2008 resulted in mass suffering. In eastern and northern Burma, the regime literally warred against its own people, with numerous ethnic groups seeking autonomy.

Over the years the United States withdrew its ambassador and imposed a range of economic sanctions. However, Washington only inconvenienced regime elites, who grew rich from their political connections.

The government, known as the State Law and Order Restoration Council and later the State Peace and Development Council, occasionally relaxed its control, only to return to repression.



that the military was not involved in “the executive body,” though “we cannot leave the military behind because we require the military’s participation in our country’s development.”

Burma’s increasing discomfort with China’s close embrace may have encouraged the military regime to change course. In the face of U.S. and European sanctions, Naypyidaw looked to China for economic investment and political support. Beijing in turn backed Burma, including by blocking United Nations action against the junta.

But there has been increasing popular talk, even within the military leadership, about a “Chinese invasion,” the Chinese “plundering” of Burma’s resources and Beijing’s attempt to turn Burma into a “satellite state.” Last fall, Sein cancelled a China-backed dam. The People’s Republic of China obviously senses the changing environment, having sent its ambassador to meet with Suu Kyi. Zhu Feng of Peking University argued: “It’s some sort of signal that Beijing would like to lend a hand and support the new dynamic, the new political transformation.”

Whatever the reason, real and significant changes have occurred. Suu Kyi has established regular contact with the regime, itself a revolutionary reversal. One Western diplomat opined [6] that “President Thein Sein and his government have clearly decided they’d rather have her inside their tent than out.”

Nor is Suu Kyi alone. Cho [7], Cho [7], Kyaw [7], Nyein [7], who spent time in Burma’s prisons, said he first “didn’t believe a word of what they were saying” but now “What has happened in these last few months is a miracle for us.” Another political activist who was jailed for eleven years, Kin Zaw Win, observed: “There are still hardliners in government, but I feel a tipping point has been reached.”

## Crafting a Strategy

Sending Secretary Clinton to Naypyidaw was the Obama administration’s opening gambit. She recently announced that the United States would return its ambassador to Burma after the release of political prisoners, which she called a “substantial step forward for democratic reform.” While the United States is not yet willing to lift sanctions, that issue soon will move to the fore. In effect, Washington is following President Ronald Reagan’s famous “trust but verify” approach after Soviet Communist Party general secretary Mikhail Gorbachev started dismantling Moscow’s totalitarian system.

The most important issue is economic sanctions. Washington has banned new investment in and imports from Burma, limited financial services and the gem trade, and frozen the assets of regime leaders and supporters. These restrictions are losing their *raison d’être*. Last fall, even Suu Kyi began talking about reintegrating Burma into the world economy. She explained [8]: “We’ll have to study the whole package, if you like, and decide which sanctions we think should be lifted immediately.”

The Burmese people need investment and trade more than official development assistance, which has a dismal record of promoting sustained economic growth. Private capital would better encourage broad-based development and job creation, so desperately needed by one of the world’s poorest nations. Trade and investment also would strengthen the Burmese private sector, not government (through which most official “assistance” flows), helping to disperse power in a system characterized for decades by the dangerous combination of political and

economic power.

The steady pilgrimage of Western political figures to Naypyidaw led Freedom House president David J. Kramer to muse “that we are moving a little too quickly.” Some observers also have talked of a “Burma Burnout,” stretching the limited capacity of the government to meet rising expectations at home and abroad. And caution remains justified, given the distance still to travel.

But there is no plausible course other than engagement. Years of sanctions and isolation failed to loosen the generals’ grip. Moving forward offers the best chance for promoting positive change. Washington should continue to reward additional Burmese moves toward democracy with modest concessions. This will allow the United States to reverse course if hard-liners reassert themselves in Naypyidaw. But Washington should indicate its willingness to fully normalize economic relations if reforms proceed.

American officials should work with other states. Europe also is liberalizing its approach to Burma. Moreover, though Burma’s neighbors have demonstrated less concern about human rights, they also can reward Naypyidaw for its reforms. For instance, in 2014 Burma is to chair the Association of Southeast Asian Nations, ASEAN.

Despite building euphoria about Burma’s new course, it is important to retain realistic expectations. Even with the best of intentions, the Sein government faces a difficult task. Shifting from authoritarian socialism to democratic capitalism is no easy feat, as Russia and other former communist states discovered.

Both military and economic elites in Burma are likely to be wary of turning power over to those who have suffered under their rule for decades. Moreover, those who benefit from today’s crony-kleptocracy are likely to fight to preserve their economic privileges even if democratization continues smoothly.

And while Burmese officials want to balance Beijing’s influence, they will not become tools of the West. China will remain Burma’s neighbor even if Naypyidaw rebalances the bilateral relationship. President Sein and his colleagues may be evolving democrats, but that does not make them geopolitical fools.

The United States and other democratic states should emphasize the reform process rather than any particular end point. But the long-term objective is simple: the Burmese people need to take charge of their own destiny. For the first time in literally decades, Burma’s future looks positive, even bright. Hopefully the “flickers of progress” now evident in Burma soon will burst into robust flame.

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*Image: [JolieNY](#) <sup>[9]</sup>*

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