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MYANMAR'S FOREIGN POLICY UNDER
PRESIDENT U THEIN SEIN: NON-ALIGNED
AND DIVERSIFIED

JÜRGEN HAACKE

ISEAS YUSOF ISHAK
INSTITUTE

Trends in Southeast Asia

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FOREWORD

The economic, political, strategic and cultural dynamism in Southeast Asia has gained added relevance in recent years with the spectacular rise of giant economies in East and South Asia. This has drawn greater attention to the region and to the enhanced role it now plays in international relations and global economics.

The sustained effort made by Southeast Asian nations since 1967 towards a peaceful and gradual integration of their economies has had indubitable success, and perhaps as a consequence of this, most of these countries are undergoing deep political and social changes domestically and are constructing innovative solutions to meet new international challenges. Big Power tensions continue to be played out in the neighbourhood despite the tradition of neutrality exercised by the Association of Southeast Asian Nations (ASEAN).

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Myanmar's Foreign Policy under President U Thein Sein: Non-aligned and Diversified

By Jürgen Haacke

EXECUTIVE SUMMARY

- Given Myanmar's strategic location and the wider great power competition in Southeast Asia, how the country positions itself vis-à-vis the major powers in the reform era currently underway will have considerable bearing for the international politics of Southeast Asia.
- Historically, Myanmar's leaders have preferred an independent foreign policy that has also been couched in terms of neutralism and non-alignment.
- Following considerable tension between the stated principle of non-alignment and the practice of Myanmar's foreign policy under the SLORC/SPDC regime given U.S. pressure on Naypyitaw especially in the mid-2000s, Myanmar's threat perceptions vis-à-vis Washington have waned with the shift to the pragmatic, principled and calibrated engagement as favoured by President Obama. The Myanmar government under Thein Sein pursued a non-aligned foreign policy both in declaratory and practical terms.
- While Myanmar did not pursue strategic alignment with any of the major and regional powers (China, India, Japan, Russia and the United States) under Thein Sein, the country continued to have or was developing security partnerships with all. More meaningful security cooperation with India over anti-Indian insurgents was agreed upon. Embryonic security partnerships were also being developed with Tokyo and Washington.
- With Japan in particular strengthening its economic presence in Myanmar since 2011 largely through generous economic assistance,

Myanmar was able to halt the ever-growing economic dependence on China that was evident during the SPDC period.

- Myanmar's relations with China plummeted to their lowest point for at least three decades over the 2015 Kokang insurgency. Bilateral relations have yet to substantially recover.
- Myanmar's ties with the United States advanced significantly but economic relations have not been that significantly advanced, not least due to continuing sanctions.
- Washington will want to support the new NLD-led government in relation to the various political challenges that Myanmar still faces, while Myanmar should be expected to continue with a non-aligned, independent and active foreign policy.

Myanmar's Foreign Policy under President U Thein Sein: Non-aligned and Diversified

By Jürgen Haacke¹

INTRODUCTION

Foreign analysts may be forgiven for pausing briefly over a translated passage relating to foreign policy in a state-of-the-nation address delivered by Myanmar's then-President U Thein Sein in early January 2015. Following the President's Office's website, Myanmar seemed to have suddenly opted for what would be a significant shift in relation to its foreign policy principle. Specifically, the text suggested that Myanmar might be surrendering the principle of non-alignment. According to the President's Office, U Thein Sein said that "We [Myanmar] are ... on the path of a much more dynamic and *multi-aligned* foreign policy."² Such a move towards *multi-alignment* would certainly have represented discontinuity with the country's longstanding foreign policy. After all, newly independent Burma committed early to non-alignment, and — as suggested by Myanmar's Foreign Ministry — this foreign policy

¹ Jürgen Haacke is Associate Professor in the Department of International Relations at the London School of Economics and Political Science and was a Visiting Fellow at ISEAS – Yusof Ishak Institute from 7 July to 15 August 2015. The author is very grateful to Moe Thuzar and Aung Myoe for discussing and clarifying aspects of this paper, for the feedback received from participants of the public seminar given on this topic, as well as for the helpful further comments on a previous version of the paper by two anonymous reviewers.

² My emphasis.

principle, has since been pursued by all subsequent governments.³ The 2008 Constitution, drafted under the watchful eyes of the last military government under Senior General Than Shwe, identifies Myanmar foreign policy principles as being non-aligned, independent and active.⁴ In his own presidential inaugural address, U Thein Sein had also clearly formulated his high regard for non-alignment as he also emphasized the fact that Myanmar has never allowed foreign military bases in the country.⁵

In the event, suspicions that the use of the word “multi-aligned” fell into the category of translation errors were quickly confirmed. The Myanmar language version of the same speech did not in fact include the terminology of “multi-aligned”. Instead, the term used in the original Burmese version is arguably better translated as “dynamic and multi-partner” foreign policy.⁶ In other words, what at first sight, at least for foreign consumers of presidential news, could easily have appeared to be a noteworthy if not significant shift in declared foreign policy thus represents only an apparent moment of carelessness, a seeming oversight in editing, as well as — in all probability — an instance of insufficient coordination in internal bureaucratic processes.⁷ That said, the translation issue does invite us to raise an important question, namely as to whether or not the Republic of the Union of Myanmar has been as committed to the non-alignment principle in practice as it has been in rhetorical terms. This is by no means self-evident: first, the term non-alignment

³ Notably, the explicit earlier invocation of the principle of non-alignment was dropped under the Ne Win military regime; in declaratory terms the country was thus for many years, until the early 1990s, committed to an independent and active foreign policy. However, non-alignment was reinstated as a declaratory foreign policy principle when the SLORC began to oversee the drafting of a new constitution.

⁴ Myanmar 2008 Constitution, Article 41.

⁵ U Thein Sein, “Inaugural Presidential Address”, 31 March 2011.

⁶ There is no connotation of alignment. I am grateful to Moe Thuzar for this clarification.

⁷ One would have expected the Ministry of Foreign Affairs to have picked this up immediately.

represents for some a Cold War category that has no practical import for decision-makers operating in the post-Cold War context: even India, for instance, a country that has played a particularly prominent role in promoting non-alignment has been considered to have moved beyond or away from the principle in rhetoric if not in practice.⁸ Second, so-called strategic partnerships, which are increasingly ubiquitous in world politics, have been understood as contemporary forms of alignment.⁹ Notably, Myanmar too entered into just such a strategic partnership with a major power, namely with China in May 2011. Myanmar was already during the State Law and Order Restoration Council/State Peace and Development Council (SLORC/SPDC) years often seen as “allied” with China.¹⁰

The main purpose of the paper is thus to examine whether Myanmar’s substantive foreign policy under the Thein Sein presidency had been true to the principle of non-alignment with respect to Myanmar’s relationship with major powers. The paper also assesses the likelihood of Myanmar’s new government straying from non-alignment rhetorically or even in practice.

Non-alignment is closely associated with the desire of newly independent countries in particular to pursue an independent foreign policy. It is also closely associated with the term neutralism, which is arguably a slightly broader concept.¹¹ The meaning of non-alignment

⁸ See Harsh V. Pant and Julie M. Super, “India’s non-alignment conundrum: a twentieth-century policy in a changing world”, *International Affairs* 91, no. 4 (2015): 747–64.

⁹ Thomas S. Wilkins, “‘Alignment’ not ‘alliance’ — the shifting paradigm of international security cooperation: Toward a conceptual taxonomy of alignment”, *Review of International Studies* 38, no. 1 (2012): 53–76.

¹⁰ Ian Storey, for instance, suggested that Myanmar was a “quasi-ally”. See Ian Storey, *Southeast Asia and the Rise of China: The search for security* (Abingdon: Routledge, 2011), p. 163. Also see Larry Jagan, “Burma: China’s Most Important Strategic Ally in Southeast Asia”, in *Myanmar: Prospects for Change*, edited by Li Chenyang and Wilhelm Hofmeister (Singapore: Select Publishing, 2010), pp. 165–76.

¹¹ Peter Lyon, *Neutralism* (Leicester: Leicester University Press, 1963).

used here is as follows: A state is non-aligned when there is no explicit agreement or mutual understanding about a commitment to receive support from or to support another state politically or militarily with a view to achieve key security objectives in relation to other states. This study posits that whether or not the commitment to provide such support is more one-sided rather than mutual, what is crucial for a state to be aligned is that the understanding in relation to such support is understood and expected by both sides. Bearing in mind this definition, the paper will initially discuss the nature of Myanmar's recent relations with China, India, Russia, Japan, and the United States. This will be followed by a more "speculative" section that focuses on the question of whether we should expect a change in Naypyitaw's position on non-alignment under the new government led by Daw Aung San Suu Kyi's National League for Democracy.

The argument of this paper is that to the extent that Myanmar's rhetorical commitment to non-alignment was not quite matched by the specifics of its foreign policy practice near the end of SPDC rule, under Thein Sein the country quickly returned to a position of non-alignment in practice. This was made possible in part by the different security environment in which Myanmar had operated over the last few years. Whereas until 2008 Myanmar military leaders did not discount a possible international intervention led by the United States and relied on China to minimize the prospects of that happening, this scenario not only receded speedily with greater U.S. interest in improving ties with Southeast Asia and ASEAN but had effectively dissipated by the time of the formal announcement of the U.S. pivot to the Asia-Pacific. The reassertion of a non-aligned foreign policy in practice has also coincided with an upswing in elite and popular nationalism, especially in relation to China.

A further argument is that the pursuit of domestic political reforms since 2011 has proved very successful for Naypyitaw in foreign policy terms. Not very long ago, Naypyitaw was subject to efforts by Western countries to isolate the country, but since the initiation of reforms by Myanmar and US support for them, Naypyitaw has been able to build and/or revitalize several bilateral partnerships. It has also been able to take advantage of strong interests by external powers. Domestic political reforms and the shift in U.S.-Myanmar ties have, for instance, allowed

Japan to approach its political and economic relations with Naypyitaw with renewed vigour. In contrast, advances in relations between Myanmar and India as well as Russia respectively have been less significant although they remain important ties. Though uncertainty now hangs over the relationship between Naypyitaw and Beijing, good relations with China remain enormously important for Myanmar. Finally, this paper suggests that the focus on diversifying Myanmar's partnerships will continue into the future. Even as relations with Western countries are set to further improve, Naypyitaw is likely to want to maintain strategic autonomy.

RELATIONS WITH CHINA

After 1988 when the country's ruling military regime was first exposed, resulting in a list of U.S. unilateral sanctions and an overt regime change agenda for Washington, Myanmar could not avoid a growing reliance and dependence on China. In the early 1990s, this reliance involved the large-scale acquisition of Chinese weapons that were required in part to subdue domestic insurgencies and to begin the process of modernizing the capabilities of the armed forces (*Tatmadaw*). In the face of Western and particularly U.S. sanctions, which covered investments and trade, Myanmar came to develop much deeper economic linkages with its northern neighbour. Indeed, Myanmar scholar Aung Myoe has captured the relationship in terms of "dependent asymmetry", particularly for the decade of the 1990s.¹² In the decade that followed, the bilateral relationship assumed a structure more akin to "mutual dependence" in so far as China came to rely on its southern neighbour, not least in terms of access to resources.¹³

Particularly noteworthy is the gap that opened up in Myanmar foreign policy during the SLORC/SPDC years between the declared principle

¹² Aung Myoe, *In the Name of Pauk-Phaw: Myanmar's China Policy since 1948* (Singapore: Institute of Southeast Asian Studies, 2011).

¹³ David I. Steinberg and Hongwei Fan, *Modern China-Myanmar Relations: Dilemmas of Mutual Dependence* (Copenhagen: NIAS, 2012).

of non-alignment and Naypyitaw's actual foreign policy practice.¹⁴ During the mid-2000s, as frustrations and concerns over Myanmar's politics and human rights record mounted once more, Naypyitaw faced concerted efforts by the U.S. government and a transnationally organized NGO community to achieve a United Nations Security Council (UNSC) resolution on the "situation in Myanmar". Informal discussions about Myanmar in New York led to Myanmar being voted on the UN Security Council formal agenda. By the end of 2006, UNSC members discussed a so-called "non-punitive" resolution drafted by Washington and London. Fearing an eventual resolution, followed by possible international intervention, Myanmar's political-military leaders relied on China for diplomatic protection and Beijing duly delivered, together with Russia, by vetoing what was a redrafted UNSC resolution in January 2007. This protection, it is widely accepted, was not entirely cost-free for Naypyitaw.¹⁵ Indeed, a number of significant bilateral economic deals were agreed upon in the latter half of the 2000s from which China stood to benefit. This reinforced for some the impression that Myanmar was China's "client state", notwithstanding parallel efforts by Naypyitaw to establish a better relationship with India and to source key military sales from Russia. The major Chinese investments that materialized in the final few years of the SPDC reign concerned projects in mining (Letpadaung copper mine), hydropower (Myitsonne dam) as well as energy transportation (gas and oil pipelines). China thus advanced as Myanmar's top foreign investor nation, with cumulative investments reaching about US\$13 billion by 2011.¹⁶

As President, U Thein Sein, who was Prime Minister under the previous SPDC regime, clearly attempted to extricate the country

¹⁴ This tension has been captured in the term "limited alignment". See John Ciocriari, *The Limits of Alignment: Southeast Asia and the Great Powers since 1975* (Washington, D.C.: Georgetown University Press, 2010).

¹⁵ Jürgen Haacke, "The Nature and Management of Myanmar's Alignment with China: The SLORC/SPDC Years", *Journal of Contemporary Southeast Asian Affairs* 30, no. 2 (2011): 105–40.

¹⁶ Yun Sun, "Chinese Investment in Myanmar: What Lies Ahead?", Stimson Center, September 2013, p. 2.

from China's close embrace. Nevertheless, for a few months into his presidency it was not obvious that Myanmar's ties with China would significantly change and deteriorate. In May 2011, within two months of assuming power, he travelled to Beijing to sign a Comprehensive Strategic Cooperative Partnership. This raised questions about whether Myanmar would continue its 'limited alignment' with China into the post-SPDC era. Indeed, U Thein Sein described the relationship with China as Myanmar's "closest and most important diplomatic relationship", while President Hu Jintao identified "strengthening mutual strategic support" as one of the pillars of the partnership. There was even some speculation that the two sides could agree on regular access to Myanmar ports for PLAN (People's Liberation Army Navy) vessels, but no such understanding is articulated in the statement itself, which focuses especially on trade and investment as well as border management. Indeed, the published text of the partnership agreement does not contain any commitments by either side that relate to their security and third states.¹⁷ In the apparent further absence of relevant implicit understandings, there is thus no evidence that the "limited alignment" of the SLORC/SPDC years was to be carried over into the era of the hybrid regime under the Thein Sein presidency. Put differently, under Thein Sein, China was no longer regarded as an asset in addressing Myanmar's contemporary security problems; quite the opposite, China came to be seen as accentuating Naypyitaw's continued primary security challenge.

Sliding Relations

Notwithstanding the rhetoric surrounding their comprehensive strategic cooperative partnership, China-Myanmar relations substantially deteriorated under the Thein Sein government. The first major

¹⁷ See Joint Statement between the Republic of the Union of Myanmar and the People's Republic of China on Establishing a Comprehensive Strategic Cooperative Partnership, Beijing, 27 May 2011. For a discussion, see Li Shenyang, "China-Myanmar Comprehensive Strategic Cooperative Partnership: A Regional Threat?", *Journal of Current Southeast Asian Affairs* 31, no. 1 (2012): 53–72.

indication of a reversal in the relationship was the decision to suspend the construction of the Myitsone hydropower project, which came as a surprise for Chinese leaders.¹⁸ However, a number of general and other specific factors account better for the broader slide in bilateral ties. First, Myanmar's political-military elite seems to have become increasingly uncomfortable with the growing dependence on China. Concerns and grievances over Myanmar's status in relation to China seem to have accumulated over a number of years.¹⁹ By some accounts, Myanmar's political-military elite was especially troubled by the widespread perception held in Western countries that the route to influencing Naypyitaw was through Beijing.²⁰ This understanding was certainly prevalent even in the United States. And Beijing did in different ways mediate between Myanmar and the international community. In 2007, for instance, it organized discussions between Myanmar and American officials in Beijing. In the aftermath of the "Saffron Revolution" some months later, China put pressure on the SPDC whilst playing its part in UN diplomacy. China is also considered to have urged Myanmar's acceptance of U.S. humanitarian assistance following Cyclone Nargis.²¹ Notably, the Thein Sein government's willingness to confront and resist China was facilitated by the widespread anti-China feelings prevalent among the country's main urban populations. Many Burmese have strong negative sentiments regarding China, which is held responsible for having kept the SLORC/SPDC in power. There are also strong feelings about the nature of Chinese investments and general business practices

¹⁸ Yun Sun, "China's Strategic Misjudgement on Myanmar", *Journal of Current Southeast Asian Affairs* 31, no. 1 (2012): 73–96.

¹⁹ Bertil Lintner, "Burma Delivers Its first Rebuff to China", *Yale Global*, 7 October 2011; also see Jürgen Haacke, "China's role in the pursuit of security by Myanmar's State Peace and Development Council: boon and bane?", *Pacific Review* 23, no. 1 (2010): 113–37.

²⁰ Aung Myoe, "Myanmar's China Policy since 2011: Determinants and Directions", *Journal of Current Southeast Asian Affairs* 2/2015, p. 32.

²¹ International Crisis Group, *China's Myanmar Dilemma*, Asia Report No. 177, 14 September 2009, p. 8.

dating back to the period of unadulterated military rule. China's political elite seemed to have been caught off balance by the public ventilation of these sentiments and related developments. That Naypyitaw should have opted for rapprochement with Washington also gave rise to suspicions on the Chinese side, which perceived the evolving U.S. role in Myanmar as part of a American containment strategy.

Second, the most important factor that had weighed on Myanmar-China ties in recent years was the instability and spillover of the internal wars that the Myanmar military had been fighting on the border with China. In 2009, the *Tatmadaw* ousted long-time Kokang and Myanmar National Democratic Alliance Army (MNDAA) leader Peng Jiasheng in the wake of a raid on a gun factory that was also suspected to be a site for drug production, and in the wider context of intra-MNDAA divisions over whether to accede to the SPDC's border guard force proposal. An estimated 37,000 people fled into China from this *Tatmadaw* offensive, initially catching Chinese authorities unprepared. Chinese economic interests were also affected. Despite China repeatedly stressing the importance of maintaining border stability, the situation on the China-Myanmar border in subsequent years has been unstable, much to the dismay of Chinese policymakers. Following a seventeen-year ceasefire arrangement, the *Tatmadaw* has militarily engaged the Kachin Independence Army (KIA) since June 2011. This resumption of armed conflict has displaced local populations and resulted in military operations close to the Sino-Myanmar border. Also, in February 2015, the MNDAA leader Peng Jiasheng, with the help of some allied ethnic forces, attempted to retake the Kokang region, leading to months of fighting. Bilateral relations hit a low in March that year after the *Tatmadaw* inadvertently killed five Chinese citizens across the border in one of the air strikes directed at the MNDAA, for which Foreign Minister Wunna Maung Lwin issued an apology on behalf of the Myanmar government and military.²² Having warned of decisive action in the event of renewed cross-border shelling or bombing, the People's Liberation Army in June

²² "Myanmar apologizes to China over warplane bombing", Xinhua, 2 April 2015.

2015 reacted to another cross-border incident by conducting a series of integrated live fire drills on the shared border.

There are a number of reasons why the border situation led to China-Myanmar ties sinking to an unprecedented nadir in the post-Cold War period. These include, first, long-standing suspicions on Myanmar's side about connections, relationships and possible support that ethnic armed organizations inhabiting the borderlands enjoy with Chinese contacts, which to Myanmar's military and the broader political elite are a major factor in delaying the successful completion of the country's continuing state building agenda. These suspicions were significantly accentuated in 2015 in relation to the military revival and offensive undertaken by the MNDAA, leading to interpretations about some level of Chinese support that have soured political relations. Second, the two sides have been at loggerheads over the appropriate method for Myanmar to deal with the armed insurgencies on the border. While China has favoured dialogue in unambiguous terms, Myanmar's military leadership in particular had generally opted for a mixed strategy that has included the resort to military force and had at times showcased a preference for a military solution. Certainly in relation to the MNDAA offensive in 2015 the *Tatmadaw* long refused to countenance other options. Third, China seemingly tried to influence the negotiation process towards a nationwide ceasefire. Its perceived key "proxy", the United Wa State Army, for instance, tried to rally ethnic negotiations around the idea of an inclusive ceasefire arrangement that advocated allowing all ethnic armed organizations — including the MNDAA and its military allies — to sign the ceasefire arrangement, a proposal vehemently rejected by Myanmar's government.²³ Partly for this reason, the "partial" nationwide ceasefire agreement signed in mid-October 2015 involved only eight armed groups. Notably, some key figures intimately involved with the peace process also accused Chinese diplomats of exerting pressure on the KIA (Kachin Independence Army) and the UWSA not to sign the

²³ International Crisis Group, "Myanmar's Peace Process: A Nationwide Ceasefire remains elusive", Asia Report No. 146, 16 September 2015.

nationwide ceasefire accord.²⁴ From the perspective of such critics, any related efforts would seem to involve undesirable if not unacceptable Chinese interference.

Back to the Status Quo Ante?

If Beijing could simply have its way, China-Myanmar relations would already have greatly improved. After all, China continues to have strategic interests in relation to Myanmar, such as border stability and access to the Indian Ocean. As it stands, however, a number of these interests have not given rise to the level of bilateral cooperation it has hoped for. For instance, thirty years after Chinese strategists first publicly talked about gaining access to the Bay of Bengal through transportation corridors from Yunnan through Myanmar, the achievements in this regard still remain limited. The planned railway and highway links to Kyaukphyu seem to be off the table at least temporarily, the former because the Myanmar side apparently balked at BOT (build-operate-transfer) terms, although the official explanation was couched in terms of public resistance.²⁵ This is all the more vexing for China given its interest in playing a major part in the planned realization of the Kyaukphyu SEZ (Special Economic Zone). The development of the Kyaukphyu SEZ itself would appear to seriously lag behind efforts to develop the Thilawa SEZ, a project supported by Japanese investment. That said, the tender for the development of the planned industrial park and a deep water port was finally awarded to a majority Chinese consortium in late December 2015.²⁶ One should also note that there remains considerable resistance to China's plans in Rakhine State, which has itself suffered a fair amount of instability. China's One Road One Belt scheme has also not attracted much interest in Myanmar. Accordingly, it has been difficult for China to inject life into

²⁴ Sui-Lee Wee, "Myanmar official accuses China of meddling in rebel peace talks", Reuters, 8 October 2015.

²⁵ Yun Sun, "China, Myanmar: Stop that Train", *Asia Times*, 14 August 2014.

²⁶ "China's CITIC wins projects to develop Myanmar economic zone", Reuters, 31 December 2015.

the Comprehensive Strategic Cooperative Partnership even while China remains Myanmar's main trading and investment partner.

RELATIONS WITH INDIA

India's early post-Cold War ties with Myanmar were strained by New Delhi's political support for the Burma democracy movement and for Daw Aung San Suu Kyi in particular. However, with China seemingly able to gain a foothold in Myanmar starting in the early 1990s, Indian policymakers opted for a more pragmatic approach vis-à-vis Myanmar's then ruling military government. Indian analysts then generally raised the following concerns in relation to China and its role in Myanmar: strategic encirclement; military intelligence-gathering activities targeting India, especially on the Coco Islands; possible Chinese access to new or upgraded port infrastructure in Myanmar in the context of the PRC's objective to establish more naval presence in the Indian Ocean region; Chinese connections with anti-Indian insurgents operating from Myanmar; and China's ability to boost its economic presence against the backdrop of the Western-led ostracization and sanctions policy.²⁷ By the mid-2000s, Myanmar-India political relations developed greater momentum, not least because at that time Naypyitaw was actively seeking to restore greater balance in its foreign affairs. However, the nature of bilateral relations was not transformed as a result and the advantages accrued remained limited. For instance, the SPDC's commitment to confront anti-Indian insurgents seeking temporary refuge in Myanmar was ambiguous. Also, the level of economic cooperation attained for the most part fell somewhat short of expectations, arguably on both sides. Compared to Myanmar-China economic exchanges, those between Myanmar and India remained weak if not, in the view of some, almost insubstantial. In part, this was the consequence of the 1,643-km border straddling some of the least developed parts of both countries, reducing the potential for border trade. Moreover, Indian plans for greater connectivity were slow

²⁷ Renaud Egretau, "India and China Vying for Influence in Burma: A New Assessment", *India Review* 7, no. 1 (2008): 38–72.

to materialize.²⁸ For instance, the feature Kaladan Multi-Modal Transit Transport Project experienced delay and apparently is only now moving towards completion. Indian decision-making processes also negatively impacted on the extent to which the two sides agreed to cooperation in energy.²⁹ Though Myanmar received some political backing from New Delhi, it was clear any support proffered would remain limited — partly because Indian policymakers themselves increasingly came under international pressure for their pragmatism towards the military regime in Naypyitaw. Meanwhile, bilateral military cooperation did not pass the threshold of limited alignment in rhetorical or practical terms either.

Following the political liberalization enacted by the Thein Sein government, some new momentum has been injected into bilateral ties, not least in relation to security and defence cooperation. This was apparent especially after the visit to Myanmar by former Indian defence minister A.K. Antony in January 2013. Whereas before that, the Indian navy had conducted occasional port calls since 2002, and Myanmar had participated at the biannual Milan (Meeting of the Littorals of Bay of Bengal, Andaman and Nicobar) exchanges and exercises, Myanmar's navy now embarked on a port call of their own, involving a frigate and a corvette, to the Indian mainland in March 2013, and agreed to bilateral exercises and coordinated patrolling in the southern Bay of Bengal.

Myanmar and India moreover reinforced their commitment to patrol the shared land border regions with a view to limiting if not depriving anti-New Delhi insurgents refuge in Myanmar. After all, Myanmar's ineffectiveness in this regard has been for India a “significant irritant”.³⁰ Yet with the Indian army having been subjected to another raid — leaving eighteen soldiers dead — by the National Socialist Council of Nagaland

²⁸ See, for instance, Hong Zhao, “China and India Competing for Good Relationship with Myanmar”, *Journal of East Asian Affairs* 22, no. 1 (2008): 175–94.

²⁹ Marie Lall, “Indo-Myanmar Relations in the Era of Pipeline Diplomacy”, *Contemporary Southeast Asia* 28, no. 3 (December 2006): 424–46.

³⁰ David Brewster, *India's Ocean: The story of India's bid for regional leadership* (Abingdon: Routledge, 2014).

(Khaplang) militants, Indian elite forces conducted a raid in early June 2015 on Myanmar soil against the coalition of insurgent movements operating as the United Liberation Front of Western Southeast Asia (that includes the NSCN-K, the United Liberation Front of Assam-ULFA, and other insurgent groups). The circumstances of this raid were not entirely clear, and one of the main questions was whether the Myanmar government had authorized the raid.³¹ By some accounts, it seems as if Myanmar had authorized the strike, even if Myanmar government officials initially suggested that the raid took place on Indian territory.³² Other accounts suggested the opposite. Irrespective of the circumstances, the incident triggered a number of meetings between the political and military leaders: first, the India national security advisor travelled to Myanmar; second, a meeting of the India-Myanmar Joint Consultative Commission was organized, bringing together the foreign ministers; and third, Myanmar's Commander-in-Chief visited India.³³ The apparent main outcome of this diplomacy was an agreement on more effective coordinated patrolling in return for India's support for the modernization of the *Tatmadaw* and greater training opportunities.

Increased naval cooperation and the renewed commitment to cooperate against transnationally operating insurgents suggest that

³¹ For conflicting media reports and further analysis, see Anthony Davis, "India launches helicopter-borne cross-border raids targeting Myanmar militant bases", *IHS Jane's Terrorism & Insurgency Monitor*, 10 June 2015; Subir Bhaumik, "India's Trans-Border Op: More Hype, Less Substance?-Analysis", *South Asia Monitor*, 15 June 2015 <<http://www.eurasiareview.com/15062015-indias-trans-border-op-more-hype-less-substance-analysis/>>; Bertil Lintner, "Mysterious Motives: India's Raids on the Burma Border", *The Irrawaddy*, 30 June 2015; and "Myanmar deploys additional brigade along border with India", *Economic Times*, 26 July 2015 <<http://economictimes.indiatimes.com/news/defence/myanmar-deploys-additional-brigade-along-border-with-india/articleshow/48226425.cms>>.

³² "Myanmar Denies Indian Army Crossed Border to Attack Rebels", *New York Times*, 11 June 2015 <http://www.nytimes.com/aponline/2015/06/11/world/asia/ap-as-myanmar-india.html?_r=0>.

³³ Joint Statement by India and Myanmar on First Meeting of the India-Myanmar Consultative Commission, 16 July 2015.

Myanmar and India are content with and are ready to work on their security partnership. The fact that Myanmar has a wish list with regards to future Indian assistance (e.g. offshore patrol vessels, more training places) and that New Delhi is prepared to meet these requests in a quid pro quo in relation to better security cooperation on the border suggests that the bilateral security partnership may move forward. However, it seems too much of a stretch to maintain that at the heart of this cooperation lies an agreement where either state would protect the security of the other against a specific party or threat. In other words, there is no clear-cut alignment relationship between New Delhi and Naypyitaw. Indeed, judging by the nature of India's defence ties with countries such as Vietnam and Singapore or Malaysia, for instance,³⁴ New Delhi's defence relationship with Myanmar lags behind badly. Hence, it remains to be seen to what extent the decision by Prime Minister Narendra Modi to upgrade India's "Look East" policy in favour of an "Act East" policy in November 2014³⁵ will ultimately yield veritable deeper Indian ties with Myanmar.

RELATIONS WITH JAPAN

In contrast to the United States or member states of the European Union, Tokyo did not impose unilateral sanctions against the former military government. Not even after the violent suppression of demonstrations in 1988 and the refusal of the SLORC to transfer power to the opposition National League for Democracy despite the latter's victory in the 1990 elections. Instead, having been until 1988 the primary source of Official Development Assistance (ODA) for the Ne Win regime, Tokyo officially only suspended ODA. For years, Tokyo offered SPDC-run Myanmar significant debt relief with a view to encouraging political reforms. When

³⁴ Mely Caballero-Anthony, "ASEAN's Strategic Perspectives of India", in *India-ASEAN Defence Relations*, edited by Ajaya Kumar Das, RSIS Monograph No. 28 (Singapore: RSIS, 2013), pp. 33–56.

³⁵ Danille Rajendram, "India's new Asia-Pacific strategy: Modi acts East", Lowy Institute, December 2014 <<http://www.lowyinstitute.org/files/indias-new-asia-pacific-strategy-modi-acts-east.pdf>>.

this was no longer possible, Japan had to accept Myanmar drifting more into the Chinese economic and political orbit. This was not welcomed by Japanese policymakers but given Washington's position on Myanmar, Tokyo felt it needed to make improvements in bilateral ties dependent on the junta accommodating the political demands put forward by Daw Aung San Suu Kyi. From the SPDC's perspective, Tokyo's response was disappointing. Notably, the military government in the mid-2000s offered public support only to India's efforts to secure a place on the UN Security Council, while Japan's campaign did not receive any such unambiguous endorsement. In Japan, the growing estrangement with the SPDC regime was further accentuated by the shooting of Japanese photojournalist Kenji Nagai during the protests of the so-called "Saffron Revolution" in September 2007. As a consequence of these dynamics, Japan found its role effectively relegated.

Under President U Thein Sein, Myanmar-Japan relations significantly improved. Japan's policymakers were enthusiastic about Myanmar's reforms, and they encouraged these reforms through a combination of high-level diplomacy, economic assistance and other targeted support to develop Myanmar's economic and social capital. High points of diplomatic activity have, to date, included the Japan-Myanmar summit of April 2012 and the follow-up summit that saw Prime Minister Abe visit Myanmar in May 2013.

At the April 2012 summit, Japan helped clear Myanmar's arrears with the World Bank and Asian Development Bank and also agreed to other significant debt relief measures, including quite considerable debt cancellation. Eager to move Myanmar towards a higher level of development, Japanese priorities for cooperation are focused on improving livelihoods, capacity building and infrastructure development. Tokyo has also extended a significant amount of grant aid to grassroots and NGO projects. It has approved a significant number of high-profile projects that are bound to raise Japan's presence in Myanmar quite significantly. In 2014, for instance, Japan approved funding for improvements to the Greater Yangon water supply, for an irrigation project in Western Bago, for the second phase of the Thilawa SEZ and for the Yangon-Mandalay railway line. In 2015, approved projects focused on improvements to Myanmar's communication network, the development of the National

Power Transmission network, infrastructure related to the Thilawa area, power distribution improvements, and the development of finance for small and medium-sized enterprises.

Japan's role in the development of the Thilawa Special Economic Zone (SEZ), which is backed by both Japan's government and Japanese businesses, has been particularly visible. Among the planned SEZs in Myanmar, the Thilawa SEZ is by far at the most advanced stage, with about half of the companies ready to establish themselves coming from Japan. Notably, Japan has also signed a Memorandum of Intent with Myanmar and Thailand to develop the Dawei SEZ as part of the New Tokyo Strategy 2015 for the Mekong-Japan Cooperation. Japan is slated to provide both technical and financial support for this project, which for many years seemed almost stillborn. The Dawei SEZ includes a deep-sea port, but whether it can ever become a new gateway for the Mekong Region's trade with India, Middle East, and Africa remains to be seen.

Japan has also played an important supporting role in Myanmar's peace process. Beyond financial assistance offered, Tokyo has fostered a role for the Nippon Foundation as one of the foreign stakeholders in Myanmar's peace process. The Foundation became the first foreign NGO permitted to deliver direct humanitarian aid to populations of ethnic armed groups inside Myanmar. It also emerged as an observer to the peace negotiations upon the request of members of one of Myanmar's ethnic coalitions — the United Nationalities Federal Council (UNFC) in late 2012. Despite opposition from Beijing, Japan's Special Envoy for National Reconciliation was a witness to the Nationwide Ceasefire Agreement signing that U Thein Sein's government undertook with eight armed (ethnic) groups in October 2015.

Despite the significant role Japan played during the Thein Sein period, it will still take time for the bilateral partnership to deepen in other ways. For instance, the trade relationship remains limited for the time being. Moreover, Japan's cumulative foreign direct investment remains substantially lower than that made available by China. That said, Japanese companies have been successful in winning some tenders, such as the building of a US\$1.4 billion new airport near Yangon (as part of a Singapore-led consortium) and the renovation and running of Mandalay airport.

Improved political relations between Tokyo and Naypyitaw saw the two sides adopt a Joint Statement in 2013, which outlined a “new foundation” for mutual friendship. In this context, Myanmar and Japan have agreed to enhance dialogue on regional issues and security and to promote cooperation and exchange between their defence authorities. Tokyo has, for instance, explained to Naypyitaw its position in relation to China in general terms but also with respect to issues such as the South China Sea and the Chinese-declared Air Defense Identification Zone in the East China Sea. Significantly, irrespective of the problems Myanmar has been experiencing in its ties with China, these have not translated into Naypyitaw taking sides between China and Japan since 2011.

However, Naypyitaw and Tokyo have also expanded their partnership in order to encompass military diplomacy and cooperation. In September 2013, Japan undertook a port-call involving two Japanese Maritime Self Defense Force (SDF) training vessels and an escort destroyer. Moreover, in the first high-level military exchange in the contemporary period, the Chief of Staff of the Joint Staff Council of the Japan Self-Defense Forces, General Shigeru Iwasaki, visited Myanmar in May 2014. In September, Commander in Chief Senior General Min Aung Hlaing paid a return visit. With an interest in exchanges between the Japan Self-Defense Forces and Myanmar Defense Services reaffirmed, discussions about education and training of peacekeeping occurred when a Myanmar delegation visited Japan’s Joint Staff College in December 2014. Prime Minister Abe himself has spoken about Japan’s expectation to see Myanmar military personnel study at Japan’s National Defense Academy. A small number of *Tatmadaw* personnel seem to be already receiving educational training in Japan. None of these initiatives raises questions about Myanmar’s preference for a non-aligned foreign policy, however.

RELATIONS WITH RUSSIA

During the period of military rule, Naypyitaw’s ties with Moscow were on the whole less visible to the public eye than relations with other great powers. However, for Myanmar’s military leaders, Russia became an important security partner. Naypyitaw increasingly came to rely on

Russian-made military platforms, given its desire to diversify its sources of military hardware, in part given a certain degree of disenchantment with the quality of Chinese weapons. By the early 2000s, Myanmar thus purchased MiGs-29 from Russia. Notably, Naypyitaw also benefited from Moscow's veto of the 2007 draft UNSC resolution which the SPDC was very keen to see defeated.

Under the Thein Sein government, the partnership continued. An exchange of visits by the two foreign ministers occurred in January 2012 when U Wunna Maung Lwin travelled to Moscow, and the Russian foreign minister Sergey Lavrov visited Myanmar in January 2013. President Putin visited Myanmar in the context of the East Asia Summit meeting the following year. Specific areas of bilateral cooperation have also been reinforced. In June 2015, for instance, the two countries signed an MoU on cooperating in relation to the peaceful use of nuclear energy. Myanmar had previously sought Moscow's cooperation in this field, with Russia having been the destination of significant technical training. However, plans for a nuclear reactor, which had added to some international concern over Myanmar's nuclear ambitions, were abandoned in the absence of funds. Naypyitaw has also been interested in Russian expertise in oil exploration. In October 2013, Bashneft was awarded the right to conclude a production-sharing contract for the onshore-block EP4 (which covers 841 square kilometres in central Myanmar), which was signed with Myanmar Oil and Gas Enterprise the following August.

For its part, Moscow does not expect much from its relationship with Myanmar but welcomes any support rendered. For example, like many other states, Myanmar supported Russia in 2014 at the UN on the resolution on combating the glorification of Nazism (which the United States rejected, while European countries abstained); Russia meanwhile supported Myanmar on the call to end country specific resolutions on human rights. More wide-ranging promises of political or other support were not apparent. Though Myanmar may play as some have argued, "a key role" in Moscow's Southeast Asia strategy,³⁶ economic relations

³⁶ Ludmila Lutz-Auras, "Russia and Myanmar-Friends in Need?", *Journal of Current Southeast Asian Affairs* 34, no. 2 (2015): 173.

also remain subdued. Bilateral trade in goods has fluctuated in recent years and declined to US\$113.9 million in 2013.³⁷

The nature of Russo-Myanmar ties highlights Myanmar's continued attachment to impartiality and non-alignment. For instance, Myanmar did not take a position on the Ukraine conflict and under its chairmanship, ASEAN also remained neutral on the issue. For its part, notwithstanding Moscow's growing alignment with China, Russia does little more than observe and analyse Myanmar's evolving great power relations. That said, Moscow has little interest in seeing Naypyitaw become a kind of swing state that would give ASEAN a more "pro-Western" or "pro-U.S." orientation. It thus supports and encourages Myanmar's diversification of its security partnerships. Similar to other states, Russian navy ships paid a multi-day port call in November 2013. While this suggests that Moscow enjoys similar attention in Naypyitaw compared to other countries keen on expanding military cooperation, Russia's future significance in this balance of political relations is also not guaranteed. As Lutz-Auras argues, the future success of Russia-Myanmar relations "relies on a continuation of arms trade, cooperation with ancillary energy security, and opportunities to intensify the support of the education and training sector".³⁸ For its part, Moscow is particularly keen to remain a source of military hardware for the *Tatmadaw*. During the Thein Sein presidency, the interest remained mutual. In June 2013, Commander-in-Chief Senior General Min Aung Hlaing travelled to Moscow where he reportedly visited a MiG jet fighter plant and other facilities for production of anti-tank missiles, air defence weapons and artillery shells.³⁹ This followed the reported use of Mi-24 attack helicopters in Kachin State. The *Tatmadaw*'s apparent interest in Kilo-class submarines has also reportedly been taken up with Moscow.⁴⁰ However, Myanmar's budget for procurement purposes is limited and progress in other areas

³⁷ The goal is to reach US\$500 million by 2017.

³⁸ Lutz-Auras, "Russia and Myanmar-Friends in Need?", p. 191.

³⁹ Yan Pai, "Burma and Russia to Increase Military Cooperation", *The Irrawaddy*, 21 November 2013.

⁴⁰ "Is Burma (Myanmar) Really Buying Submarines?", *Asian Defence News*, 29 January 2014.

may thus seem easier to achieve. In June 2015, for example, Myanmar's military leadership discussed with Russian Commander-in-Chief of the Land Forces, Colonel General Oleg Salyukov, exchanges and scholarships to allow Myanmar students to study military and medical sciences in Russia.⁴¹ The relationship with Russia will at least remain especially important as long as Myanmar does not benefit from U.S. security assistance programmes.

RELATIONS WITH THE UNITED STATES

Until the Obama administration assumed power in January 2009, U.S.-Myanmar relations had declined for about two decades: the military regime in power refused to countenance stepping aside in favour of the National League for Democracy, and Washington, over time, thus imposed more and more sanctions against the SPDC. In 2003, Washington halted imports from Myanmar to the United States which deprived Myanmar companies of several hundred million dollars in foreign trade, reducing economic interactions to limited American exports to the country. New U.S. investments into Myanmar had already been proscribed during the time of the Clinton administration. The robust support for Daw Aung San Suu Kyi throughout the time of the Bush administration, which was also strongly articulated and advocated in Congress, formed a major plank of Washington's then de facto policy of regime change.⁴² Myanmar's military leadership may in this period thus not have ever fully ruled out the possibility of the United States intervening even militarily. Given the international furor over both the referendum held to legitimize the 2008 Constitution and the planned 2010 elections, Myanmar's military leadership in 2008 was certainly concerned about the political impact of U.S. armed forces having a direct role in the response to Cyclone Nargis, as testified by its insistence that U.S. naval vessels would not be given permission to enter territorial waters to unload assistance to those

⁴¹ *Global New Light of Myanmar*, 1 June 2015.

⁴² See David I. Steinberg, "Myanmar and the United States: Closing and Opening Doors: An Idiosyncratic Analysis", *Journal of Social Research* 82, no. 2 (2015): 427–52.

affected by the disaster.⁴³ About a year and a half earlier, the military had been very eager to avoid the UN Security Council adopting a resolution on the situation in Myanmar, seemingly in part because it was believed that such a resolution might constitute the first step towards possible international intervention that would not allow the junta to complete its roadmap to democracy.

By the time the Obama administration took office in January 2009, both sides were interested in moving the bilateral relationship to a new level. The United States, keen to move beyond sanctions but still focusing on its aim to bring about political change in Myanmar, adopted a policy of “pragmatic engagement” that added a dialogue involving senior officials to the then low-ebb bilateral relationship. For its part, the SPDC was interested in international acceptance of its political roadmap and in restoring greater balance to its foreign relations in the future. Relations finally moved up several gears following the 2011 decision by incoming President U Thein Sein to embrace and implement a reform agenda that allowed the country’s political opposition to partake in the political process initiated by the previous military junta.

The United States supported the reform process in many ways, not least by easing significantly the scope of sanctions still in place. Up to Myanmar’s November 2015 elections, remaining sanctions included the import of gemstones, economic activity with persons and entities on the Specially Designated Nationals (SDN)-list and the continuing weapons embargo. Significant funds have been made available for supporting programmes. By boosting livelihoods and strengthening civil society, Washington has made important contributions to Myanmar’s ongoing transition. Certainly, numerous issues are still of concern to

⁴³ See, for instance, Scot Marciel, “Burma in the Aftermath of Cyclone Nargis: Death, Displacement, and Humanitarian Aid”, Statement before the Subcommittee on Asia and the Pacific, and the Global Environment of the House Committee on Foreign Affairs, 20 May 2008; Aung Zaw, “Burma Refusing Aid Because it fears U.S.-backed Coup”, *The Albion Monitor* <<http://www.albionmonitor.com/0806a/copyright/burmacyclonecoupfear.html>>; Andrew Selth, “Burma and the Threat of Invasion: Regime Fantasy or Strategic Reality?”, Regional Outlook Paper No. 17, 2008, Griffith Asia Institute.

U.S. officials. These have concerned above all, the role of the military in Myanmar's politics, the "peace process", and developments in Rakhine State.⁴⁴ While the Obama administration has touted the United States as a model for civil-military relations, the Thein Sein government resisted constitutional change that would allow for the kind of decisive break with Myanmar's past under military rule that is favoured by Washington. Also, the United States government has been concerned about the humanitarian consequences of the military campaigns conducted by Myanmar's military and the limits of dialogue pursued. On the situation in Rakhine State, the Obama administration has reminded Naypyitaw of its responsibility to protect, and pointed to ways considered likely to help integrate the self-identifying Rohingya population. Notwithstanding the issues of disagreement and controversy, by the time of the 2015 elections, U.S.-Myanmar relations boasted cooperative dimensions that were simply unimaginable only a few years ago. It is also notable how much support President Obama himself has given to what at the outset was a risky foreign policy move: In November 2012, President Obama visited Yangon while en route to the ASEAN Leaders Meeting in Phnom Penh to lock into the reform measures adopted and to boost the reformer's legitimacy. President Obama suggested then that if the Myanmar leadership followed the United States in promoting core freedoms judged fundamental to democracy, Naypyitaw would have "in the United States of America a partner on that long journey".⁴⁵ At the same time, it is noteworthy that the economic relationship has remained somewhat subdued, at least taking into account official figures. By 2015, the volume of bilateral trade still lagged far behind what it was before import sanctions were introduced by the United States in 2003. Also,

⁴⁴ See, for instance, Jürgen Haacke, "U.S.-Myanmar Relations: Developments, Challenges, and Implications", in *Myanmar: The Dynamics of an Evolving Polity*, edited by David I. Sternberg (Boulder, CO: Lynne Rienner, 2015), pp. 289–318.

⁴⁵ "Remarks by President Obama at the University of Yangon", 19 November 2012 <<http://www.whitehouse.gov/the-press-office/2012/11/19/remarks-president-obama-university-yangon>>.

U.S. foreign direct investment remains low in comparison to the other major powers.

Although a security partnership has been in the making, the United States and Myanmar under Thein Sein did not really get to take this forward. This is certainly the case if compared against the various advantages accrued by other regional states that benefit from access to security assistance programmes the United States offers to its security partners. The administration briefly tried to persuade Congress to appropriate funds for an E-IMET (Expanded-International Military Education Training) programme, but this was met with some resistance, so the idea was at least temporarily dropped. Indeed, legislation has set rather tight limits and conditions on military-military cooperation. The National Defense Authorization Act for Fiscal Year 2015, for instance, delimited the scope of authorized DOD activities in relation to Myanmar to consultation, education, and training in areas such as the following: human rights, the laws of armed conflict, civilian control of the military, rule of law as well as with respect to English language, humanitarian and disaster relief, and improvement to medical and health standards. The legislation also authorizes courses or workshops on defence institution reform, observer status to bilateral or multilateral humanitarian assistance and disaster relief exercises, as well as aid or support in the event of a humanitarian or natural disaster.

That said, contacts involving Myanmar defence officials and military officers are increasing, partly as a result of the training offered by the U.S. Defense Institute of International Legal Studies; and the participation by the United States and Myanmar in multilateral defence dialogues and regional security fora. The United States has also endorsed Myanmar observing aspects of the Cobra Gold exercises. In addition, bilateral second-track dialogues have been organized in some security fields such as non-proliferation. In other words, though it circumscribed the parameters of military engagement, the legislation has also allowed for contact points. U.S. officials have regularly intimated that Myanmar is interested in receiving more wide-ranging security assistance. However, deeper military engagement will be left for some point in the future. The major developments in Myanmar, including further political changes, that

seem necessary before a decision in favour of such engagement would be made in Washington could clearly not be expected under President Thein Sein. Consequently, notwithstanding concerns in China about the United States using Myanmar to contain the PRC, Naypyitaw and Washington have not come anywhere close to agreeing on strategic alignment; even their bilateral security partnership remained embryonic under the Thein Sein government. A key question is how the Myanmar-U.S. relations will develop given Daw Aung San Suu Kyi's landslide victory in the 2015 legislative elections.

THE OUTLOOK FOLLOWING THE 2015 ELECTIONS

In rhetorical terms, there is no real prospect that Myanmar's incoming democratically elected new civilian government will not continue to subscribe to non-alignment. True, the National League for Democracy (NLD) only committed to an active and independent foreign policy in its party political programme.⁴⁶ But already in the immediate aftermath of the 2015 elections Daw Suu remarked that Myanmar's non-aligned foreign policy has had significant success since independence.⁴⁷ This matters since she made clear for months that she would in effect be heading the next government, which will formally be led by incoming President Htin Kyaw, and because she is slated to become foreign minister. In addition, the security environment in which Myanmar operates is on the whole much more benign than that of the 2000s. Strategic alignment with a major power would also require the support of the powerful military that will continue to exert significant influence in relation to Myanmar's national politics and defence, not least on the

⁴⁶ NLD 2015 Election Manifesto, authorized translation, p. 8.

⁴⁷ Radio Free Asia, "Interview: Aung San Suu Kyi says 'It's Not Finished Yet'", 11 November 2015; Lally Weymouth, "Aung San Suu Kyi: 'I'm going to be the one who is managing the government'", *Washington Post*, 19 November 2015.

National Defence and Security Council where one would expect such policy issues to be decided.⁴⁸ While the military did align with China temporarily in the past, albeit in only a limited way, its leadership would probably not have done so had the security challenge in question not involved the UN Security Council. Indeed, Myanmar's leaders have not ever opted to strategically align when faced with significant security or military challenges, in contrast to other members of ASEAN. Instead, the military has, for decades, relied on its own political and military means to weaken, if not defeat, armed groups within the country. This was so even if these benefitted from external support, including in those instances when such support was considerable. In the context of Myanmar's recent difficulties in removing the MNDAA and China's resort to coercive diplomacy, Naypyitaw certainly also contained its concerns and has appeared focused on rebuilding the relationship with Beijing, notwithstanding rekindled suspicions and growing alienation. This suggests that even if the situation on the Sino-Myanmar border were to escalate significantly in the coming years, which is not currently a likely scenario, external alignment is unlikely to be sought.

What is arguably less clear, however, is how strong the evolving relationships with the major powers will become under the new government — short of strategic alignment. In this regard, there are reasonable prospects for U.S.-Myanmar ties to deepen significantly, including their security partnership, even though some of the country's key challenges may still first need to be addressed and managed effectively by the incoming NLD-government, such as Buddhist nationalism, the peace process and especially the situation in Rakhine State, which U.S. diplomats believe will require a longer term effort to address satisfactorily. The United States also has concerns about Myanmar's apparent lingering relationship with North Korea.⁴⁹ That said, the U.S. military seems ready

⁴⁸ At the end of 2015, a draft bill was circulated among members of the Upper House that aimed to curtail the role of the President with respect to decision-making by the NSDC.

⁴⁹ Mizzima, "Exclusive Interview: US Ambassador discusses, Suu Kyi victory, peace in the ethnic states, and North Korea", 8 January 2016.

to move forward on military engagement if called upon. Senior military personnel may already have sought to justify deeper military engagement by remarking how much regional support Washington has received on this issue. However, members of Congress with a particular interest in Myanmar would still appear to feel that while the country's continued reforms should be supported, the United States should maintain some leverage over Myanmar's military and hence not proceed with deeper forms of military engagement, at least for the time being. For her part, Daw Suu has supported the professionalization of the *Tatmadaw* and remains eager to see it come under civilian control.

In the meantime, with Aung San Suu Kyi set to lead the next phase of political, economic and other reforms, the Obama administration is likely to want to still play a strong supporting role to assist the NLD-led government in meeting the many expectations for change held by the people of Myanmar (and internationally). This raises questions about the extent to which and how Washington addresses the remaining sanctions though, not least the issue of the SDN-list. Following the 2015 elections, the Obama administration decided to issue a general licence in order to circumvent problems linked to applications of existing sanctions legislation — specifically concerns relating to the use of critical infrastructure — given their counterproductive effects on bilateral trade ties and U.S. political objectives in Myanmar.⁵⁰ Significantly, the Senate thereupon passed a resolution that encourages the President to ensure that any changes in U.S. policy towards Myanmar, including the relaxation of any restrictions, are aligned with support for genuine democratic transition.⁵¹

While one might expect Myanmar-U.S. relations to strengthen, a government under the direction of Daw Suu should also be expected to

⁵⁰ See James Hookway and Samuel Rubinfeld, "U.S. Temporarily Lifts Trade Restrictions on Myanmar", *Wall Street Journal*, 7 December 2015; Derek Tonkin, "Caveat Investor", *Nikkei Asian Review*, 18 November 2015 <<http://asia.nikkei.com/Viewpoints/Viewpoints/Myanmar-caveat-investor>>.

⁵¹ Senate Resolution 320, introduced 19 November 2015, Congressional Record — Senate S8165-66. The resolution was agreed in December.

adopt a China policy that aims to move the bilateral relationship back to a higher level. Daw Suu's visit to China in June 2015 will have enhanced her insights into Chinese sensitivities and expectations as regards bilateral ties. To date, the NLD leader has indicated that she wants a positive and friendly relationship with Beijing. Following the NLD victory in the parliamentary elections, Daw Suu hosted the Chinese ambassador even before meeting with his Russian and European counterparts. She has explicitly welcomed foreign direct investment from China, while pointing out that it was up to Chinese companies to win the trust of the Myanmar public. Daw Suu has also spoken positively about China's One Belt One Road strategy, although she too seems concerned about the extent to which Myanmar would benefit.⁵² This suggests that the relationship with China as defined by an NLD-led government would be based on interpretations of Myanmar's national interest that may not be altogether different from the yardsticks employed by the Thein Sein government. Still, the consensus among policy-makers seems to be that China can play a positive role in Myanmar's development. Myanmar's outgoing lawmakers thus supported the award of contracts to consortia led by CITIC to build a deep sea port on the Bay of Bengal and to develop an industrial zone in the context of the establishment of the Kyaukphyu SEZ. For its part, China's government is looking forward to working with an "NLD-led" government but will continue to be wary of indications of a significant further strengthening of U.S.-Myanmar relations.⁵³

A deepening of Myanmar's other existing partnerships is also possible, not least with India, a country Daw Suu has called her "second home". But it is not yet clear how the past will influence the new democratic government of Myanmar in its relations to India, Japan and Russia. Significant changes to Naypitaw's relations with these major powers in

⁵² "Myanmar to continue friendly policy toward China: Aung San Suu Kyi", *China Daily*, 18 November 2015.

⁵³ Some analysts believe that China would react strongly to Myanmar deviating from non-alignment. See Yun Sun, "A New Era for China-Myanmar Relations", *The Diplomat*, 9 December 2015 <<http://thediplomat.com/2015/12/a-new-era-for-china-myanmar-relations/>>.

terms of the general substance of these relations or the quality of their respective security partnerships should not be expected.

CONCLUSION

Myanmar's practice of alignment has for the most part been one of non-alignment, with the arguable exception of a short period primarily in the 2000s. Under Thein Sein, however, Myanmar's foreign policy was once again consistently and clearly guided by the principle of non-alignment. In substantive terms, the government's focus on strategic autonomy has been accompanied by efforts to diversify and balance the country's external relationships. The increasing economic and political dependence on China has thus been largely reversed. However, the relationships that the Thein Sein government had forged or continued to maintain with the major powers over the last five years clearly differed in depth. This also applies to the security partnerships that Myanmar and these major powers have been developing. Although the new government, in terms of values held by its civilian representatives, promises to be closer to Washington, we should not expect Myanmar's preference for non-alignment to be abandoned. Instead, we should expect Myanmar to continue to balance its relations with major powers and to build bilateral partnerships with them based on calculations of the country's many and diverse objectives and interests.

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