

POLITICAL MONITOR NO. 19

OFFICIAL MEDIA

PRESIDENT THEIN SEIN GIVES STATE OF THE UNION ADDRESS

In a nationally televised address on 19 June, President Thein Sein announced that since coming to office his government has worked for political reforms and national reconciliation, but would now be turning its attention to economic reforms. In what has been regarded as a state of the union address, the President unveiled his “second wave of reforms” aimed at removing the role of the state in several important industries, including telecommunications, electrical power, forestry, health and financial matters, which also include measures to liberalize the economy.

The President said the government's budget alone would not be enough to achieve its goals and he highlighted the need for more foreign help in terms of aid, grants, loans and expertise to reduce poverty and boost the economy. He also signaled that a more open procedure for the wider category of assets under consideration and the Foreign Investment Law would soon be passed by parliament to aid the process.

A "privatization commission" will be set up to review and reform the existing rules and regulations and later promote private investment in key sectors currently dominated by the state. He also cautioned against investment which would harm the environment or the social economy.

Regarding the issue of development, President Thein Sein said that the Central Committee for Management of Foreign Grants/Aids, the Work Committee and the National Economic and Social Advisory Council could assist in the effective management of foreign grants/aid and also give necessary guidelines. In addition, ministries and Region/State governments should carefully consider priority sectors and regions where grants/aid are required, and ensure that development goals and reform strategies are in line with serving the interest of the country and people and that a bottom-up approach is to be widely applied rather than from the top-down.

On land issues, the President announced the establishment of a Land Allocation and Utilization Scrutiny Committee for Urban Development Projects and Investment Projects to formulate land use policies in line with existing laws, rules and regulations. The concerned authorities will need to submit proposals for land allotment and utilization for development projects for the committee's approval.

In addition, the President announced the formation of a National Management Committee to oversee the energy sector and implement short and long-term energy objectives in compliance with the National Energy Policy.

While his address was focused on politics, the President alluded to the recent sectarian violence in Rakhine State and urged the public to work together in the interest of the country's development.

In concluding remarks, President Thein Sein said that workshops are crucial for sector- and region-wise development and to address solutions for and challenges of the local populace. However, the respective region and state governments and parliaments should focus on and prioritize sectors and areas for regional development, rather than taking considerable time presenting regional development needs including the maintenance of roads and bridges to the Pyidaungsu Hluttaw. He also called on for the emergence of good governance and clean government in order to have transparency between government institutions and the people, in addition to close coordination between MPs and all stakeholders in drafting development goals. And finally he urged averting demonstrations and protests by resolving issues of the people at the lower level on the spot and at the regional workshops democratically and systematically.¹

¹ Job opportunities, income can be increased and triple growth realized only if current volume of financial investments be doubled / All must trim down uneconomical and redundant enterprises and cut expenses, while shrinking State-own business sector and encouraging privatization / President invites successful economists, experts, businessmen doing well overseas to join hands with government for national development – <http://www.burmalibrary.org/docs13/NLM2012-06-20.pdf> (NLM) 20 June 2012 (p. 1, 8 & 9)

FOREIGN MINISTER VISITS CHINA

Foreign Minister Wunna Maung Lwin led a delegation to China from 9 to 14 June at invitation of Chinese Foreign Affairs Minister Yang Jiechi. The Minister met his Chinese counterpart as well as Vice-Premier of the State Council of China Mr Li Keqiang on 13 June, where they exchanged views on developments in bilateral relations and economic cooperation and also discussed regional and international issues in a frank and cordial manner. Vice-Premier Li Keqiang reiterated the need to accelerate the Comprehensive Strategic Cooperative Partnership Relations based on the traditional Pauk-Phaw relations between the two countries. He also emphasized the need to promote mutual cooperation between China and Burma and pledged that the Chinese government's continued support towards the on-going reform process in Burma.²

BELGIUM MINISTER FOR ECONOMY AND FOREIGN TRADE VISITS BURMA

Belgian Minister for Economy, SMEs, Foreign Trade and New Technologies and Vice-President of Wallonia Region Jean-Claude Marcourt met Burmese ministers and held discussions on promoting bilateral cooperation between Belgium and Burma. Minister Marcourt met Minister for Agriculture U Myint Hlaing on 15 June and discussed cooperation in the sector of technologies for development of agricultural sector, making investments in the export of value-added industrial crops, paddy, and vegetables, cooperation of research and development between Agricultural Universities of Belgium and Burma. He also met Economic and Development Minister Tin Naing Thein and discussed matters on trade and investment commodity transport and development of the infrastructure. Key areas of interest for the visiting delegation included steel industry, agro-based and livestock-based production, ship building, rail transportation, monetary and banking services and automobile manufacturing.³

HIGH RANKING MILITARY OFFICIALS AND GOVERNMENT MINISTERS TOUR AREAS AFFECTED BY SECTARIAN VIOLENCE

Lt-Gen Hla Min of the Commander-in-Chief (Army) office accompanied by government ministers toured the townships of Ponnagyun, Yathedaung, Kyauktaw and Pauktaw townships in Rakhine State from 16-18 June and met those affected by the recent sectarian violence. On 16 June, Minister for Border Affairs Lt-Gen Thein Htay visited 9 ethnic and Bengali villages in northern Maungtau Township and called on the villagers to draw lessons from the recent unrest and to prevent it from reoccurring. Minister for Border Affairs Lt-Gen Thein Htay also visited relief camps in Buthidaung and Maungdaw townships and Aungthaybyay village near the Bangladesh border on 17 June and met 828 displaced persons who had taken refuge there. He also gave instructions for the resettlement of 484 displaced villagers at Alethankyaw relief camp and to rebuild 367 destroyed houses from 7 local villages which had been destroyed. Due to the unrest and violence, 50 people were killed, 54 injured, 78 riots took place and 2,230 houses and buildings destroyed by fire, during the periods from 28 May to 14 June.⁴

Country has been introducing market-oriented economic system while striving for national development / Fresh mind-set and procedures in reform process, necessary to fulfill basic needs of people and improve socio-economic status – <http://www.burmalibrary.org/docs13/NLM2012-06-20.pdf> (NLM) 20 June 2012 (p. 16 & 10)

Every State actor focuses on exploiting foreign assistance for national development and regional development no matter what move is behind the assistance / Government has targeted to treble current per capita income of people / Plans that would be economical and benefit state and people are to be chosen when ministries and Region/State governments get loans for development –

<http://www.burmalibrary.org/docs13/NLM2012-06-21.pdf> (NLM) 21 June 2012 (p. 1, 8 & 9)

² Union Foreign Minister visits People's Republic of China –

<http://www.burmalibrary.org/docs13/NLM2012-06-16.pdf> (NLM) 16 June 2012 (p. 8)

³ Union A & I Minister meets Belgium guests –

<http://www.burmalibrary.org/docs13/NLM2012-06-16.pdf> (NLM) 16 June 2012 (p. 9)

Union NPED Minister receives Belgium, Swiss delegations –

<http://www.burmalibrary.org/docs13/NLM2012-06-16.pdf> (NLM) 16 June 2012 (p. 9)

⁴ Lt-Gen Hla Min of Commander-in-Chief (Army) Office, Union Minister for Border Affairs, State Chief Minister on tour of Ponnagyun, Yathedaung, Kyauktaw, Pauktaw –

UNOFFICIAL MEDIA

KIO NO LONGER OUTLAWED

The Kachin Independence Organization (KIO), which has been fighting the Burmese government for decades, has had its status as an outlawed organization withdrawn. The announcement was made by Kachin State Chief Minister La John Ngan Hsai on 21 June under instructions from the central government in Nay Pyi Taw. According to KIO member Hseng Aung, the order was given to effectively repeal Article 17/1 of the Unlawful Associations Act (1908) which dates back to British colonial times and has been used to justify the arbitrary arrest of anyone suspected of supporting anti-government organizations or ethnic armed groups. The rescission of the constitutional article, whether as a de jure act in Parliament or as a de facto policy will have an immediate bearing on 49 ethnic Kachins who are currently detained under 17/1, accused of being KIO supporters or sympathizers. Government chief negotiator U Aung Min, who is Kachin State for peace talks, said the decision to remove the KIO as an outlawed organization was a positive development, since it had been one of the key demands of the KIO during the recent negotiations.⁵

80 UNCONFIRMED DEAD IN RIOTING IN RAKHINE STATE

An unconfirmed report says as many as 80 people may have been killed in the widespread violence in Burma's western Rakhine State in June. The latest figure came from a government official in Sittwe who was not named in an article by Reuters. The official said about 71 people have died in sectarian clashes so far this month, in addition to 10 Muslims killed on June 3 by a Buddhist mob seeking revenge for the rape and murder of a local woman, which started a series of bloody reprisals. The official reported that the bodies of 8 more ethnic Rakhines were found in the village of Yathedaung (about 40 miles from the state capital Sittwe), adding that "these people were killed by Bengalis."

About 800,000 Rohingya live in Burma, according to the United Nations, which describes them as one of the world's most persecuted minorities. Bangladesh, where an estimated 300,000 Rohingya live, has been turning back Rohingya boats arriving on its shores since the outbreak of the unrest. Rohingya leaders say the real number of dead could be much higher than the figures cited by authorities. The government has declared a state of emergency and instituted a curfew.⁶

GOVT LAUNCHES INVESTIGATION INTO SECTARIAN RIOTS

A union-level investigation team has launched a probe into the killings of 10 Muslim pilgrims in Rakhine state's Taunggyok town by a mob, which was one of the precursors to the sectarian riots that erupted in western Burma earlier in June. The investigation team led by the Deputy Minister of Home Affairs was formed five days after the mob attack in Taunggyok on 2 June that left 10 Muslims dead in retaliation for the rape and murder of an Arakanese girl by 3 Muslim youths in Ramee Township. A resident in Taunggyok said the team has been questioning civilian and military officials who witnessed the assault as well as individuals who appear in the photos that were taken during

<http://www.burmalibrary.org/docs13/NLM2012-06-18.pdf> (NLM) 18 June 2012 (p. 1 & 8)

Union Border Affairs and MID Minister inspects situation in Buthidaung, Maungtaw –

<http://www.burmalibrary.org/docs13/NLM2012-06-18.pdf> (NLM) 18 June 2012 (p. 16)

Union Border Affairs and MID Minister visits villages in northern Maungtaw Tsp –

<http://www.burmalibrary.org/docs13/NLM2012-06-17.pdf> (NLM) 17 June 2012 (p. 1 & 8)

Union Minister on inspection tour of villages in southern Maungtaw Township –

<http://www.burmalibrary.org/docs13/NLM2012-06-16.pdf> (NLM) 16 June 2012 (p. 1)

Security, peace and stability in Rakhine State bounce back / Only two riots break out on 14 June –

<http://www.burmalibrary.org/docs13/NLM2012-06-16.pdf> (NLM) 16 June 2012 (p. 2)

⁵ KIO No Longer Outlawed – <http://www.irrawaddy.org/archives/7457> (Irrawaddy) 21 June 2012 /

The Unlawful Associations Act. [India Act XIV, 1908.] (11th December 1908) –

<http://www.blc-burma.org/index.php?q=node/143> (Burma Lawyers' Council)

⁶ 80 unconfirmed dead in Burmese rioting this month –

<http://mizzima.com/news/inside-burma/7371-80-unconfirmed-dead-in-burmese-rioting-this-month.html> (Mizzima) 21 June 2012

the attack. “The team has been investigating the incident for about five days. They were collecting testimonies from about 50 to 100 witnesses,” said the Taungkok resident. The team is to present their findings to President Thein Sein by the end of June.⁷

MON TO PREPARE FOR 2015 ELECTIONS

In a bid to improve its chances of winning parliamentary seat to represent the ethnic Mon community living in Rangoon in the 2015 elections, the Mon Literature and Culture Committee (MLCC) has decided to correct the census lists and identification cards of Rangoon-based Mon. In the 2010 elections, Mons living in Rangoon were unable to vote for a Mon party since because the Rangoon Division of the Immigration Office said that the number of Mon people residing in the city did not reach 57,000 (or 0.1 percent of the population) as required by the Election Commission. The MLCC has estimated that there are about 100,000 Mons living in Rangoon, and that due to errors of the Rangoon immigration officials, their ethnicity has been incorrectly entered as “Burmese” on voting IDs. MLCC Chairman Nai Min Thaug Shin said that they would collect the details and correct the lists at the immigration office, and hope to finalize the project before 2014.⁸

PEACE TALKS POSTPONED DUE TO RAKHINE VIOLENCE

One of the after effects of the more than a week-long sectarian violence in Burma’s Rakhine state was the government’s postponement of peace negotiations with at least 3 of the armed movements that have already concluded ceasefire pacts with Nay Pyi Taw, according to sources inside Shan State. The United Wa State Army (UWSA), the first group to reach a ceasefire agreement after President Thein Sein offered peace talks on 18 August, was due to leave for Naypyidaw on 15 June, when it was informed by the government the planned meeting would have to be put off until further notice, said a source close to the Wa leadership. Similarly, the National Democratic Alliance Army (NDAA) and the Shan State Progress Party/Shan State Army (SSPP/SSA) also received similar notifications regarding the postponement of the scheduled meetings.⁹

ANALYSIS

President Thein Sein’s state of the union address announced the next phase of the reform package which is to be implemented by his government. His speech outlined the need to concentrate on financial and economic changes in the country according to the needs of the state and people, which is a departure from the past where the needs of the people were not a factor. The creation of national institutions to monitor government projects, foreign aids/grants and drawing up of energy policies, are also reflections of the President’s willingness to acknowledge and address important issues which have been neglected in the past and which degraded the Burma’s economy. Whether his second wave of reforms will deliver the much needed boost to economic development or become simply another set of guidelines remains to be seen. While the focus of the speech was centred on the economy, the President reiterated the need to continue the national reconciliation process in the wake of the recent unrests in the Rakhine State. Significantly, his concluding remarks urging region/state government officials to handle local issues in an effective and democratic manner can be seen as a push to further promote decentralization. Whether or not the words of the President will be translated into reality will very much depend on those serving in the regional and state governments and institutions. In the past, officials at the region/state levels have carried out orders but now they will be required to make decisions on their own to address local issues. Therefore, the introduction of his second wave of reforms in Burma will not only become a challenge but provide opportunities to practise democratic principles at various levels of government.

⁷ Gov’t launches investigation into mob attack –

<http://www.dvb.no/news/gov't-launches-investigation-into-mob-attack/22569> (DVB) 21 June 2012

⁸ Mon to Prepare for Ethnic Constituency in Rangoon – <http://www.kaowao.org/2012news-June-21.php> (Kaowao) 21 June 2012

⁹ Rakhine violence aftershock: Peace talks postponed –

http://www.english.panglong.org/index.php?option=com_content&view=article&id=4732:arakan-violence-aftershock-peace-talks-postponed&catid=85:politics&Itemid=266 (Shan Herald) 18 June 2012