Prospect of Myanmar's Rapprochement
Relations with the United States
in International and Regional Context

Presented by
Swe Sett
51212613
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Introduction

• 8.8.88 Pro democracy movement
• In 2007, the Saffron Revolution
After the military coup government crackdown on Burma democratic opposition in 1988 and its failure to honour the results of the 1990 parliamentary election, bilateral relations between the United States and Myanmar strained and declined (US Department of State, 2012).
• US has downgraded the level of diplomatic representation in 1990.

• In 2009, the United States launched a new policy principled engagement.

• The new Myanmar civil government led by President U Thein Sein has implemented a series of reform efforts.

• US has demonstrated an “action-for-action” strategy to respond to the reforms (US Department of State, 2012).
Research Problem

• Myanmar declined in position in international relations and became an isolated country.
• The current rapprochement relations has to be maintained for future development of nascent Myanmar.

Research Objective

• To find out the determinants and effectiveness of the progress of bilateral relations between the United States and Myanmar.
Research Question

What are the Myanmar and the United States expectations for the improvement of their bilateral relations?

Research Methodology

• Qualitative historical research
  ➢ Document Analysis, Research interviews
Theoretical Framework

Before 2011

Limited bandwagoning
Engagement
Soft balancing

After 2011

Hedging

Source by author
Southeast Asia

Mainland Southeast Asia, which is also known as Indochina, consists of Cambodia, Laos, Myanmar, Thailand, Vietnam and Peninsular Malaysia.

Maritime Southeast Asia comprises Brunei, Malaysia, East Timor, Indonesia, Philippines and Singapore (Southeast Asia, 2013).

(The image of Southeast Asia, 1997).
• Historically, the region had been influenced and ruled by outside power, such as Britain, Portugal, Spain, Dutch, France, the United States and Japan.

• During the period of World War II, Southeast Asia countries, except Thailand, were colonized by Japan.

• After World War II, when Japan surrendered on August 1945, all Japan's conquests in South East Asia were returned to their former rulers.
Maritime Southeast Asia, which situated at the strategic crossroads of the Indian and Pacific Oceans, plays a vital role in securing global trade flows (Denmark & Kliman, 2011).
• Mainland Southeast Asia, which situated in the southwestern region of China, became as an important region of China for its security.

• The Mainland Southeast Asia has been become a new engagement site of the United States to limit the great power activities in the region (Grinter, 2006).
Major Powers and Southeast Asia

- United States and Southeast Asia
- China and Southeast Asia
- Japan and Southeast Asia
- Russia and Southeast Asia
- India and Southeast Asia
- United Kingdom (UK) and Southeast Asia
United States and Southeast Asia

• One of the facts of the United States global strategy in the Cold War was consequentially contained in the political and economic development of Southeast Asia region (Weatherbee, 2009).

• During the Bush administration, the United States' awareness of rising China had risen and the United States gave increased attention to ASEAN regionalism.
• In the time of Obama administration, the Asia-Pacific has become a key driver of global politics and the United States has characterized "a U.S pivot toward the Asia-Pacific" (Clitan, 2011).

• China's dramatic growth in economic, diplomatic and military might has been influenced in the region of Southeast Asia arose the United States' attention to Southeast Asia.
China and Southeast Asia

• China believes that Southeast Asia is a strategic outpost for its security.

• The mainland Southeast Asia which shares border with southwestern provinces of China is indeed the back yard and doorstep that could effectively undermine the stability of China.

(The image of Southeast Asia, 1997)
• China does not want to see any anti-China power to have a foothold in the region.

• The United States involvement in the Southeast Asia region prodded as a challenge to China's strategic blueprint for the region.

(The image of U.S. hegemony, 2009)
Myanmar Foreign Policy and International implications

- 1948 to 1962  Positive Neutrality
- 1962 to 1971  Independent and Non Aligned Policy
- 1971 to 1988  Independent and Active Foreign Policy
- 1988 to 2011  Confirmation of Independent and Active Foreign Policy
- 2011 to present  Independent, active and non-aligned foreign policy
Major Powers and Myanmar

- United States and Myanmar Relations
- China and Myanmar Relations
- Japan and Myanmar Relations
- Russia and Myanmar Relations
- India and Myanmar Relations
- United Kingdom and Myanmar Relations
- ASEAN and Myanmar Relations
United States' Policy toward Myanmar

• The United States is one of the country which recognized Myanmar independence in 1948.

• 1948 to 1953, The United States provided an economic assistance programme to Myanmar.

• Burma refused the United States's assistance and this aid was terminated in 1953 due to KMT issue.

• 1974 to 1988 : United States provided the humanitarian aid and military assistance programme to Myanmar (Yawnghwe, 2010).

• After 1988, bilateral relation between two countries dropped to the lowest level.
China's Policy toward Myanmar

- Myanmar became the first non-Communist and an Asian nation to recognize the new Chinese government on 18 December 1949 (Burma, 1949).

- The relations between China and Myanmar was generally declined:
  - The Kuomintang (KMT) issue: 1950 to 1961
  - The anti-Chinese riots issue which broke out in Rangoon on 26 June 1967
  - China supported the Communist Party of Burma.
• The warm and cordial relations between China and Myanmar has been creating in 1988.

• Myanmar faced with international condemnation and pressure. Hence, the Myanmar military government sought to cultivate a strong relationship with China. China's influence grew rapidly after the international community abandoned Myanmar (Geng, 2006).

• In the last two decades, China has emerged as an important ally in Myanmar.

• In the period of Myanmar's military government, the relationship between two countries reached the highest.
Major Powers and Myanmar
The Turning Point:


- ‘Pragmatic engagement" : “action-for-action” strategy (US Department of States, 2009).
• The dramatic visit of Hilary Clinton, the Secretary of States of the United States, on 1 Dec 2011.

The historic working visit of Mr. Barack Obama, the President of the United States, on 19 Nov 2012.
• United States eased some of its financial sanction on July 11, 2012

• Terminated the visa ban of some Myanmar government officials on May 2, 2013.

• European Union (EU) permanently ended sanctions against Myanmar on Monday, April 22, 2013.

• June 18, 2013, the International Labour Organization (ILO) lifted all restrictions on Myanmar.

• Japan cancelled overdue charges of Yen loan 176.1 billion.

• Japan provided Yen 51 billion in fresh loans to help develop Myanmar's infrastructure as well as up to Yen 40 billion in grant and technical assistance.
Myanmar GDP Growth

Economic growth is forecast to rise gradually to 6.5% in FY2013 and 6.7% in FY2014

<table>
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<tr>
<th>Year</th>
<th>%</th>
</tr>
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<tbody>
<tr>
<td>2008</td>
<td>3.6</td>
</tr>
<tr>
<td>2009</td>
<td>5.1</td>
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<tr>
<td>2010</td>
<td>5.3</td>
</tr>
<tr>
<td>2011</td>
<td>5.5</td>
</tr>
<tr>
<td>2012</td>
<td>6.3</td>
</tr>
<tr>
<td>2013</td>
<td>6.5</td>
</tr>
<tr>
<td>2014</td>
<td>6.7</td>
</tr>
</tbody>
</table>

Sources: International Monetary Fund; ADB estimates.
Foreign investment approvals

The number of foreign firms granted investment approval rose to 62 in April–December 2012, well above the total for the 3 previous fiscal years.

Note: Data in FY2012 cover April–December 2012 only.

Source: Central Statistical Organization.
Tourism

Tourist arrivals and earnings from tourism have climbed as the country opened up after decades of isolation.

<table>
<thead>
<tr>
<th>Year</th>
<th>International tourists (Thousand arrivals)</th>
<th>Revenue from tourism ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>193.3</td>
<td>165.0</td>
</tr>
<tr>
<td>2009</td>
<td>243.3</td>
<td>196.0</td>
</tr>
<tr>
<td>2010</td>
<td>310.7</td>
<td>254.0</td>
</tr>
<tr>
<td>2011</td>
<td>391.2</td>
<td>319.0</td>
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<tr>
<td>2012</td>
<td>593.4</td>
<td>534.0</td>
</tr>
</tbody>
</table>

Note: Excludes border tourism.

Source: Ministry of Hotels and Tourism.
• The United States' Myanmar policy review in 2009 did not immediately threaten to China.

• China faced an unexpected shock after Myanmar President suspended the massive Myitsone hydropower project in Kachin State of Myanmar in 30 September 2011 (President has sent a message, 2011).

• The rapid improvement of Myanmar's relationship with the West, especially with the United States, fundamentally shook Beijing's previous understanding of Myanmar.
Field Trip Research interviews:

Mr. Gao Mingbo
First Secretary
Political and Information Section
Embassy of the People’s Republic of China
Mr. Hisanaga Tomioka
Counsellor
Embassy of Japan
The Diplomats from Myanmar
Conclusion

• Although, China initially believed that the Myanmar new government would not deviate from former military government's path, China caught by surprise due to US-Myanmar rapprochement.

• The rebalancing of Myanmar's foreign relationships with the United States to date, doesn't aim to part from China, Myanmar's closest neighbouring country.
• According to its geopolitical reality, Myanmar's best strategy always lies in seeking a balanced diplomacy among big powers.

• Therefore, Myanmar will have to recalibrate its relationship with the United States, China and other regional countries, such as Japan, India and ASEAN member countries.
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President has sent a message. (2011, September 30). The New Light of Myanmar, p. 1 & 7


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