

Royal University of Law and Economics

Final Report on

Myanmar's Foreign Policy towards China since Democratic Reform

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ABSTRACT

This paper has described the foreign policy, political situation, and economic reform of Myanmar since the reformation to become a liberal democracy country from the period of 2011 to 2016 under newly elected government, known as Union Solidarity and Development Party (USDP). This paper will look at factors that contributed to this reformation which included the relations of China-Myanmar, opportunity, challenges, and perspective of Myanmar toward China since the democratization began to reform. More importantly, after the reformation, the new government of USDP has pronounced a new foreign policy objective of integrating Myanmar into the international community as well as define their foreign policy realignment strategy with China as well as other western countries specifically international stages, for example, the United States. Plus, Myanmar's international relations strategy, focused within the Asian region, is also designed to complement its domestic policies in pursuit of stability, unity and peaceful development.

Keywords: Political and Economic Reform, China-Myanmar Relations, and Foreign Policy

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List of Abbreviations

ADB:	Asian Development Bank
ASEAN:	Association of Southeast Asian Nations
CBM:	Central Bank of Myanmar
CPC:	Communist Party of China
DAC:	Development Assistance Committee
ESIA:	Environmental & Social Impact Assessment
EU:	European Union
FDI:	Foreign Direct Investment
FESR:	Framework for Economic and Social Reforms"
GDP:	Gross Domestic Product
GNP:	Gross National Product
Hluttaw:	Unicameral Legislative Assembly
IFIs:	International Financial Institution
KA:	Kokang Army
KIA:	Kachin Independence Army
MNCs:	Multinational Corporations
MNDA:	Myanmar National Democratic Alliance Army
MOFA:	The Ministry of Foreign Affair
NLD:	National League for Democracy
OECD:	Organization for Economic Cooperation and Development
Pyidaungsu Hluttaw:	the Union Legislative Assembly
Pyidaungsu Hluttaw:	Union Assembly
SEZs:	Special economic zones

SLORC:	State Law and Order Restoration Council
SPDC:	State Peace and Development Council
SSEs:	State-owned Economic Enterprise
UNSC:	United Nations Security Council
USDP:	Union Solidarity and Development Party

Introductions

Overview

It's such a long story to describe the storyline of Burma from the past to current Myanmar. Things have turned out to be so complicated since the British colonial period. Myanmar, a country that is located in Southeast Asia, formerly known as Burma. In response to a widespread breakdown of government authority, the country changed its name from Burma to the Union of Myanmar on 18 June 1989. It is the second largest country after Indonesia among other nine members of the Association of Southeast Asian Nations (ASEAN). A throwback to the year of 2010, Myanmar has seen as an unprecedented political opening in recent years after the general election took place. Had been suffering in freedom of movement, censorship restricted, political participation, Myanmar gradually recovered itself from step to step after the Union Solidarity and Development Party (USDP) government, led by President U Thein Sein, took power. The cornerstone of Myanmar openness foreign policy with the fundamental principle of independence, activism, and non-alignment. To improve and strengthen the country economy, Myanmar has built their foreign relations with both regionally and internationally included bilateral and multilateral agreement, which enable to connect to the international community while the fundamental principle has addressed clearly as it's to be neutral. Under U Thein Sein leadership, this country has opened up the door to grab opportunities from the cooperation country of China in the economy, trade, diplomatic relations and more. However, some challenges appeared in China and Myanmar relationship as both countries had a different expectation. Whatsoever, in the point of Myanmar's view about its stance on particular countries is still unpredictable.

1. Research Problem:

The complicated background, history, and politic after the Pagan Kingdom had fallen, and during and after the military dictatorship. The availability of sources of the military junta government information are quite difficult to analyze and research.

2. Objectives of Research:

- To study about Myanmar's political transition from military and authoritarian dictatorship to democratic
- To explore the **Foreign Policy** as well as International relations between Myanmar and China

3. Significance of Research

We choose this topic to be our research because we would like to go deep inside the foreign relations between one sovereign state member of ASEAN and powerful country in Asia pacific region specifically China. Also, this research could be one of the main guide for the next generation student of International Relations major to learn about foreign policy as well as the political situation in Myanmar during the period of time.

4. Organization of Research or Scope of Research:

A brief history back from the Pagan Kingdom to the transformation of Myanmar government in military dictatorship to civilian government during 2011 to 2016 under USDP administration.

5. Research Methodology:

In our research, most of the information was conducted from journal, article of research, government institution, non-governmental organization, International organization.

Chapter I: History of Military regime and politic in Myanmar

1.1.History and Background of Myanmar

Myanmar is located in Southeast Asia and it has land-bordered with Thailand on the southeast, Laos on the east, China on the Northeast, and India on the Northwest and seabordered with the Bay of Bengal. Regarding in the history, Burma or Myanmar is a nation which had been popular by its own Buddhist religious belief and Bagan or Pagan ancient city which had more than 10,000 either Buddhist temples, pagodas were constructed during the 9th to 13th century. Moreover, Buddhism is also the main influences from the Pagan period – the first unification of Burma and they even built a massive amount of pagodas as the proof. Yet, these building had not all survive because of the war, ages and natural disasters such as earthquake which leads them to lose their own visual material. After the Pagan golden period, Myanmar had two long periods which were the Ava Period (c. 1287-1752) and the Konbaung Period (1752-1885).

1.1.1. British Colonial Period (1824-1948)

Before British troops took over full control of Myanmar today territory, it was started from three wars which called Anglo-Burmese War which started during the Konbaung Period. Because of the division, series of monarchies attempts to establish the absolute rule, the British started to use this chance to interfere and make Burma political instability worse.1

This first war started in 1824 and ended in 1826, however, Burmese lost and had given his territory of Arakan, Assam, and Manipur to a British company called British East India Company (BEIC) under a treaty called Treaty of Yandabo. First protocol of this treaty was mentioned that this is for the friendship between BEIC and His Majesty the King of Ava on the

¹ Anonymous.(n.d) *History of Burma*. Retrieved from http://www.cfob.org/HistoryofBurma/historyOfBurma.shtml

other, yet the protocol 3 and 4 was clearly stated about how they divided boundary between this two nations at the Arakan Mountains and the ruling over the Tenasserim area.²

The second Anglo-Burmese War lasted from 5 April 1852 - 20 January 1853. The Treaty of Yandabo had left a number of issues to the merchants between both countries. The Burmese decided to file a complaint to remove the company government away from Burma, but it ended with a blockading and they company even seized the King royal's ship. ³The war ended by Burmese's province Pegu occupied by the company and there was no new treaty being signed.

The last war which leads to the British colonization was last 22 days from 7 to 29 November 1885. After the French had held over a few countries in Southeast Asia, Britain and India were started to fear by consideration the way to stop French from making any further influences toward what left which was Burma. Britain started to increase its own trade by using Burma as a highway toward China. The war was started because Burman refusing an ultimatum to allow Britain to settle an internal affair involving a Bombay trade corporation. The dispute started to add up and the fearsome from French influences started to act Britain which leads to the last invasion on Upper Burma and causes this bloodless campaign ended, left only the exiled king in India and Britain fully controlled over Burma. After both wars ended, Britain got many provinces which totally included in the index, yet at 29 November 1885 British Empire had officially annexed over Burma as the proof of the falling and ending of Konbaung Dynasty and put Burma as a province of British India in 1886.

² C. U. Aitchison, ed. A Collection of Treaties, Engagements and Sanads: Relating to India and Neighbouring Countries. Vol. XII. Calcutta: Government of India Central Publication Branch, 1931, 230-233. <u>https://web.archive.org/web/20081202003039/http://projectsouthasia.sdstate.edu/Docs/history/primarydocs/Treat</u> ies/Burma/002.htm

³ O Pollak, "The Origins of the Second Anglo-Burmese War (1852-53)." *Modern Asian Studies, 12*(3), (1978): 483-502. <u>http://www.jstor.org/stable/312230.</u>

1.1.2. Nationalist Movement

As mentioned above the battles between royal troops with the British were only last for two weeks, they outmatched and surrounded really quickly. British aimed were not only Upper Burma or Northern Burma but as a whole country and they started to reorganize Burma as their buffed country. British started to divide Burma minorities to various number, yet they gave Karen more favor even put them in local rural administrator and in the military too. British started to put more influences on Burma and started to erased Burma tradition and culture through its own foreign elements. It is almost a tradition, the colonized country may work as not much better than a slave for the colonial state. There was no any nationalistic movement until the First World War started, a nationalist character known as *Wunthanui* were formed and the main purpose to give more strength of voices to the local administrator. ⁴ Burma was separated from India in 1937, which was the time when the newspaper and magazines were greatly increased in an unexpected way. Many magazines started to write about some denunciation of British toward Burma, Japan even paid for propaganda for fully four years before the war in the Burmese vernacular press.⁵ In Rangoon, an outspoken on the subject of the independence, the popular daily press called *The New Light of Burma* mentioned:

"The time has arrived for Britain to make a clear declaration regarding her intention towards India and Burma. We are afraid that if Britain now goes on juggling with words, she will have cause to repent later. Britain is now standing before the bar of international justice."⁶

In the 1920s, the greater hope from student's element which was the most prominent nationalist group was up against with mission operated and another government-aided school, yet they had given up with their "national school" regarding to the low budget comparing to

⁴ C. Hobbs, "Nationalism in British Colonial Burma." *The Far Eastern Quarterly*, 6(2), (1947). 113-121. doi:10.2307/20491500

⁵ Ibid

⁶ Ibid

grant-aid system education, anyway sooner and later the school were opened across Burma in the same year. In another hand, in November 1920, the Burma National Day was founded by Thakin, a youthful group to spread the aspiration and hope one day to get the independence. The East Asia Youth League which was provided leadership skill was set up by the Japanese government in occupied areas was formed when the government didn't meet the student's union demands with reference to the government's educational policy and administration. The league was voluntary yet consist of 30.00 members, with 270 branches throughout the country and its primary goal is on the civic affairs.⁷

Burma is also well known as the extremist Buddhist country, so one of the main influences toward nationalist have to be involved with monks or they were called Pongyis. As mentioned above, the spirit of nationalism was started in early 1920, yet only twenties years, Buddhist monks were intensively got their supported and associated with the nationalist already. There was always been known that Buddhist monks are not allowed to intervene with political issues, so the monks which were exceeded their monastic vows had been blamed as employed by the Japanese and were trained to be the propaganda influences. From this transition periods, monks are started to involved in right protestant, land protestant, and even had issues with anti-Muslim campaigns too.⁸ In a book called *Religion and Politics in Burma* also mentioned: In the anticolonial struggle, the *Pongyis* (monks) were the first nationalists. ⁹ This would be really sure how Buddhist monks started their own nationalist spirits as well as both political struggle and religious struggle in the 1920s. It not all for the nationalist to be waking in the 1920s, there were 3 well-known politicians, U Ba Maw, U Saw, and U Aung San. The former Premier U Bar

⁷ Ibid

⁸ M. J Walton, "Monks in Politics, Monks in the World: Buddhist Activism in Contemporary Myanmar." *Social Research: An International Quarterly* 82(2), (2015). 507-530. Johns Hopkins University Press. Retrieved June 10, 2018, from Project MUSE database.

⁹ Donald Eugene Smith, *Religion and Politics in Burma*, (Princeton, New Jersey: Princeton University Press, (1965). p. 85.

Maw was made a great contribution regarding from his speech before he was arrested. Even he was arrested, the Governor of Burma had confirmed that Secretary of State of India would fulfill her due place as a fully self-governing and a commonwealth in return for full co-operation during the war. U Saw was disappeared after the Pearl Harbor, instead, he did a great job at London in 1941 to demand the third clause of Atlantic Charter to actually apply to Burma regarding the statement of Prime Minister Churchill toward Burma, and considering her as an allegiance to the British Crown. To clarify, U Saw was one of the Burmese delegates who went to London to talk about the Anglo-Burmese. Upon the presence of Japanese in Burma, the power of Britain started to lower down which lead to the evacuation in 1942. U Aung San who was one of the Thirty Heroes trained by Japanese in Siam and who first realized the true intention of Japanese regarding the independent given. U Aung San diplomatically fought with British Governor before a strike in Rangoon in 1946. At the age of 27, U Aung San emerged as the leader of the Burma Independence Army. Early in 1943 General Aung San accompanied U Ba Maw as a member of a Burmese mission to Japan when Tojo (he was the general of the Imperial Japanese Army and the 27th Prime Minister of Japan during World War II) made his promise of Burmese independence within one year. In the spring of 1943, when U Ba Maw formed the Independence Preparation Committee, U Aung San was appointed Minister of Defense. Within the two years between 1943 and 1945 U Aung San came to realize the Japanese brand of independence which had been granted to Burma was not the kind which Burma wanted. By March of 1945 Burmese forces under the leadership of General Aung San was fighting with the British against the Japanese for the liberation of Burma, and this was the end of Japanese rule in Burman too.¹⁰ Aung San was form the Anti-Fascist People's Freedom League (AFPFL) in order to completely achieve Burmese independence. He became the official

¹⁰ Major N. R. M, "Borton British Army - The 14th army in Burma: A case study in delivering fighting power." *Defence Studies*, 2:3, (2002). 27-52. DOI: 10.1080/14702430208405039

spokesman of the League, he expressed his desire for self-governing to Governor of Burma time to time, yet it got rejected. On September 21, 1946, after the strike spreading in the country, Rance who was the Governor of Burma after Dorman-Smith met with Burmese political leaders to decide upon the personnel of a new Council. U Aung San was given the portfolios of Defense and External Affairs, while five League members were granted seats on a Council consisting of eleven members in all. This was a victory for U Aung San, sand the strikes soon ended in early October. The last request from U Aung San was the British to leave Burma by the last day of January 1947 and this is might be the clue of him was assassinated along with his colleagues at a Cabinet meeting on July 19, 1947, yet the real reason behind this assassination still seems unresolved. Consequently, the official independent of Burma was resolved and had been given on January 4, 1948, during the leading of Thakin11 Nu or U Nu reign by going with a new constitution though.12

• Government and Politic

The division of the ethnic minorities had been a problem of Burma for decades already and the ethnic minorities' frontier leader have to decide whether to consolidate with the Burma unification or not. Three of the frontier leader which were the Chins, the Kachins, and the Shans joint the Panglong conference to ensure about the process of new constitution, yet they weren't still trusted about the cooperation. To claim the trust from the ethnic leadership, a Burman leader Aung San announced a statement, "If Burma receives a kyat, and you'll receive also get a kyat". After much of the persuasive, the interim from the ethnic minorities mentioned above with the Burmese government Aung San established and the Four Karens was joint for the purpose of observing, however, this agreement is now yet still to be fulfilled. 13 The two major

¹¹ Thakin is mean Master, this refer to those young nationalist whom form Do Boma Asiayon in 1930s

 ¹² D.G.E Hall, "Burma." *British Empire history Hutchinson's university library. British Empire history.* (2009).
 ¹³ N KIPGEN, "Political Change in Burma: Transition from Democracy to Military Dictatorship (1948-62)." *Economic and Political Weekly, 46*(20), (2011). 48-55. <u>http://www.jstor.org/stable/23018213.</u>

problems in this period were the birth of the Burmese Communist Party (BCPD) in the 1930s and the internal division of the AFPFL into two which one led by Thakin Soe to called "Red Flag" and another "White Flag" led by Thakin Than Tu. The "Red Flag" was against the idea of Aung San's negotiate with the British leadership. In 1949, the first attempt to capture central Burma, yet they pushed back by the White Flag. The military insurgency had been a problem for the parliamentary democracy even after Burma independent.

For a new election to be held and stable the system, U Nu invited Ne Win, the head of the army to form a caretaker government. A temporary caretaker government had been formed and last for 16 months which started in 1958 in the post-independence period. In the same period 1960, there was a general election which was held by the military, the result was U Nu won on the landslide, yet before he could announce for new problem addressing with the ethnic minorities for peace initiative the problem broke out. Consequently, U Nu who was the leader of AFPFL had been ousted by the military coup d'état from the Union Revolutionary Council (URC) which had led and formed by General Ne Win in 1962. Likewise, this was also the year of the establishment of the Burmese Way to Socialism (BWS) which was a new national ideology in resulting the forcing numbers of the officers to retire from their positions and the reason behind might because they were with the pro-western ideology and sectarian views. This new ideology was to cumulate the army efforts by strengthening its role, improve the economic development, and the most important was to cut off the foreign influences especially British and American in Burma.¹⁴ The controversy of the two-military government resulted in many various ethnic groups broken up into autonomy and the establishment of the Buddhist State intensified religious antagonisms.

¹⁴ F Von der Mehden, "The Burmese Way to Socialism". *Asian Survey*, *3*(3), (1963). 129-135. doi:10.2307/3023620

The parliament democracy in Myanmar could be seen as the failure regarding the defects, weakness, and loopholes and not even mentioned about its absence and abuses of the public opinions.

Chapter II: Myanmar's Foreign policy in the time of democratic transformation

2.1International pressure to Myanmar

Over the 1990s and 2000s, Myanmar suffered intense international pressure both politically and economically as well as international criticism and protest against its violations of human rights when Aung San Suu Kyi, the leader of NLD, was placed under house arrest, being released and rearrested over and over again. The first elections were agreed to hold by the interim military government in 1990, in which it ended predictably defeated by the NLD; this grew out of student movements and civil organization led by Aung San Suu Kyi who is a daughter of Aung San, the main articulator of the anti-colonial movement and still the nation's largest exponent.¹⁵ The country under the military government remained have always had national autonomy and nonalignment as priorities and as well as closed itself to outside influences on country's economic development, while the neighboring countries in Southeast Asia, specifically Indonesia and Thailand went through accelerated processes of economic liberalization. Even though Asian financial crisis in 1997 started to downfall some countries' economic with unstable results; nevertheless, Southeast Asian countries achieved its own levels of economic growth comparing to Myanmar that suffered economic embargo of western countries. For instance, The United States had also intensified pressure on the military regime by imposing a variety of restriction on new investment, a visa ban for senior government officials, and an embargo on lending by international financial institutions.¹⁶ There were countless obstacles Myanmar faced when the new US-led unipolar order no longer support the

¹⁵ Erik Herejk Ribeiro and Maria Gabriela Vieira, "The political transition in Myanmar: Internal disputes and foreign interests." (2016). pp. 53. <u>https://www.ufrgs.br/nerint/wp-content/uploads/2016/07/Boletim-v1n1-politicaltransitionmyanmar.pdf.</u>

¹⁶ Myanmar Times, June 4, 2002.

military regimes anymore with rare exceptions of older key allies.¹⁷ The country itself went through the process of modernization in 1988 after having been isolated from the international community for so long due to internal and external threats to its security. Then in the year of 2003, the military regime began a controlled seven-step process for a democratic transition, called "Roadmap to Democracy".

2.2. The new face of Myanmar in democracy period

Back in the past, Myanmar seems not totally a stranger to democracy, though most of the relevant experience came during its prior incarnation as Burma. A very first initial transition happened during the time of decolonization in the late 1940s and was sustained for the best part of a decade and a half to the early 1960s. Continuingly, in the year of 1988, a second democratic attempted to happen due to the mass uprising of the student movement and civic organization in Myanmar, and a very last attempt could be found by the monk-led-protest also known as "Saffron revolution" of 2007. With the second democratization attempt, the Tatmadaw, a permanent military government, created a formal military junta known as State Law and Order Restoration Council (SLORC) which was established on September 18, 1988, or currently named State Peace and Development Council (SPDC) which recognized by SLORC on November 15, 1997.¹⁸ Within the days, SLORC soldier committed the regime to organize the national elections on May 1990. Aung San Suu Kyi, the leader of National League for Democracy (NLD), the opposition party to SPDC, won the landslide victory with 80% of the seats contested. However, there wasn't any power transfer to NLD after the election while the SLORC refused to accept the victory of NLD and arrested thousands of NLD workers as well

¹⁷ Supra note 15

¹⁸ "United States Bureau of Citizenship and Immigration Services." *Burma [Myanmar]: State Law and Order Restoration Council (SLORC)/ State Peace and Development Council (SPDC)/ National League for Democracy (NLD)/Burmese Dissidents*, 17 September 1998, MYN98001.zny. http://www.refworld.org/docid/3df097254.html.

as imprisoned those who attempt to form a government until a new constitution was drafted.¹⁹ The SPDC bribes people to attend and fines them for absences is still being organized to gain public support as mentioned in a national Constitution drafting convention."²⁰

On 30 March 2011, military's ruling junta, the State Peace, and Development Council (SPDC) handed over power to a new government led by President Thein Sein, from Union Solidarity and Development Party (USDP) after successfully become a winning party during the national elections which was held in November 2010. The USDP won 76 percent of the non-military seats in both the national and state/regional parliaments was unsurprising. Since the new government took power in 2011 by a new government, the citizens of Myanmar have enjoyed a better degree of freedom than at any time since the military seized power in 1962. Under USDP administration, the new government free thousands of prisoner, political detainees, several exiled activist, embarked on peace deals with an ethnic minority group and relaxed media censorship.²¹ Surprisingly, on 19 August 2011, President Thein Sein met Aung San Suu Kyi at his official residence and he reportedly renovated an old house that Suu Kyi used to live with her parents. Later, he also passed her a message about the willingness to grant Suu Kyi's sons to live in Myanmar as both of her sons are holding British nationality.

Suu Kyi interested in Myanmar's political transition and was invited to attend many conferences. The relationship between Suu Kyi and the new official government quite close that could lead government officials subsequently indicated they would welcome Suu Kyi and the NLD into parliament.²² Not only the joy of freedom Myanmar's citizens receive after

¹⁹ Bertil Lintner, Outrage: "Burma's Struggle for Democracy (Hong Kong: Review Publishing Company, 1989); Derek Tonkin," *The 1990 Elections in Myanmar: Broken Promises or a Failure of Communication? Contemporary Southeast Asia* 29:1 (April 2007), pp. 33–54.

²⁰ Supra note 18

 ²¹ "Profile: Myanmar President Thein Sein." (2014). <u>https://www.bbc.com/news/world-asia-pacific-12358204.</u>
 ²² Kyaw Yin Hlaing, "Understanding recent political change in Myanmar" Contemporary Southeast Asia Vol. 34, No. 2 (2012), pp. 206. <u>https://muse.jhu.edu/article/483672/pdf.</u>

peacefully held its national election but the president Thein Sien took sufficient steps toward the economy opening gradually also reconcile the national political groups. Last but not least, a very last major initiative from Thein Sein was a national ceasefire seeking between the government and all armed groups in the country.

2.2.1. Reformation of political and government structure

• Politics reformation:

At the early stages of democratization, the politics of Myanmar seemed to be changed noticeably as civil society groups an example which it seems to function more freely under the USDP government. The government would also work with the civil society organizations to undertake poverty alleviation programmes, even though most of them haven't properly registered to the Ministry of Home Affairs. Additionally, the leadership of holding the parliamentary session, which was held on February 2011, by SPDC under the supervision of Than Shwe was quite different from the parliamentary session on 22 August 2011, which was held by the new government. In the latter sessions, members of the parliament were allowed to raise up questions more freely and ministers responded with well-prepared answers. To the surprise of many, the parliament voted in favor of granting a general amnesty to prisoners, a motion supported by delegates from the Tatmadaw.²³

Having the same common in determining to fight for democracy and peace for the country along with the leader of NLD, the government amended the political party registration law and the election law on 5 January 2012, in order to make it possible for National League for Democracy to contest in future elections. Two weeks later, NLD leaders decided to register the party with the election commission. In April, the NLD contested and won a landslide victory in

²³ "Burma's Parliament called for release of political prisoners." The Telegraph, (2011). <u>https://www.hrw.org/news/2011/10/12/burma-release-remaining-political-prisoners</u>

the by-elections. Aung San Suu Kyi and some of her colleagues are no longer anti-government activists; they become parliamentarians. The government had released all prominent political prisoners by the middle of January 2012 while the new administration has national reconciliation and intentionally end resumed peace talks with all ethnic armed groups. Since the new government came to power, it has managed to sign ceasefire agreements with most major ethnic groups and has been holding political dialogues with all ceasefire groups to resolve ethnic political problems. Several ethnic leaders have expressed their optimism about achieving sustainable peace in the country.²⁴

Although Myanmar is not yet a fully-fledged democracy, yet many citizens, political activists as well as international community have accepted the new administration as it took another good step into another level of democratization which provide the space to country's citizens and opposition groups, and addition to further the possibility of turning out the country into liberal political system. The present and foreign relations of Myanmar to international stage started to move forward noticeably. Several western governments including the United Kingdom, France, Germany, Canada and Scandinavian countries, have visited Naypyidaw since late 2011 to witness at first hand of Myanmar's political transition. Similarly, the EU has rewarded Myanmar by suspending most of the sanctions it had imposed on the country while President Barack Obama has decided to restore diplomatic relations with Myanmar by appointing an ambassador to Myanmar as well as sent Secretary of State, Hillary Clinton, to Myanmar to improve bilateral relations with the country and urged other authoritarian countries to follow the Myanmar model. By the year 2012, under the Obama administration; it lifted

²⁴ BBC, "Burma Government Signs ceasefire with Karen Rebels", 12 January 2012. <u>http://www.bbc.co.uk/news/world-asia-16523691</u>

restrictions on humanitarian assistance and a ban on investment in Myanmar which has taken the surprising pace and scope of political change in Myanmar.

Table 1: List of Presidents (2011–present) [edit]

Main article: List of Presidents of Myanmar

		Name	Term of Office		Political	olitical		Assembl		
No.	Portrait	(Born- Died)	Took Office	Left Office	Days	Party	(Cabinet	у	
1		Thein Sein (1945–)	30 March 2011	30 March 2016	1827	Union Solidarity and Developm ent Party	Ι	USDP —Mil.	1 (2010)	
			First democratically elected president.							
2		Htin Kyaw (1946–)	30 March 2016	21 March 2018	721	National League for Democrac y	п	NLD— Mil.	2 (2015)	

		First civilian president. While he is the <i>de jure</i> head of state and government, the <i>de facto</i> head of government and dominant state figure is the State Counsellor of Myanmar and leader of the ruling National League for Democracy, Aung San Suu Kyi.						
-	Myint Swe (acting) (1951-)	21 March 2018	30 March 2018	9	Union Solidarity and Developm ent Party	Ш	NLD— Mil.	
		He became acting president according to the constitution after the resignation of Htin Kyaw.						
3	Win Myint (1951–)	30 March 2018	Incum bent	61	National League for Democrac y	П	NLD— Mil.	<i>3</i> (2018)
		Elected on 28 March 2018 by the Pyidaungsu Hluttaw after resigning as Speaker of the House of Representatives.						

• Government Structure

Under the 2008 Constitution, the Union of the Republic of Myanmar is organized into seven States and seven Regions (formerly known as Divisions), six Self-Administered Zones and Self-Administered Divisions and another part is union territory which containing the capital Nay Pyi Taw and surrounding townships.²⁵ It has organized its own country into seven states where ethnic minorities mostly living along the border of the country and Burman/Bamar people mostly living in seven regions which are mainly run through the middle of the country.

However, the laws passed by the Union Legislative Assembly (Pyidaungsu Hluttaw) are superior to those passed at the regional or state²⁶, each state or region of Myanmar has a unicameral legislative assembly (Hluttaw). The Region /State assemblies can legislate on matters of land revenue, municipal taxes on buildings and the sale of land, lease and other matters involving property of the Region or State.²⁷ On the other hand, revenues from the exploitation of the natural resources of a Region or State are to be paid to the Union Fund, and not the Region or State Fund.²⁸ The Region or State Hluttaws have passed a few laws so far. Although the Union Government must be informed about their decision to make on the large-scale investments in their local jurisdictions, the Union Government does not need approval from state or regional government and their views seek as part of the evolving Environmental & Social Impact Assessment (ESIA) process and on the foreign lease of land in their area.

²⁶ "Constitutional Awareness Myanmar," Bingham Centre for the Rule of Law, (2013). <u>https://www.biicl.org/files/6646 burma constitutional awareness booklet - english version (2).pdf.</u>

²⁵ For a discussion of local governance, see MDRI and the Asia Foundation, "State and Region Governments in Myanmar" (Sep 2013). The six self-administered territories are the zones of Naga in Sagaing Region, Danu, Pa-O, Palaung, Kokaung, and the Self-Administered Division of Wa (all in Shan State).

²⁷ Constitution of Myanmar, Schedule Two, Articles 1, (c, e, g). See also, MDRI and the Asia Foundation, above.

²⁸ Article 231 of the Constitution provides that all taxes and revenues not listed in Schedule 5 to be collected by regions or states are to be paid into the Union Fund. Schedule 5 of the Constitution does not include revenues from natural resources, save land.

2.2.2. Human right reforms

Due to the sorrow and pain of many Burmese faced during the isolated political system ruled by the military junta, people started to take action on holding various protests as well as a formed saffron revolution to fight for their own freedom and country's democratization. Human right didn't improve back to the military rule controlled by a military junta since freedom of belief, freedom of association, media, and political involvement were strongly restricted. However, everything started to change when the new government came into power. The new government, USDP, has been moving steadily to implement major reforms to address human rights abuse. The initiatives have included the release thousands of the political prisoners, the establishment of a Human Rights Commission, promote the freedom of association of workers and citizens, deregulating the media, and repeal of censorship laws and institution of a Myanmar Press Council.²⁹ Thus, the human rights of Myanmar's citizens seem to grow steadily under the new government.

2.2.3. Religious rights

The majority ethnic group is the Burmans, who constitute approximately 68 percent of the population. The Shan (9 percent), Karen (7 percent), Rakhine (4 percent), Mon (2 percent), and Kachin (1.5 percent)³⁰ are other major ethnic groups who living in Myanmar. Under the military regime ruled the country since 1962, religious freedom for non-Buddhist such as Christian, Muslims, and others faced restriction on free movement, ability to construct the building, and the public worship.³¹ For the ruling military, religious difference, ethnic difference, marked

 ²⁹ Helen James, "Improving human rights in Myanmar," East Asia Forum, 7 June 2012.
 <u>http://www.eastasiaforum.org/2012/06/07/improving-human-rights-in-myanmar/</u>
 ³⁰ These statistics on ethnicity and religion are from the CIA World

Factbook. https://www.cia.gov/library/publications/the-world-factbook/geos/bm.html

³¹ Chin Human Rights Organization. "*Threats to Our Existence*": Persecution of Ethnic Chin Christians in Burma. Nepean, ON: Chin Human Rights Organization. (2012). <u>http://burmacampaign.org.uk/reports/threats-to-our-existence-persecution-of-ethnic-chin-christians-in-burma/</u>.

individuals and groups as potential threats to the integrity and stability of the country. The religious discrimination in Myanmar can be difficult to separate violence and oppression visited on communities because of their religious beliefs from more general political and military actions, simply because most of the non-Burmese areas have been active conflict zones for the past 50 years. To monitoring, restricting the activities of non-Buddhist populations in Myanmar, military junta carried out violence in the response to justified the actions to ethnic insurgencies rather than religious discrimination.

Other new domestic conflicts between Buddhists and Muslims, what has been referred to as "communal" conflict, have emerged since the democratic reform began in 2011. The conflict arises due to the spread of rumors that demonize Muslim populations in Myanmar and elsewhere. Over a year after the new civilian government, USDP, came to power, in June 2012, Western Rakhine State experienced violent between Rakhine Buddhists and primarily Rohingya Muslims.³² The Rohingya are a distinct identity group primarily found in the West of the country recognized as an ethnic group with legal status in Myanmar or neighboring Bangladesh. Rohingya, they face significant social prejudice, in addition to systematic legal and political persecution, and restrictions on freedom of movement and they were not allowed to vote in the 2015 elections unless they denied their identity as "Rohingya" assuming instead the legal designation of "Bengali," an identification many refused to adopt. These social movements have driven a negative impact on not only religious freedom but also fueling discrimination based on religious identity especially Muslims people which could harm to other non-Buddhist adherents and leading Myanmar to entrench religious discrimination that goes further to the passage of a set of laws.

³² Karen Human Rights Group. *All Quiet on the Western Front?* Chiang Mai: Images Asia. (1998). <u>http://www.burmalibrary.org/docs/Western Front.htm</u>

• <u>Constitutional Protection:</u>

The constitution drafted by the military-backed Union Solidarity and Development Party (USDP), was carefully constructed to advance the vision of the military's "discipline-flourishing democracy." This managed transition consisted of a gradual and controlled renouncing of authoritarianism to establish democratic governance and greater freedoms, with institutionalized protections for limited military control maintained with the justification of ensuring stability. Also, the constitution includes protections for religious freedom, such as the provision in Article 348, which stipulates that no Union citizens should be discriminated against on the basis of religion. Yet also notes a privileged place for Buddhism, stating in Article 361 that the government "recognizes the special position of Buddhism as the faith professed by the great majority of the citizens of the Union." Provisions protecting religious freedoms include language meant to preserve the right of authorities to restrict those religious freedoms for the purpose of stability and order. For example, Article 34 of the constitution states that "Every citizen is equally entitled to freedom of conscience and the right to freely profess and practice religion subject to public order, morality or health and to the other provisions of this Constitution." However, Article 354 qualifies this freedom, stating that

"every citizen shall be at liberty ... if not contrary to the laws, enacted for Union security, the prevalence of law and order, community peace and tranquility or public order and morality ... to develop ... [the] religion they profess and customs without prejudice to the relations between one national race and another or among national races and to other faiths."

2.3. Political aspect before and after the transformation

Because of the narrowest and repressions of political space, Myanmar started a genuine democratic transition. Shortly after Myanmar steps out into liberalism, both political as well as its country economic gradually reformed. All human rights, political movement, and press of censorship were restricted by the military government, however, there have been released under new government administration of USDP. These reforms have opened far-reaching political space for not only civil society but also the political opposition ensuring a liberalization of the political system as well as primarily improve its country socio-economic and administrative reforms. The relations between government and the ethnic group was reformed domestically while the foreign relations with other neighboring countries were also started to move quickly. As one of the underdeveloped country in Southeast Asia, Myanmar has followed a nonaligned foreign policy, balancing its strategic partners, and attempt to manage their border areas in times of civil war better based on their proactive foreign policy. The country itself is no longer isolated from the international community after transformation initially begin. Under the reformist agenda, Myanmar has received much bilateral agreement and support from the western community, including Japan, China, and the US. The EU has generously provided the number of supports intended to assist its transition. To support the country transition, European Commission alone has allocated 688 million EUR over the period 2014-2010.

Whereas China, the US, the EU, and Japan are trying to establish a new basis for their respective bilateral relations with Myanmar, India and Russia are encountering the challenges and opportunities implicit in building tangible relations in the absence of strong historical foundations. Overall, by transforming the country from military junta to civilian administration, there are chances that the country able build their image stronger to the international stage as well as to open for foreign direct investment or a multinational corporation (MNC) to raise up the GDP of its citizens.

2.4. New foreign policy objectives under The Union Solidarity and Development Party-USDP government (2011-2016)

The first Prime Minister of an independent Burma, U Nu, continued the principle of maintaining friendly relations among other nations through the prism of a policy of strict neutrality. After a long period of time from 1948 to 2011 of dictatorship that was headed by

military government as well as authoritarian regimes, Myanmar held its nationwide general elections at various levels on 7 November 2010. There were 40 parties joined the election-"Forty parties were approved by the Electoral Commission to contest the November 2010 elections. Some of them were linked to ethnic minorities."³³ A winning party known as The Union Solidarity and Development Party (USDP), led by U Thein Sein, the majority of seats were managed to win in the Pyidaungsa Hluttaw (Union Assembly). The USDP government came to power on 30 March 2011 and started its administration on 1 April. Since gaining independent from British Empire under Burmese Independent Army in the year of 1948³⁴, like many other country with democratic path, Myanmar determines and consistently pursues an independent and active foreign policy based on the objectives that have been a combination of protecting and promoting national interest on the one hand and supporting broader global agenda of international security, peace, and development, which include disarmament, anti-colonialism, and international cooperation for friendship and economic development, on the other.³⁵

A new foreign policy objective of integrating Myanmar into the international community has pronounced by the USDP government. The pronounced objective does not conflict with the existing ones nor does it seek to replace the foreign policy under SPDC, but rather to supplement them to make Myanmar's foreign relations becoming more active, dynamic, and maintaining friendly relations with other nations both near and far. Additionally, there are 3 core objectives of Myanmar's foreign policy that could be summarized as (1) to enhance national security, (2)

https://www.researchgate.net/publication/303457482 Myanmar under the Military Rule 1962-1988.

 ³³ Jeffrey Hays. May 2014, <u>http://factsanddetails.com/southeast-asia/Myanmar/sub5_5b/entry-3028.html.</u>
 ³⁴ Konsam Shakila Devi, "Myanmar under the Military Rule 1962-1988." *International Research Journal of Social Sciences* 3, October (2014): 46-50.

³⁵ For instance, at the United Nations General Assembly on 27 August 2012, President Thein Sein stated that one of the basic tenets of Myanmar's foreign policy is to actively contribute towards the maintenance of international peace and security (Thein Sein 2012a).

to bolster economic prosperity, and (3) to promote a peaceful and equitable world order. However, these objectives are occasionally prioritized depending on the internal and external political and security environment. At the same time, it is important to note that national security, state security, and regime security are always conflated in Myanmar. These objectives are designed to prevent external interference in Myanmar's internal affairs and to safeguard national sovereignty and territorial integrity. They are further supplemented by the endorsement of the Five Principles of Peaceful Coexistence – namely, (1) mutual respect for each other's territorial integrity and sovereignty, (2) mutual non-aggression, (3) non-interference in each other's internal affairs, (4) respect for mutual equality and mutual benefit, and (5) peaceful coexistence. Throughout the postcolonial history of Myanmar's foreign relations³⁶, these foreign policy objectives remain persistent. Since the U Thein Sein, USDP government came into power, his government pronounced a new foreign policy objective of integrating Myanmar into the international community at his inaugural speech at the Pyidaungsu Hluttaw (Union Assembly) on 30 March 2011 as follows:

"From the post-independence period to date, successive governments have practiced different political and economic policies and concepts. But, regarding the foreign affairs policy, they all exercised a non-aligned, independent, and active foreign affairs policy and dealt with other countries in line with the Five Principles of Peaceful Coexistence. In addition, they never permitted any foreign troops to deploy within the borders of the Union. They never launched aggression against or interfered in the internal affairs of any other country. And they never posted threats to international and regional peace and security. These points are the pride of Myanmar's foreign affairs policy. Our government will also adhere to this honorable foreign policy and continue relations with all the countries. Moreover, our country will stand firm as a respected member of the global community while actively participating

³⁶ Maung Aung Myoe, "Myanmar's Foreign Policy under the USDP Government: Continuities and Changes, in: *Journal of Current Southeast Asian Affairs*. (2016): page 133. <u>http://nbn-resolving.org/urn/resolver.pl?urn:nbn:de:gbv:18-4-9350.</u>

in international organizations, including the UN, ASEAN, BIMSTEC, and other regional organizations. This is why I invite and urge some nations wishing to see democracy flourish and the people's socioeconomic lives grow in Myanmar to cooperate with our new government that emerged in line with the Constitution by accepting and recognising Myanmar's objective conditions and ending their various forms of pressure, assistance, and encouragement to the anti-government groups and economic manipulations [...]. We need to convince some nations with negative attitudes towards our democratization process that Myanmar has been committed to shaping a democratic system correctly and effectively. (Thein Sein 2011a; emphasis added)"

More importantly, strengthening both domestic political reforms and foreign policy realignment is necessary for Myanmar to become a respectable member of the international community. It seemed to be so obvious that the integration of Myanmar within the international community is a key policy message of the newly elected government, USDP. Aforementioned, throughout the military rule, Myanmar was imposed the sanction by the west as well as the United States that suffered Myanmar painfully. To thrive the life of the country, Myanmar did depend on the security support from the Chinese government back then. However, in term of SLORC, it has tried to address the issue of dependence on China as it had realized that Myanmar becomes a pariah state, and was concerned and uncomfortable with falling under China's shadow and influence in the country. When the power started to hand over to U Thein Sein, the USDP government embarked on foreign policy realignment, which certainly getting rapprochement with the United States, and to reducing the dependency of Myanmar on China under Thein Sein's foreign policy agenda.

• Foreign policy strategy

The Ministry of Foreign Affair (MOFA) in Myanmar is organized into eight departments separately that responsible for implementing foreign policy objectives better. The MOFA's eight departments: Minister's office, Political department, ASEAN Affairs Department, Strategic Studies, and Training department, Protocol Department, International Organizations and Economic Department, Consular and Legal Affair Department, and; Planning and Administrative Department.

The general elections in 2010 were significant for Myanmar, even though they were far from being fair or inclusive. Indeed, under U Thein Sein administration, Myanmar government initiated in political, administrative, economic and social areas soon after assuming governmental responsibility can be said to have been introduced with that intent. At the same time, Myanmar has gained their good reputation for the international recognition from ASEAN's and international community's interest in Myanmar's roadmap for democracy could be used to further legitimacy. The official public announcement of its various policies, as well as a statement on Myanmar Foreign policy, was the very first activities of USDP government. The consistent of Myanmar's foreign policy under the USDP government, in terms of fundamental principles, was independent, activism, and non-aligned, aimed at strengthening world peace and friendly relations with other nations and upholds the principles of peaceful coexistence among nations, as promulgated in the constitution. The adjustment within the context of fundamental principles of Myanmar's foreign policy to balance friendly relations among all major powers active in the Indo-Pacific region are mostly in terms of how the foreign policy is implemented and how its diplomacy is conducted.

Though, as it sets a foreign policy objective of reintegrating Myanmar into the international community, the USDP government has pursued a foreign policy strategy based on 2 main components which consist of 1). Multilateralism, with special attention to regional institutions and cooperative security, 2). And realignment of Myanmar's foreign relations in the context of strategic competitions among major power active in the region.37 While the foreign policy

adjustment was driven by leadership, with the president as a prime mover, the military plays an influential and indispensable role in shaping and making its strategy becoming a real truth with effective outcome and success and the Tatmadaw is a lead institution.

2.5. Myanmar's Foreign policy in the aspect of International Relations specifically in ASEAN

Emerging as a geopolitical darling of the major powers, Myanmar, itself, gain more interest in international stages and becoming a louder champion of ASEAN. As regards, the foreign policy of Myanmar overarching its objective to maintain friendly relations with other nation that reflects the truth of having to take geopolitical realities into account. Under the military junta and international sanction period since the mid-year of 1990, Myanmar made a successful push to join ASEAN and was admitted into the ASEAN's fold on 23 July 1997. However, there were concerns regarding this participation since the country itself still preoccupied with their own domestic issues also the relationship with neighbors countries in the region as well as an international community not so strong which affected Myanmar's effective participation in ASEAN and other multilateral processes. In term of turning the country itself from bilateralism to multilateralism, Myanmar under the administration of USDP government, U Thein Sein decided to chair ASEAN and hold the ASEAN Summit in 2014 and its related conferences. During its ASEAN Chairmanship in 2014, Myanmar hosted 12 meetings of the head of state/government, including 2 summits, 34 minister-level meetings, and 89 senior-official level meetings in the total number of 135 meetings. Together with other ASEAN countries members including Myanmar itself managed to issue 34 declarations, including Nay Pi Taw declaration on the ASEAN Community's Post-2015 Vision. The other strategy is the reorientation of its foreign relations in the context of strategic competition among great powers. During the period of time that Myanmar became a chairmanship of ASEAN, Myanmar managed to address some

gaps in the learning step curve of leading key ASEAN meetings in its Chairmanship year. The learning gaps had been partly due to two factors: 1). Myanmar's participation in ASEAN had been driven at the senior government level whereas communications of the general public, as well as working-level officials, had been limited in scope and depth; and 2) Leading process of providing secretariat support for ASEAN meeting, assisting with report writing and meeting preparation had been still limited. Indeed, Myanmar was observed by the Deputy Director-General of ASEAN, U Aung Htoo, at the time of Myanmar's ASEAN year that Myanmar could take the ASEAN Chair role to exercise its independent and active foreign policy in a manner that would not have been possible under past authoritarian regimes.³⁸

On the diplomatic front, Burma has lots of opportunities to catch up after integrated into ASEAN since ASEAN has regular meeting with other nonmembers partner nations such as the U.S, China, Japan, Australia and the EU. There are no much nations, beyond ASEAN, have as much interest in expanding the relations with Myanmar as China and India while these two countries seen as the two of the three largest importers of the country's commodities, including natural gas, timber products, and gemstones. Based on U.S calculations, Thailand, ranks first, takes about 37 percent of Myanmar's export while China ranks second with 19 percent and India third at 12.3 percent. To expand the influence in Myanmar, China and India develop a strategic import and export figure to be a part of their motivation in reaching its goal.

Another step forward to diversify external partnership with thus open up to the world has started the transition process from military rule to democratization in 2011 under the

³⁸ U Aung Htoo made this observation as a panellist at the Second Experts Talk Show, "Moving into Myanmar's ASEAN Year" held on 22–23 November 2013 in Yangon, jointly organized by the Hans Siedel Foundation and Myanmar's Ministry of Foreign Affairs. His observation is reflected in the fourth paragraph of the Talk Show report; see <u>http://www.hss.de/southeastasia/en/myanmar/news-events/2013/moving-into-myanmars-asean-year-anexperts-talk-show-on-asean-and-myanmar-jointly-organized-by-the-hsf-and-the-ministry-of-foreign-affairs-ofmyanmar.html.</u>

civilianized administration of the Union Solidarity and Development Party (USDP). Whatsoever, apart from securing agreement from fellow ASEAN members that Myanmar would resume the deferred rotational chairmanship in 2014, the country's foreign policy did not evolve to a more proactive stance, integrating economic, environmental and social priorities. Finally, Myanmar took another step forward towards democratization with the landmark elections that bring out the first democratically elected administration to the country as National League for Democracy (NLD) won the elections in November 2015. The significant international relations, as well as the economic progress that Myanmar has made since joining ASEAN in 1997, demonstrates the country's current potential. Looking back to this country economic, Human Development Index had been rise up from 0.347 in 1990 to 0.524 in 201339 while its GDP per capita has risen up either, from US\$190.70 in 1990 to US\$1,308.70 in 2015 (in constant 2010 prices).40 Its GDP grew from US\$8 billion in 1990 to US\$ 60.8 billion in 2013 and \$70.5 billion in 2015 (using the same constant 2010 prices).41 As joining ASEAN, Myanmar could begin to open up their economy step by step after the political transition to Aung San Suu Kyi in 2015 and they can patiently learn economic lessons from its fellow ASEAN member states. The significant international relations, as well as the economic progress that Myanmar has made since joining ASEAN in 1997, demonstrates the country's current potential. Looking back to this country economically, Human Development Index had been rise up from 0.347 in 1990 to 0.524 in 201342 while its GDP per capita has risen up either, from US\$190.70 in 1990 to US\$ 1,308.70 in 2015 (in constant 2010 prices).43 Its GDP grew from

 ⁴⁰ "GDP Per Capita of Myanmar (Constant 2010 US\$)", World bank, <u>http://data.worldbank.org/indicator/NY.GDP.MKTP.KD?locations=MM</u>
 ⁴¹ "GDP at Market Prices (Constant 2010 US\$)", World Bank, <u>http://data.worldbank.org/indicator/NY.GDP.MKTP.KD?locations=MM</u>

³⁹ Expansion, "Myanmar: Human Development Index", *Country Economy*, <u>http://countryeconomy.com/hdi/burma</u>

 ⁴² Expansion, "Myanmar: Human Development Index", Country Economy, <u>http://countryeconomy.com/hdi/burma</u>
 ⁴³Supra Note 40

US\$8 billion in 1990 to US\$ 60.8 billion in 2013 and \$70.5 billion in 2015 (using the same constant 2010 prices).44 As joining ASEAN, Myanmar could begin to open up their economy step by step after the political transition to Aung San Suu Kyi in 2015 and they can patiently learn economic lessons from its fellow ASEAN member states.

⁴⁴ Supra Note 41

Chapter III: Myanmar-China Relationship: Opportunity, Challenges, and Perspective

3.1 General view on Myanmar and China relations

After Myanmar gained independence from British in 1948, the welcoming of the People's Republic of China including bilateral relation was beginning to establish. Myanmar and China have long year relations since the late 1980s'. The background of closer diplomatic, political and security, and economic relations ties these two countries very tightly. Back then China and Myanmar have built a lost long relationship since the term of Sino-Myanmar premised on five principles of peaceful coexistence, mutual respect for each other's territorial integrity and sovereignty and mutual aggression (Than 2003). Nevertheless, Myanmar has been cautious about its relationship with China due to a series of ups and downs and real threat to Myanmar's security. In addition to Myanmar leadership that always cautiously sensitive about its sovereignty, independence and territorial integrity have been trying to avoid economic aid and military obtaining from the superpowers.

Within a year after SLORC was established on the military coup, bilateral relations between Myanmar and China improved rapidly and China has been a major source of military equipment and training, a major investor in Myanmar's economy, and an export market for Myanmar's natural resources. China who has been called each other "Paukphaw", a Myanmar word for siblings⁴⁵, provides a larger amount of support on economic cooperation in the areas of infrastructure, state-owned economic enterprise (SSEs) and energy. International pressure, as well as the imposing political sanction from western countries such as the U.S, EU, Japan and

⁴⁵ According to DMLC (1993:266), paukphaw means '1. sibling, 2. intimate, and is an affectionate term conferred upon the Chinese by the Myanmar people'.

multilateral aid organizations, had tied the country's economic growth and disappear from international stages after 1990. Under the embargoes and pressure from international communities, the military regime in Yangon had no choice but to approach China for help. For Myanmar, China has historically been an important neighbor country in the Indo-Pacific region that enlarge and strengthen the economic development for this small country in Southeast Asia.

• Economic and business cooperation

As Myanmar and China have the closest relationship, Myanmar depended on economic dependence from China during the new leadership of Myanmar starting from the year 2004. Under Myanmar's leadership, it can claim considerable success in consolidating the political strengthening as well as economic relations with China since 2004. Economic is a strong backbone of a country stance in order to secure the financial growth as well as speed up its country development. Myanmar has stepped itself to another stage of reformation of not only politic but also economic. China becomes very important foreign investors in Myanmar's economy since businesses gave up on the country. During the embargoes sanction from the international community, China played a significant role in supporting Myanmar's economy and politic, as it is a permanent member of UN Security Council (UNSC), by certainly ruled out any broadening of sanctions. Although it consistently speaks out against any broadening of sanctions defined as not so far been noticeably vigorous in seeking the removal of international financial institutions' sanctions against Myanmar—for example, those imposed by the Asian Development Bank. Myanmar have been highly grateful to China for being a valuable partner to continued political and economic support.

Additionally, the trade relationship with the export and import percentage between these two countries has grown rapidly. The table has shown the major trading partners of Myanmar since 1980. According to the tables, China has consistently occupied a high ranking trading. Even

the volume of Myanmar was so small at that time; however, China constituted 8.1 percent of Myanmar's total exports to the rest of the world and its total imports were 20.6 percent.

	1980		1988		1990	
1	Singapore	14.3	Africa	19.7	Africa	14.3
2	Africa	10.6	Singapore	9.7	Thailand	12
3	Japan	9.9	Hong Kong	9.1	Singapore	11.3
4	Indonesia	9.5	Japan	8.4	India	10.8
5	Hong Kong	7.6	Indonesia	7	China	8.1

 Table 2: Myanmar's Major Export Partners (per cent)

	1995		2000		2008	
1	Singapore	16	United States	22.4	Thailand	49
2	India	12.2	Thailand	11.8	India	12.1
3	China	11.3	Africa	8.6	Africa	5.8
4	Africa	9.3	India	8.2	China	5.9
5	Indonesia	8	China	5.7	Japan	5.1

Source: International Monetary Fund (IMF) 2002, *Balance of Payments Statistics. Yearbook 2002*, International Monetary Fund, Washington, DC.

Table 3: Myanmar's Major Import Partners (per cent)

	1980		1988		1990	
1	Japan	43.7	Japan	39.0	China	20.6
2	United	8.8	United	9.1	Singapore	17.9
3	German	7.4	German	6.7	Japan	16.6
4	Singapore	6.1	United States	6.0	Germany	4.8
5	United	5.0	Singapore	5.8	Malaysia	4.7

	1995		2000		2008	
1	Singapore	29.9	Thailand	18.3	China	34.0
2	China	29.0	China	18.0	Thailand	21.4
3	Malaysia	10.8	Singapore	15.8	Singapore	15.8
4	Japan	7.4	South Korea	10.5	Malaysia	4.6
5	South Korea	4.1	Malaysia	8.4	South Korea	4.0

Source: International Monetary Fund (IMF) 2004, *Balance of Payments Statistics. Yearbook 2004*, International Monetary Fund, Washington, DC.

Through economic cooperation, China and Chinese enterprises are heavily involved in Myanmar's industrial, infrastructure and energy development. China is not a country member of the Development Assistance Committee (DAV) of the organization for Economic Cooperation and Development (OECD) nor discloses its economic cooperation programs while Myanmar government neither disclose details of its receipt of economic assistance from abroad. During the state visit to Beijing in January 2003 of Senior-General Than Shwe's, China offered Myanmar a preferential loan in the amount of \$US200 million and a grant of \$US6.25 million after China's commitment, the so-called "Black Friday". In an event that the U.S ban on all Myanmar-made products, China stepped into the vacuum created economic cooperation and trade investment has been started. There were two main objectives that motivated China to step into this economic cooperation or called China's foreign aid. The very first objective is to secure a favorable environment in its neighbor and the second is to secure natural resources energy. Committing to this economic cooperation, China seemingly increases their power in economic visibility to the globe. Accordingly, Myanmar is one of the major recipients of Chinese economic cooperation. It was the third-largest recipient of Chinese economic cooperation in 2000, receiving \$US186.7 million, and ninth largest in 2005, receiving \$US289.8 million which was about three times more than the total amount of assistance provided by the DAC member countries in the same year.⁴⁶

		2000			2005	
	Country	Turnover	Resources	Country	Turnover	Resources
1	Pakistan	329.4	Coal, gas	Sudan	1342.8	Oil, gas
2	Bangladesh	231.2	Coal, gas	Nigeria	799.9	Oil, gas
3	Myanmar	186.7	Oil, gas	Pakistan	751.4	Coal, gas
4	Sudan	118.8	Oil, gas	Bangladesh	614.0	Coal, gas
5	Mali	105.1	Gold	Indonesia	534.6	Oil, gas
6	Yemen	97.9	Oil, gas	India	412.9	Coal, iron
7	Laos	93.7	Potassium	Angola	305.7	Oil, diamonds
8	Zimbawae	87.6	-	Vietnam	299.8	Bauxite, coal
9	Vietnam	87.5	Bauxite, Coal	Myanmar	289.8	Oil, gas
10	Srilanka	63.6	-	Egypt	276.5	Oil, gas

 Table 4: China's Economic Cooperation, 2000 and 2005 (\$US million)

Source: Skidmore, Monique, and Trevor Wilson, eds. *Dictatorship, Disorder and Decline in Myanmar*. ANU Press, 2008. http://www.jstor.org/stable/j.ctt24hf5k.

• Economic Reforms in Myanmar:

Soon after the new government took power in 2011, a series of political, economic and administrative reform. In particular, during U Thein Sien term of presidency, the economic agenda emphasized good governance, transparency and accountability premised upon attracting local and foreign direct investment (FDI), liberalizing trade, enhancing regional economic cooperation, reducing the state's economic role, boosting the productivity and balancing equity

⁴⁶ Trevor Wilson, "Foreign policy as a political tool: Myanmar 2003–2006" Published by ANU Press. (2007)

with efficiency.⁴⁷ The new government started with a self-congratulatory of the accomplishments and turned out the country into the economy and national development. New economic policies reformation that particularly liberalized on trade, investment, industry, finance, and banking were introduced staidly to enhance marketization and allow private sector participation more and more which have shown the good sign of poverty alleviation. By 2016 the government projected a 7.7 percent annual increase in gross national product (GNP) and a 1.7 percent rise in per capita gross domestic product (GDP).

To encourage the privatization of the country's economy, government play a vital role, to begin with, communications, energy, forestry, health and financial sectors. The reformation of macroeconomic agenda successfully restricting the Central Bank of Myanmar (CBM), rationalizing the multiple exchange rate system, as well as attracting more foreign direct investment and establishing special economic zones (SEZs). This reform agenda was formalized in the "Framework for Economic and Social Reforms" (FESR) launched in 2013. There has been a re-engagement by the International financial institution (IFIs) such as the World Bank and the Asia Development Bank (ADB) after Myanmar has shed its economic isolation and the removal of Western sanctions in the last period of time. In order to achieve the desire of achieving high GDP growth and structural changes throughout the economic reform agenda which pronounced by the newly elected government, USDP, the country itself needs potential human resources to research and analyses various problems in the economic sector. Despite the desire has made, there were still gaps in baseline data and unreliability of statistic.⁴⁸ The return of international financial institutions (IFIs), Western government-linked

⁴⁷ They were mentioned in President U Thein Sein's speech at the "National Workshop on Reforms for National Economic Development", 19 August 2011. Available at <u>http://www.president-office</u>

⁴⁸ Even estimating the population of Myanmar has been problematic as the available data is based on the 1983 Census. The 2014 Census was concluded on 10 April, amidst controversy over ethnic classification; processing will take some time to finish.

aid agency firms have brought the expertise to tackle the problem of data deficiency, information gaps and to conduct research and analysis of macroeconomic and market condition in Myanmar. ⁴⁹ Myanmar, with its rich natural resources and virtually untapped market, has become the favored emerging international business market community within the current transition of their economy reformation strategy. Myanmar's president acknowledged that opening and framing development plan of the economy to the village and township level will require a lot of help from non-governmental as well as international organizations. However, the economic transition identifying its economy's strengths, challenges, as well as opportunities and risk along the journey. Problems of inadequate infrastructure, transport, energy, low productivity, rent-seeking, inefficient state enterprises, human resource, poor fiscal governance, regional budgetary disparities and outdated mindset among both public and private sector personnel are just a few examples among the manifold economic obstacles in the path to success. Furthermore, socio-political challenges of ethnic armed conflict, labor disputes, and land compensation also risk for potential investors to invest in Myanmar's economy.

⁴⁹ The World Bank, the Asian Development Bank, the International Monetary, the United States Agency for International Development (USAID) and Britain's Department of International Development (DfID). The consulting firms include renowned top-tier firms such as McKinsey & Company, Deloitte Consulting, Pricewaterhouse Cooper, Ernst & Young, and KPMG as well as boutique firms such as Vriens & Partners, NCRA New Crossroads Asia and Thura Swiss, among others. Individual consultants have also been residing in Yangon, the business capital of Myanmar. Most of these private firms produce limited circulation newsletters and topical publications for a fee to subscribers

	Number of Approved	Approved Investment	Actual Investment
	Investments	(US\$ million)	(US\$ million)
2009-10	8	302	963
2010-11	25	19,997	2,249
2011-12	13	4,644	2,057
2012-13	94	1,419	2,880 *
2013-14	94 **	3,209 **	3,516 ***

Table 5: Approved and Actual Foreign Investment in Myanmar

Note: *--estimated; **--April to January only; ***--projected

Source: Approved Investment: Central Statistical Organization, "Table 30.Foreign Investment of Permitted Enterprises by Sector," available at https://www.csostat.gov.mm/s30MA0201.htm>, and Central Statistical Organization, Statistical Yearbook 2011, Nay Pyi Taw, 2012.Actual investment: IMF (2013b).

3.2. Opportunity-Myanmar have gained from China

The opportunity Myanmar could gain from its close relationship with China is so much to describe in details. Under new government term of presidency, there were lots of opportunity opening up for Myanmar after successfully reformed itself from a military junta to civilian government. The newly elected president, namely U Thein Sein, met with Jia Qinglin, a member of the standing committee of the Political Bureau of the Communist Party of China (CPC) central committee, and chairman of the 11th national committee of the Chinese People's Political Consultative Conference in 2011. They talked about the cooperation in the energy, oil and gas, transportation both railway and road and power generation sectors. Among another new member of ASEAN, Myanmar was the last one to sign such an agreement with China, focusing on partnership agreement included cooperation on a wide range of areas, following

Vietnam (June 2008), Laos (September 2009), and Cambodia (December 2010).⁵⁰ In the first few months of the Union Solidarity and Development Party (USDP) government, the growth of Myanmar-China relations noticeably appeared to be smooth, stable and setting another stage for a stronger cooperative relationship in the future.

Economically, China develops a strong interest in securing the abundant natural resources in Myanmar and they invest heavily in the oil and gas sector and in mineral extraction as well. In another word, raw materials and energy supply are sufficient resources for Chinese products. To China, Myanmar is a market for an outlet for China's less developed provinces as Yunnan an example.

China who intends to become a great power regionally specifically in the Indo-Pacific region has played such a role that certainly carry strategic weight in regional affairs. Playing a role as a regional economic power, China poses both opportunity and challenges for its Asian neighboring countries, which are destinations for both Chinese investment and Chinese products. In order to increase the visibility of economic power regionally, China develops and maintains its strategic interests in Myanmar while both countries could gain mutual benefits through this engagement. Due to mutual interest getting from the country, China seems to keep good interest in Myanmar, which has cultivated close ties with the new government and facilitated the improvement of Myanmar's maritime capabilities as well. And the U.S who already left Myanmar for a long time ago has begun to re-engage with Myanmar after the reformation. Such a golden opportunity that Myanmar received from China's influences, which the US, the EU, and Japan expand their presence in this country. China still maintaining its position as Myanmar's second-largest trading partner while Thailand is the top position for more

⁵⁰ Indonesia (October 2013) has a "comprehensive strategic partnership" with China. Malaysia (May 2004), the Philippines (January 2007), and Thailand (May 2007) maintain a "strategic cooperation" with China. Brunei and Singapore do not have any strategic partnership with China.

than one decade and still seen by sizeable segments within the civilian government as the country's most important political ally.

3.3. Challenges

After the government reformation in 2011, the economic cooperation, trade or culture between China-Myanmar was more open and provided more opportunity, yet created unreliability and uncertainty between countries. Myanmar political changes were one of the challenges to China since Myanmar might develop even better relations with western countries than China. Therefore, the relationship between both countries was not really shaken because of the past connection over the decades either in foreign policy or trade. China must have to obtain and make more efforts regarding this issues in order to resolve the uprising problems. The new bilateral economic agreement regarding the newly-forged China-Myanmar strategic partnership of great significance on 27 May 2011 might have strengthened the relationship between both countries, yet the turning points of this relationship was the suspended of the Myitsone dam which resulted from the voice of the public's appeal and regarding to ethnic Kachin sacred area, the environmental and social impact for the downstream villages to evacuate, and 90 percent of the generated power was mean for China. ⁵¹ Thus, the suspension of the Myitsone dam was a sign of the improvement of the Myanmar democracy since the government started to take public voices and awareness into their consideration. On the contrary, China might have the feeling of uncertainty regards how democracy reformation in Myanmar work and the high hope for democracy from Burmese. In other to achieve more both diplomatic and economic relations China and Myanmar had to build and work together to reduce the distrust and hostility, yet the immediate change of the political and social unrest in

⁵¹ Yun Sun, "Great Powers and the Changing Myanmar." *Chinese Investment in Myanmar: What Lies Ahead?* (2013). (pp.7). STIMSON CENTER 1111 19th St NW, Washington, DC.

https://www.stimson.org/sites/default/files/file-attachments/Yun Issue Brief1 1.pdf.

the country might be caused a major of a problem for both of them resolve. Moreover, the armed ethnic organization is considered as a major obstacle for China-Myanmar economic though. In the past years, China had quite a remarkable relationship with the armed ethnic organization of the border of Yunnan in northern Myanmar.⁵²

Even though most of the ethnic group sign their peace treaties with the military junta government in the past years, but some of them are still maintaining their own military and territory and by remaining independence from the junta government. Hence, the Myanmar government had suspected this relationship might be a threat to Myanmar peace. Additionally, the Chinese government official clearly declared Myanmar as a sovereign state by having no interference in Myanmar internal affairs. Even though the ties with ethnic groups along the border in Kachin- Kachin Independence Army (KIA) and Shan states- the United Wa State Army (UWSA) and the Kolang Army (KA) cannot be unseen by the Myanmar government.⁵³ In June 2011, the government of Myanmar launched an attack against KIA and this hostility is now still unresolved by resulted of thousands of refugees. Up until now, the armed ethnic organizations have not settled with the National League for Democracy (NLA) government of Myanmar yet and seek to have a sit to a peace agreement and eliminate the core issues.

China was giving and seeking for the better international impression from by readjusting its foreign policy to be more accruable to the world. The obstacle for the policymakers is how to decide between the costs and benefits. The political reformation of Myanmar can be a challenge for the political or foreign relation for both countries. On the other hand, China has still carried its friendly relations with Myanmar to ensure the security, peace, and trade relations too.

⁵² Yun Sun, "Special Report. *China and Myanmar's Peace* Process." (2017). (pp.2).United States Institute of Peace St NW, Washington, DC. <u>https://www.usip.org/sites/default/files/SR401-China-and-Myanmar-Peace-Process.pdfv.</u>

⁵³ Shihong Bi, "The Economic Relations of Myanmar-China." www.ide.go.jp/library/English/Publish/Download/Brc/pdf/13_08.pdf.

Myanmar had made a big change after the State Law and Order Restoration Council (SLORC) or State Peace and Development Council (SPDC) stepped down and the new government comes to the power. The NLD's government has an aspect which not only tends to China but in western looking too. The Tatmadaw attacks made a conflict between both countries along the border side and even threatening the security of the Chinese investment though. Because of the Kokang crisis became more threatening, the western countries started to involve in the resolution which shown to the public about the western undermines Chinese influences to a corridor strategy. In 2012, European Unions had suspended the sanctions on Myanmar which were one of the effective operations of Thien Sien's government.⁵⁴ Henceforth, China Foreign Direct Investment (FDI) in Myanmar remains the biggest one, yet it shrinks back to scratch and scratch. Myanmar is now reducing the need in economics, international military, and political. President Thein San office had expected the better support from the West since in the last five years and recently, Myanmar started to do high-level delegations and seek to re-engage in international politics and encourage in both economic and political reformations. The FDI projects of China were the large-scale projects, yet the projects were really inappropriate for Myanmar's people. The unfair wages and environment depletions from Chinese investors made Burmese revolve and against with such of the project by forming the group of activism.⁵⁵

China also became a mediator to end between the Myanmar army and Bangladesh's government regarding the Rohingya crisis which shows near 214 villages destruction in Rakhine states. The Rohingya crisis had been noting as an ethnic cleansing by the United Nations textbook and became a tough situation for the Myanmar government to resolve

⁵⁴ "Burma/Myanmar: EU Sanctions Suspended." (2012). COUNCIL OF THE EUROPEAN UNION. www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/130188.pdf.

⁵⁵ Jonathan T Chow and Leif-Eric Easley. "Report. Asan Institute for Policy Studies." (2015). <u>http://www.jstor.org/stable/resrep08128.</u>

though.⁵⁶ China raised a three-phase proposal to enhance more the stability, promote the peace, and ended the flooding of refugees. Additionally, On 13 March 2015, Myanmar gave a formal apology to the Chinese government regarding the bomb explosion at the sugar cane field in Luicang, China which killed four and wounded nine others. China requested the proper investigations for this cross-border bombing yet the result was denied by the Chinese government since Myanmar found out the mercenaries were the supported by former Chinese soldiers. However, the accusation on Chinese government support on the armed ethnic organization still unclear. Even the formal apologize had been shown to the public, yet the Myanmar government didn't accept that the bombing was strike from the Myanmar aircraft during the fight with rebels. At the end of 2015, another explosion was set up which injured three and killed three more people in Laukai district. The case was pressure down to Myanmar National Democratic Alliance Army (MNDA) since during the conflict the parties were Myanmar Army versus MNDA.⁵⁷

In the consideration, China had started to act as normal and becoming to act accordingly as a normal country regarding its new foreign policy. On the other hand, the inconsistency in foreign policy might be a problem for China to set up in its home country and abroad. Meanwhile, China made its appearance in helping the global security for a few in needed countries which also included Myanmar on the list too. The global securities issues are also including nuclear programs, political and economic, and international support for global health and energy security initiatives.⁵⁸

⁵⁶ 'No other conclusion,' ethnic cleansing of Rohingyas in Myanmar continues – senior UN rights official <u>https://news.un.org/en/story/2018/03/1004232.</u>

⁵⁷ Iftekharul Bashar, "Myanmar." *Counter Terrorist Trends and Analyses* 8, no. 1 (2015): 22-26. <u>http://www.jstor.org/stable/26369560</u>.

⁵⁸ E Medeiros, "China's Foreign Policy Actions." In *China's International Behavior: Activism, Opportunism, and Diversification* (2009). (pp. 93-192). Santa Monica, CA; Arlington, VA; Pittsburgh, PA: RAND Corporation. <u>http://www.jstor.org/stable/10.7249/mg850af.14</u>.

3.4. Perspective

3.4.1. China view toward Myanmar in the future

In recent years, China had suffered setbacks in both terms of presence and influence. The political reformation became a major problem for China to gain more influences in Myanmar. After the Myitsone dam project had suspended from the building because of controversy from the public. Not only the dam projects and also the Leptaduang copper mine projects were also included by the government too. The investors from China had been in decline and the public believe it was from the NLD's accent to power too. China gradually fears the influences of the West and the US might turn Myanmar away from them. Regarding to the crisis of Rohingya, China still has on a break while China is busy caring the order dispute of its own with Myanmar at Kokang. However, a Chinese spokesperson of Foreign Affairs was stated and decided to sacrifice the ethnic rebels that involved in the instability along the Myanmar-China border regarding to the Belt and Road Initiative. However, China had a really tough pressure after Aung San Suu Kyi visited in resulted of the larger dispelled in term of uncertain relations between the two.⁵⁹ China foreign policy in ASEAN was to focus on economics and political influences. The patterns of its policies have to adjust to suit with the new reformation in Myanmar and as well as the international level. In the past few years, China has been reassuring regional nations, securing support for itself on Taiwan, and expanding the role of regional organization. ⁶⁰ Under the concept of a "Pauk-Phaw" relationship, Myanmar-China relationship will remain smooth as long as both sides agree to fulfil the obligation under and keep promote the concept peacefully. China will even turn the challenges into opportunity if both countries

⁵⁹ Enze Han, "Economic, Politics and Public Policy in East Asia and the Pacific," *Border Conflict No Match for Sino-Myanmar relations* (2018). East Asia Forum. <u>http://www.eastasiaforum.org/2017/04/27/border-conflict-no-match-for-sino-myanmar-relations/</u>.

⁶⁰ Supra Note 58

confident by addressing closely both issues in border and politically under the spirit of Pauk-Phaw friendship.

3.4.2. Myanmar view toward China/possible relation with China in the future

After September 1988 the people of Myanmar started to have the critical impression toward Myanmar. The 1988 incident had made the perspective Burmese way worse than it used to be. Myanmar started to clear its own way from China little by little to its own democracy. Moreover, Myanmar has not been a "one-sided country" which tended only to China and it also has been started to improve the foreign relations with western countries though. Myanmar had been isolated from the international for a long period already and included the sanctions from western countries though. Because of that circumstances, Myanmar had only relied on China for the last decades, however, the reformation and economically opening to the international, like its fellow ASEAN countries, Myanmar is now gaining more options to thrive out from China. On the other hand, China does not want the international community openly seen itself as a major player in influence to Myanmar due to the gradually deviated to the West. There is no good result for Myanmar too for openly put China as the rival with the West, hence Myanmar's should take the opportunity to seek for the cooperation from both the US, the West, and China to protect and resolve the global health, cyber espionage, South China Sea, and the environmental issues. More importantly, Myanmar had not been wanted to be a pawn of politics or economics to any countries, because of the high spirit of the nationalist of Burmese's people will primary defend its own national interest and national identities. In contrast, that doesn't mean Myanmar is solely working alone without any help from China or Myanmar relied all on the US.⁶¹

⁶¹ Supra Note 58

CONCLUSION

Colony and war had suffered Myanmar's economic growth and country development. Myanmar's culture and tradition were erased in the period of British colonialism which led people started to fight for the national movement. After the end of British colonization, the national movement initially improved such as newspaper and magazine began to re-publish. The military government ruled the country for a long decade and it was a big challenge and concern for Myanmar's citizens who live under the dictatorship. This country seemed to be quite isolated one from the international stages among the other countries located in Southeast Asia. Under military government, people were restricted from actively participate in politic, freedom of movement, and censorship. In addition, Myanmar suffered most when western countries included the U.S imposed the sanctions and put a lot of pressures on embargoes on lending by the international institution, the new investment, and the visa ban for the senior government official. Despite of this tragedy happened on this lonely country; however, the country gradually changed when the national election was held in 2010 under the arrangement and agreed by the interim military government, the State Peace and Development Council (SPDC) the one that used to reject National League of Democracy to handover the term of presidency back in the 1990 election.

By 30 March 2011, military's ruling junta, the State Peace and Development Council (SPDC), handed over power to a new government led by President Thein Sein, from Union Solidarity and Development Party (USDP) after successfully become a winning party during the national elections which was held in November 2010. At the early stages of democratization, political, human rights, government structure, and religious rights, as well as foreign policy, are all reformed. Political prisoners were all released, press censorship was freely open to publishing, Myanmar's citizen started to enjoy the tastes of democratization, plus other

ceasefires between Myanmar's government and ethnic group were solved in a big success, yet the government has to deal with the left armed ethnic organizations. Throughout the reformation, the government has opened far-reaching political space for not only civil society but also the political opposition ensuring a liberalization of the political system as well as primarily improve its country socio-economic and administrative reforms.

To maintain friendly relations with other countries, the government of USDP determines and consistently pursues an independent and active foreign policy in promoting and protecting national interest to support the global agenda of international security, peace, and development. Myanmar's foreign policy objectives could summarize as 1) to enhance national security, (2) to bolster economic prosperity, and (3) to promote a peaceful and equitable world order. Putting foreign policy into implementation, Myanmar enables to grab lots of opportunities from not only in ASEAN region but also the international community, which could build back the country's reputation, strengthening the economic sustainability, and improve the capabilities of political as well as diplomatic involvement become stronger.

Within a year, according to foreign policy toward China, bilateral relations between Myanmar and China improved rapidly and China has been a major source of military equipment and training, a major investor in Myanmar's economy, an export market for Myanmar's natural resources as well. And the relations between China-Myanmar remain close together while both countries enjoy the mutual benefit from one to another. China stepped into the vacuum created economic cooperation and trade investment has been started. Even the relationship between these two countries look good but there are challenges still occurred due to political change of Myanmar open up the relations with western countries.

Finally, Myanmar's development will continuously thrive out in many different ways as the transition from military rule to civilian government leading successfully reformed. Chinese

shared economically interest in the abundant natural resources of Myanmar until they have already heavily invested in oil, gas, mineral extraction that highly beneficial to support Chinese products as raw material and energy supply. On the other hand, even though the perspective of Myanmar followed by its foreign policy strategic planning begin to reduce the dependence from China, yet it doesn't mean the relationship between this two countries is going to end up here.

RECOMMENDATION

The political landscape of Myanmar gone through a historic transition, that shown up the movement of the country into liberalization. To keep the country actively participate as well as integrate into international community level, Myanmar must ensuring the foreign policy neutrality in the objective of being independence, non-aligned, and active just as the commitment of the elected government, USDP. The adjustments of Myanmar's foreign policy seen as a very good sign for further distance of development for Myanmar since it has already accomplished its mission in becoming a sovereign state with democratic reforms. On the other hand, by avoiding the dependence on collective defense and reliance on collective security, Myanmar could be evolved itself into the openness step of multilateral cooperation and balance of power rather than falling on someone's shadow just as it grows concern on China antisentiment. According to our research, even if Myanmar jump to the decision of following their foreign policy objective, yet China remains a major resourceful for economic cooperation and development since the reformation of democratization began in the period of USDP government. Also Myanmar has good geographical location neighboring with China pretty close together. Therefore, Myanmar need to maintain good relationship with China particularly on economic cooperation in order to generate the betterment of revenues growth and GDP increasing. As both political and economy of Myanmar started to reform, the interest of external region step by step grow, so Myanmar government should be ready to catch up chances in involving in global economy and direct investment from foreign country either. Especially, Myanmar itself, need to build good infrastructure and improve investment environment in order to attract more investor and also mitigate the risks of trading security as well. Last but not least, diplomatic relations is another key development to push Myanmar into the world.

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