

# Intra-European Bargaining and the ‘Tower of Babel’ EU Approach to the Burmese Conundrum

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**Abstract** Since the 1990 imposition of an arms embargo, the European Union has kept on furthering its sanction policies towards Burma’s military regime in response to its poor record on human rights and authoritarian rule over the country. However, more than a decade after the 1996 EU Common Position on Burma, the European approach to the Burmese conundrum has still failed to achieve its initial objective of facilitating a transition to democracy and of stimulating aid and development in the country. This article seeks to underline the limits of the EU position by highlighting the internal and external obstacles the Europeans have been facing in their policymaking process towards Burma. It is argued that the varied and multiple interests of the 27 EU members; an influential European public opinion favouring an attitude of ostracism; and misunderstandings or miscalculations in appreciating the current state of Burmese affairs have hindered the EU from playing an efficacious role. Moreover these factors also impede its reappraisal.

**Keywords** Burma · Common position · Engagement · EU foreign policy · Myanmar · Ostracism · Sanctions

## Introduction

In 2007 and 2008, Burma<sup>1</sup> experienced two major political crises that have drawn international focus – and criticism – on the country and its military junta led by

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<sup>1</sup>For ease of linguistic simplicity and without any political connotation, the English terms “Burma” and “Rangoon” will be hereafter preferred to the vernacular terms of “Myanmar” and “Yangon”, as well as the redundant “Burma/Myanmar” or “Rangoon/Yangon” forms adopted in official EU statements.

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*Tatmadaw* (or Burmese Armed Forces). After the repression of the Burmese monks' demonstrations and the rather hastily labelled "Saffron Revolution" in September 2007<sup>2</sup>, the passage of Cyclone Nargis in southern Burma (2nd May, 2008) further alienated the ruling *State Peace and Development Council* (SPDC<sup>3</sup>) from the international community. In the latter case, by at first restricting the humanitarian aid offered by most Western countries and international NGOs, the Burmese regime showed it was still in position to tighten its control over the country's future political and socio-economic developments. Despite the dramatic humanitarian situation left in the Irrawaddy delta by Nargis, the organization of the constitutional referendum on 10 May 2008 further illustrated the SPDC's determination to unperturbedly pursue its own transitional agenda with the step by step implementation of its "Road Map towards a Disciplined Democracy"<sup>4</sup>.

During these two crises, European countries, both individually and as a whole, have proved to have little leverage over the gridlocked state of Burmese affairs. Neither the nomination by the European Council of Piero Fassino<sup>5</sup> as an EU Special Envoy for Burma in November 2007, nor the strengthening and renewal of the restrictive EU measures and sanctions against the Burmese authoritarian rulers (and their politico-economic militarized system) in March 2008 and then April 2009, have had any visible impact. In all, it appears that the past two decades of sanction policies adopted within the EU have failed to achieve their initial objective of promoting and accelerating Burma's democratic transition after the Burmese internal watershed of 1988-1990. For in those years, the Burmese pro-democracy uprising of 1988, and then the usurped 1990 elections - which both bolstered the international appeal of Aung San Suu Kyi, the iconic leader of the democratic opposition and daughter of Burma's Independence hero General Aung San - marked a turning point in European perceptions of the Burmese conundrum.

Prior to this period Western Europe countries had been amongst the most generous donors to General Ne Win's authoritarian military regime (1962-1988), with West Germany, France and the United Kingdom above all concerned with Ne Win's ability to maintain Burma's strict autarkical neutrality - despite regular commercial and military contacts with Moscow and Washington - in the geopolitical context of the Cold War and Asian non-alignment. The tragic events of 1988 then

<sup>2</sup> The Burmese monks did not initiate the demonstrations, but the political activists did in August 2007. Beside, the colour of their robes is crimson, not saffron, a colour far more linked to Hindu nationalism in India for instance.

<sup>3</sup> The Burmese Armed Forces (*Tatmadaw*) led by General Ne Win (1911-2002) took power in 1962 and have maintained their grip over the country's political landscape ever since. After Ne Win's resignation in July 1988 and the 8 August 88 (8-8-88) democratic uprising, a younger generation of *Tatmadaw* officers staged a military coup to form the *State Law and Order Restoration Council* (SLORC) on 18th September, 1988. The new junta renamed its governing body the *State Peace and Development Council* (SPDC) in November 1997, and has since been undisputedly headed by General Than Shwe.

<sup>4</sup> Proposed by the regime in 2003, the seven-step road map towards a "disciplined democracy" aims at controlling the path, and pace, of a political transition from a military rule to a civilian one, leaving to *Tatmadaw* the lion's share of power in every institution, local parliament, and administration of the future Burmese political system - as defined by the new Constitution adopted in 2008 [16].

<sup>5</sup> Since November 2007, the former Italian Minister for Justice, Piero Fassino, has been unable to obtain a visa from the Burmese authorities in order to visit the country, and has been heavily criticized: Larry Jagan, "EU envoy on Burma has nothing to offer the democratic process", *Mizzima News Commentary*, 30 January, 2008.

acted as a new founding touchstone in Europe's political approach towards Burma involving the gradual adoption of restrictive measures, economic sanctions and diplomatic pressure against the new military junta that took power in September 1988 two months after General Ne Win's resignation. The international context of the 1990s seemed favourable to such an approach: international sanctions against South Africa were beginning to show positive results while there was a consolidation of democratic systems in Burma's Asian neighbourhood (the Philippines in 1986, South Korea and Taiwan in 1987, Bangladesh in 1990, Thailand in 1991-92). On the other hand the miscalculations of a Burmese military regime obsessed by its national security and the Southeast Asian regional environment reaffirmed the European countries in the appropriateness of the new mantra of ostracism against the Burmese junta, from then on considered as a pariah regime.

However, two decades afterwards, the EU seems immobilized in its isolationist sanction policies – though the European sanctions are softer than the ones opted by the United States after 1997 – yet with no credible influence over the political transition process that has been largely frozen since 1990. As will be argued below, in spite of a few successes in the early 1990s, EU policies towards Burma have been a failure, both in terms of encouraging a political breakthrough as well as in terms of economic growth or even development or humanitarian progress. Seen from Rangoon, Europeans are considered by the Burmese regime more as a potential threat, rather than a source of needed financial or humanitarian assistance. Moreover, the present diplomatic and political configuration within the 27 members of the European Union does not facilitate or auger well for any concrete policy change towards Burma in the near future. There are too many diplomatic obstacles, political constraints and internal EU divisions to significantly revise the current EU Common Position which was first defined in October 1996, and has been renewed several times since then.

After offering a brief overview of the EU-Burma context of the past two decades and the arsenal of sanctions and pressure tools the European institutions and member states have developed against the Burmese military regime since 1990, this article will seek to highlight the major obstacles to the efficiency of EU policy, ranging from political miscalculations, internal divisions and a powerful European public opinion passionate about the iconic Aung San Suu Kyi... to a loss of interest and misinterpretations of the current state of affairs in Burma. In short, it will be argued that the EU approach to the Burmese conundrum reflects the same type of gridlock as that which can be observed within the country itself. Trapped in a polarized and Manichean political perspective, there is a great probability that the present stalemate in Burma will continue unless a complete change of mindset is decided upon by all the parties involved: the junta, the Burmese opposition and the international community, beginning with the EU.

### **The EU-Burma Context Since 1988: The Road to Sanction Policies**

For many observers in Europe, 1988 marked a turning point in EU-Burma relations. A new junta (the *State Law and Order Restoration Council* or SLORC) took power after the bloody crackdown on the democracy movement in the summer of that year, and offered a new economic programme by abandoning the ruinous “Burmese Way

to Socialism” of Ne Win to liberalize the economy and encourage foreign investments. On the geopolitical level a new policy was introduced involving a retreat from neutral autarchy towards an opening up to Burma’s strategic neighbourhood, starting with China. While merely a renewal of the military leadership, the coup of 18 September brought to the fore a younger – and tougher – generation of *Tatmadaw* officers, all trained and promoted by Ne Win, such as his former deputy, General Saw Maung, and his faithful chief of intelligence, General Khin Nyunt. Nonetheless, after years of diplomatic neglect<sup>6</sup> the attitude of the international community towards the new regime, following the dreadful waves of repression it had initiated through 1988-90, changed dramatically. Highly critical of the SLORC, European countries swiftly opted for strong diplomatic condemnations in response to the deterioration of the human rights situation and the crackdown on the Burmese revived democratic opposition. The role of the latter had indeed been gradually mediated through the figure of Aung San Suu Kyi, the daughter of Burma’s national independence hero, Aung San.

Yet, as previously mentioned, until 1988, Europe had been at the forefront of the development and aid programmes offered to the Ne Win regime (1962-1988). West Germany had been its second largest donor after Japan, Ne Win himself having visited Berlin in early 1987 to sign up for new loan facilities. France too was about to deliver diesel engines to Rangoon when the democratic turmoil broke out in early 1988. Britain – Ne Win’s fourth wife June-Rose Bellamy was an Anglo-Burmese actress and himself had been quite influenced by his relationship with Lord Mountbatten [3] – as well as Austria – where he had his favourite psychiatrist – were other European countries with which Burma’s former strongman had many links.

Western perceptions of Burma dramatically changed in the late 1980s’ context of “People’s Power” in Asia (starting with the Philippines in 1986, South Korea in 1987 and Pakistan in 1988) enthusiastically observed in Western embassies. Burma in early 1988 seemed to be another case of an Asian democratization process fostered by the ostensible success of Western liberal and democratic values. Like Cory Aquino in Manila, or Benazir Bhutto in Karachi, the appearance of another charismatic female leader, Aung San Suu Kyi, and her heroic lineage fascinated the West. Educated in India and the UK, she has been married to a British Tibetologist and had lived in Oxford and London for many years. Her first appearance to the Burmese public on 26 August 26 1988, a few months after her return to Rangoon to care for her ailing mother, and then her first house arrest decided on by the junta in July 1989, have contributed much to her becoming an iconic figure. She has often been compared to other outstanding advocates of democracy and non-violence such as Mahatma Gandhi, Martin Luther King or Nelson Mandela [7]. In response to her appeals for international boycott of the regime, the European countries led by the former colonial power, Britain, decided on tougher sanctions against the SLORC after its refusal to recognize the results of the parliamentary elections it had organized itself on 27 May 1990.

Indeed, more even than the tragic events of 1988 with its 3000-odd victims resulting from the *Tatmadaw*-orchestrated repression, the failure to respect the results of the May 1990 elections won by Aung San Suu Kyi’s party, the *National League*

<sup>6</sup> Burma even withdrew from the Non-Aligned Movement in 1979, only to rejoin the group in 1992.

for Democracy (NLD), drew a far more massive condemnation from the international community and have acted as a benchmark for the European position on Burma ever since. As a direct consequence, the European Parliament in Strasbourg in December 1990 awarded the *Sakharov Prize for Freedom of Thought* to Aung San Suu Kyi, a prelude to her receiving the Nobel Peace Prize in October 1991. Both collectively and individually by European countries since then, the systematic denunciation of the SLORC's refusal to recognize the results of the May 1990 elections has been a key-element in any European declaration particularly at the UN General Assembly or the UN Council on Human Rights. Coupled with this, has been a call for an immediate release of political prisoners – including Aung San Suu Kyi – and for a meaningful dialogue between the Burmese military government, the democratic opposition and Burma's other ethnic groups<sup>7</sup>. On its side and to show its support to the democratic forces after the failure of the May 1990 elections, the European Commission imposed a complete arm embargo on the Burmese regime, and a year later, all cooperation in defence and security matters ceased between the European member states and Burma.

Despite diplomatic condemnations and a largely mediatised criticism from European civil society groups and media, many international multinational companies or individual European businessmen chose to invest in a country that had been cut off from the rest of the world for 26 years. Taking advantage of the new liberal economic orientation of the SLORC in an underexploited country rich in natural resources, multinational corporations such as Carlsberg, Phillips, Shell, Total or British American Tobacco entered the Burmese market, imitated by far larger waves of Chinese, Thai, Singaporean and Japanese companies [14]. In 1995, the first release of Aung San Suu Kyi and her deputy U Tin Oo enabled the EU (with 15 members, but with France, UK and Germany leading the debates on Burma) to propose few political incentives to the Burmese regime, which had deftly consolidated its political and economic basis after 1988. Besides the British, who were well connected to the NLD and Aung San Suu Kyi's entourage, the French government had encouraged in 1992 their largest oil company, Total, to negotiate with the SLORC a joint-venture to explore the *Yadana* Offshore Natural Gas fields. They were both perceived – rightly or wrongly – as a non-regional state able to influence the investment-needy Burmese junta, while the Germans too benefited from older connections with the Burmese authorities dating from Ne Winian times. Both Paris and Berlin sought to build up a “constructive dialogue” among three main partners – the European Commission, ASEAN and the SLORC – to facilitate a democratic transition in Burma. However, gradually faced with a refusal to negotiate from the junta, and seeing the NLD becoming even more marginalized by the top Burmese leadership, the idea of strengthening the first EU sanctions reaffirmed itself as the major objective of the Europeans. This hard-line stance was mainly pushed by the Scandinavians and the British, reinforced in their position by the mysterious death in jail of the Honorary Danish Consul who had been imprisoned in Rangoon

<sup>7</sup> The dominant ethnic Burmans (*Bama'r*) constitute two thirds of Burma's 55 million-strong population, with the other third made of Karen, Shan, Kachin, Karennis, Chin, Arakanese, Mon and a multitude of other minorities, including Christian, Animist, Hindu and Muslim communities. The tense relationships between the ruling Burmans and the marginalized ethnic groups have always been at the core of Burma's national unity issue and thus the everlasting civil wars in the country [13].

for not having declared a fax machine (1996). In the same period Aung San Suu Kyi had led her party out of the junta-controlled National Convention set up in 1993 by the regime to prepare a new constitution. At the multilateral level the growing friction between Brussels and the ASEAN members had become more and more obvious within the context of Burmese membership of the Association, which was became official in 1997<sup>8</sup>. Thus the dramatic context of the mid-1990s militated towards a stronger EU position, pushing the member states to go beyond the mere diplomatic denunciation of the SLORC and to give the EU a legal arsenal in each of its dealings with Burma. The cornerstone of Brussels' new approach to the Burmese conundrum became the EU Common Position which was adopted on 28 October 1996.

## The EU Common Position Towards Burma and its Limits

### Spirit and Constituents

The EU *Common Position 1996/635/CFSP*<sup>9</sup> finds its basis on the first 1990 embargo on arms which prohibited the financing or providing of any European assistance to Burma in military or military-related activities. At the same time, EU members decided to expel all military personnel attached to Burmese diplomatic missions in Europe (Paris, Brussels, London...) and withdraw their own military attachés from the four European embassies (France, UK, Germany and Italy) based in the then Burmese capital of Rangoon<sup>10</sup>. This remained however a largely symbolic decision which has not been emulated by the Americans or other Asian regional powers, all of them having retained their military attachés in the militarized Burmese state, in order to be able to maintain closer interaction with the ruling *Tatmadaw* leadership.

The EU Common Position imposed new restrictive measures, as it added to the arms embargo and the withdrawal of military personnel, strict visa restrictions on the Burmese military elite and their families and a suspension of high-level bilateral relations. It was reviewed six months after, at the same time as the United States passed an even more restrictive law against Burma. While not as strong as the original Clinton Administration proposals for a restrictive embargo of Burmese products, the EU Common Position had since been reinforced on a regular basis, in the light of internal developments within Burma. Interestingly, this gradual reinforcement is reflected in the EU's own rhetoric, as shown by the latest regulation adopted by the European Council (Council Regulation *No. 194/2008*), which clearly specified in February 2008 that the measures decided by the October 1996 Common Position were “*extended and amended*” in 2000 and 2001, then “*repealed and replaced*” in 2003, “*renewed*” and “*reinforced*” in 2004, “*extended and amended*”

<sup>8</sup> Interview with Poksak Nilubol (Ambassador of Thailand to Burma by that time, 1994-98), Bangkok, 27 September, 2005.

<sup>9</sup> *Official Journal of the European Communities*, No. L 287, November 8, 1996, p. 1.

<sup>10</sup> In 2005, the Burmese junta transferred the national capital from Rangoon to Naypyidaw (380 kms further north), but all the 30-odds embassies in Burma have still to date kept their premises in Rangoon, refusing to follow the core of the Burmese centre of power.

twice in 2005, to be “*furthered*” again in 2006 and then in November 2007, while merely “*extended*” in April 2008 and April 2009<sup>11</sup>.

In March 1997, in another step forwards after the adoption of the Common Position, the EU withdrew the *Generalized System of Preferences* (GSP) privileges from Burma for agricultural and industrial products, officially in response to forced labour abuses by the Burmese authorities<sup>12</sup>. Previously the European Commission had allowed the country to benefit from preferential tariffs for its exports to the EU countries, but, given a very low-level of bilateral EU-Burma trade<sup>13</sup>, this had remained again largely symbolic. As a consequence, Burma was also excluded from the “Everything-but-Arms” scheme for Least Developed Countries (LDC) in 2001. Conveniently, the European sanctioning of Burma has been in the past ten years a policy of adding to existing restrictions. In reaction to every political step backwards taken by the Burmese military - the second arrest of Aung San Suu Kyi in September 2000, her third in May 2003 after the Depayin Incident, the repression of the Burmese monks demonstrations in September 2007, and lastly Daw Suu Kyi latest imprisonment in May 2009... - the EU chose to reinforce the restrictive measures initially adopted in 1996. But no real incentives were proffered for mellowing or weakening those measures when a few steps forwards – or perceived as such – in the democratization process were initiated by the Burmese generals, especially those emanating from the more open-minded *Military Intelligence Services* of General Khin Nyunt. An EU delegation was able to enter Burma in July 1999 and met with Khin Nyunt and Aung San Suu Kyi followed by another one in January 2001. In May 2002 Aung San Suu Kyi was liberated after two-year of talks with the UN Special Envoy, Dato Ismail Razali<sup>14</sup>. However, in spite of this progress the EU has not toned down accordingly its approach, succumbing to the argument that pressure was effectively succeeding in swaying the junta and had to be furthered again.

Today, the EU Common Position is structured around three main constituent elements: military, economic and political. It first includes the ban on any defence cooperation with Burma, the exclusion of military personnel from EU territory (as well as military personnel in embassies in Rangoon). Secondly, it proposes largely implicit limitations on economic cooperation, including suspension of bilateral/multilateral commercial partnerships and involvement in development or non-humanitarian programmes, restrictions on any imports/exports of Burmese-made products, as well as the freezing of the Burmese leaders’ financial assets anywhere within the EU. Yet, the notable exception of the “strictly” humanitarian aid remains an issue among European States and societies for what is humanitarian aid, how is it to be defined, and to what extent is cooperation with local authorities (i.e. the

<sup>11</sup> *Official Journal of the European Union*, No. L 66, March 10, 2008, p. 1 and *Official Journal of the European Union*, No. L 108/54, April 29, 2009, p. 1.

<sup>12</sup> *Official Journal of the European Communities*, No. L 85, March 27, 1997, p. 8-9. Only Belarus is in a similar position.

<sup>13</sup> Still € 370 million in 2005 (€ 83 million worth in imports and € 287 million in exports): “Britain urged to rethink sanctions”, *The Myanmar Times and Business Review*, May 14-20, 2007.

<sup>14</sup> Once Khin Nyunt was shunted aside by the Army through a massive internal purge in October 2004, the international community had to reluctantly admit it had missed an opportunity to bargain with him and accelerate the transition process, as *Tatmadaw* hardliners were then back at the forefront. This is for instance the view of the former UN envoy, Ambassador Ismail Razali. (Interview with Dato Ismail Razali, Kuala Lumpur, Malaysia, 20th September, 2005).

military) acceptable? For instance, while for the Japanese the construction of an airport in Burma is considered as “development assistance”, for the Europeans it is understood as “infrastructure building”, and thus falls in the scope of sanctions. And third, the EU Common Position involves a wide range of political and diplomatic restraints, such as a visa ban for high-level Burmese officials (military officers, and people related to them – or thought to be..., including their extended families), the systematic marginalization of Burmese representatives in international gatherings and a series of public condemnation and critical official statements.

In November 2007, in a post-Saffron Revolution context, the EU reviewed once more its arsenal, strengthening a nominative list of 1207 Burmese companies that had to be considered as “blacklisted”, i.e. with whom there is a prohibition on business contacts<sup>15</sup>. Furthermore, about 400 Burmese leaders or prominent people and their families were banned from travelling in Europe and their financial assets were to be frozen<sup>16</sup>. Consequently, with this three-fold arsenal, the EU has a broad legal base on which its approach to Burma is built. Though firstly aimed at forcing the Burmese junta to engage in a “meaningful dialogue” with the democratic opposition, implicitly, the main objective is to suffocate it so as to force it to open up, hand over power to Aung San Suu Kyi’s leadership, and relinquish (even gradually) its political authoritarian grip over the Burmese society so as to meet the EU principles of human rights, liberty and democratic values.

### **Failure or Limited Success? Achievements of a Decade of European Sanctions**

In terms of symbols, the EU approach has fulfilled the Burmese democratic opposition’s demands and comforted the Europeans in their ideological beliefs. While responding to the liberal European orientation, the sanctions and diplomatic condemnations of Burma’s authoritarian rulers have systematically held up to international opprobrium a repressive regime. Yet despite, or rather because of, its own isolationist tendencies the regime remains unperturbed by the global ostracism it has been the object of since 1988 [4]. In both defining and implementing this international banishment, the exiled Burmese opposition is one of the most influential lobbies to which the EU (and the US) has given an almost unconditional support since the early 1990s. The pariah status of the Burmese regime also is a response to the demands of European public opinion, one which is very fond of the iconic “lady” – the Burmese Mandela defending Gandhian values – trapped in her Rangoon house and whose name remains though unpronounceable for most.

By putting additional pressure on matters like human rights abuses, forced labour and other arbitrary policies, the sanctions have also undoubtedly reduced their occurrence in Burma, as proven by various NGO or UN agencies reports. Regular fieldwork and interviews with both Burmese and foreigners living in Burma leads this author to assert that the military regime does nevertheless care about its image, and has been tempted to repeatedly adopt softer political stances and practices when

<sup>15</sup> “Europe launches tougher Burma sanctions”, *The Bangkok Post*, Nov. 19, 2007.

<sup>16</sup> “EU implements sanctions on Myanmar junta, firms”, *Reuters*, Nov. 19, 2007.

specifically pointed at by the international community, especially Europe or the UN. This has occurred despite a complete lack of understanding by the regime of the foreign policy mechanisms and objectives and the military capacity of the EU compared to the United States or ASEAN.

However, many limitations in the European approach have gradually appeared obvious, if not counterproductive. The essential problem has been to go beyond the “feel good position” – namely giving moral support to the Burmese pro-democracy forces, “outsourcing” EU policy to them, pursuing an ethical approach commensurate with Western values – to adopting a “do good position” in Burma. Such an approach would mean bringing about meaningful change there by adopting a more pragmatic policy, and helping Burmese civil society flourish by itself within the context of peaceful development. While the latter may be observable on the ground in Burma it remains difficult to achieve after more than a decade of pressure [10]. The EU arms embargo is part of this “feel good” component: very few European countries are indeed willing to sell weapons to the Burmese junta which has logically and strategically established key military partnerships with China, Pakistan, Russia, India or even Singapore<sup>17</sup>. In continental Europe, only the Ukraine and Yugoslavia/Serbia have developed crucial military trade with the Burmese military in the past two decades<sup>18</sup>. Also, in 2007 an Indo-Burmese arms deal on British-built aircraft sparked a global controversy that illustrated the flaws in the EU’s embargo. India indeed offered to sell its Burmese neighbour a pair of BN-2 Islander naval surveillance warplanes which had been acquired from London by New Delhi in the late 1980s, before the EU embargo was in place<sup>19</sup>. As no clause on resale had been specified in the first Indo-British deal, New Delhi had no qualms in proposing the old European aircrafts to the Burmese Armed Forces, while sealing another contract on Indian-made helicopters, thus sparking huge reaction in Europe about the possible (indirect) sale of European weaponry to the Burmese junta<sup>20</sup>. Lastly, the absence of European military attachés in Burma since 1990 clearly does a disservice to the European diplomats in Rangoon, where many events, ceremonies and meetings are exclusive to the military and provide a good vantage point to observe the current who’s who of the Burmese military hierarchy. Dealing with a military regime remains easier when one also wears a uniform - as the Russian, Indian, Chinese or even American defence attachés in Rangoon would inevitably attest – though it is far from being a guarantee of having regular and direct access to the extremely xenophobic *Tatmadaw* top leadership.

As far as the EU visa restrictions are concerned, many limitations are also flagrant, even to the extent of seeing this particular restrictive measure being labelled as the “shopping visa ban” in European bureaucrat circles<sup>21</sup>. This ban does not target

<sup>17</sup> William Ashton, “The Arms Keep Coming: But Who Pays?”, *The Irrawaddy*, 12, 6 (June 2004), available online at [http://www.irrawaddy.org/article.php?art\\_id=3759](http://www.irrawaddy.org/article.php?art_id=3759).

<sup>18</sup> William Ashton, “The Kiev Connection”, *The Irrawaddy*, 12, 4 (April 2004); available online at [http://www.irrawaddy.org/article.php?art\\_id=954](http://www.irrawaddy.org/article.php?art_id=954).

<sup>19</sup> Rahul Bedi, “Indian transfers more Defenders to Myanmar”, *Jane’s Defence Weekly*, May 16, 2007.

<sup>20</sup> Despite strong official denials by India: Amnesty International, *Indian helicopters for Burma – Making a mockery of embargoes?*, ASA 20/014/2007, July 16, 2007.

<sup>21</sup> As noticed during our various discussions with EU diplomats in Bangkok, Brussels and Paris throughout 2008 and 2009.

Burmese diplomats and officials invited to international gatherings or intergovernmental meetings, such as those organized in Brussels, Paris (UNESCO), Vienna or Geneva (various UN agencies). Furthermore the rich Burmese leadership has always gone to Singapore, Hong Kong, Bangkok or Dubai for their “shopping” and banking purposes. None of the top military leaders has funds and bank accounts in Europe (except in Switzerland or Liechtenstein, which are not EU members), and less than €70,000 has been frozen in Europe so far, clearly far from creating credible leverage for a junta that earns billions of Euros annually<sup>22</sup>. Moreover, the 400 blacklisted names of Burmese elite members have been decided arbitrarily, often following the advice of the exiled Burmese opposition. Who should be on the EU blacklist or not? Is it appropriate to ban the 75-year old mother of Tay Za, one of the richest tycoons in Burma<sup>23</sup>, while his youngest daughter attends Rangoon’s international school along with American, Korean and French pupils? After all, General Ne Win’s grandson had been able to study in London and several top military leaders have sent their children to US or Australian universities, whose attraction is an essential component of the “soft power” of those countries.

Also, one of the main flaws of the EU investment ban lies in its non-retroactivity (a boycott cannot be retroactive). All foreign companies whose joint-ventures with the Burmese authorities had been set up before the passing of the EU Common Position are not concerned by it, despite regular revisions<sup>24</sup>. Amongst these companies the most important is the French Oil group *Total*, which provides the Burmese government with an estimated US\$ 400 million a year in taxes and royalties through its joint-venture with the state-owned *Myanmar Oil & Gas Enterprise* (MOGE) in the offshore *Yadana* project first negotiated with the SLORC in 1992 and which came on stream in 1998<sup>25</sup>. Yet given the strong aversion of European public opinion to the Burmese junta - and the unchallenged critical position of Aung San Suu Kyi’s against foreign investment and foreign tourism – many international companies have withdrawn from Burma since the mid-1990. Amongst these are Heineken, Phillips, Accor and Premier Oil. But the main motivation remains the negative publicity within Europe for companies working in a repressive Burma rather than the legal pressures emanating from EU sanctions. Furthermore, very few of the 1207 banned Burmese firms and small trading companies have been involved in business relationships with Europe, except in the textile and timber industry<sup>26</sup>. Restrictions on European trade with Burma, even in specific sector, such as timber or gems have not proved to have had

<sup>22</sup> According to the London-based activist organization Burma Campaign UK: “EU summons Myanmar Envoy to warn of more sanctions”, *Reuters*, September 28, 2007.

<sup>23</sup> *Official Journal of the European Union*, No. L 66, March 10, 2008, p. 81.

<sup>24</sup> France has been active in impeding any EU restrictions on investments already in place; see “EU dilutes sanctions plan on Burma”, *Financial Times*, October 9, 2004.

<sup>25</sup> Interview with Martine Valeix, Director-General *Total E&P Myanmar*, Rangoon, March 6, 2006.

<sup>26</sup> The way they had been chosen – most of them having no accessible headquarters – highlighted the difficulties European diplomatic staff had in identifying them and their linkages with the Burmese military. The 50-page list of the Annex V of the 2008-reviewed EU Common Position shows more individual surnames picked up in the *Myanmar Yellow Pages*, than strongly-funded and military-controlled enterprises. See the *Official Journal of the European Union*, No. L 66, 10th March, 2008, p. 19-68.

any great impact on the regime. The reality is that while the Burmese economy may be particularly weak it does not heavily depend on the West – as South Africa did in the early 1990s – but far more on Chinese, Thai, Singaporean and Indian trade and investment. Above all, Burma's economy remains highly informal, with underground transnational links and a still volatile cross-border trade.

Gradually, European bureaucrats and Burma watchers have come to realize the limits and counterproductive consequences of EU ostracism against a xenophobic regime economically fuelled by its neighbours and with few diplomatic partnerships. Hence there has been a renewed focus on humanitarian aid proposed by various European diplomats and NGO circles, especially after the passage of cyclone Nargis. Developing strong EU-Burmese cooperation in the humanitarian and development sectors, so as to consolidate Burmese civil society, has always been a key objective of Brussels. Yet achieving this objective has been hindered by the impossibility of building up any viable collaboration with the Burmese (military) authorities without earning harsh criticism from militant and pro-democracy organisations who denounce what they claim is an endorsement of an oppressive regime. Today, no credible development schemes have been developed by the Europeans in Burma, with the notable exception of the activities of a couple of dozen international NGOs in and around Rangoon or in the Arakan State. The *European Commission Humanitarian Office* (ECHO) opened an office in Rangoon in October 2005, but it has been only able to facilitate an increase of EU humanitarian aid from a mere €2 million in 2001 to €8.2 million in 2004. This amount remains fairly low compared to the €570 million humanitarian aid spent worldwide by the EU that year. ECHO funds a dozen international NGO operating in Burma including *Aide Médicale Internationale* (AMI), *Médecins Sans Frontières* (MSF) and *Groupe de Recherches et d'Echanges Technologiques* (GRET)<sup>27</sup>, as well as the United Nations' *High Commission on Refugees* (UNHCR) through a Rohingya repatriation program in the Burmese state of Arakan<sup>28</sup>. Understandably European humanitarian assistance was increased after the passage of cyclone Nargis in May 2008, and a € 40.5 million plan was decided upon in Brussels<sup>29</sup>, but still, the development assistance the Europeans offers Burma lags far behind compared to that granted to Laos, Bangladesh or even East Timor. Following the 2007 demonstrations by Burmese monks and cyclone Nargis it became apparent that Europe had virtually no leverage on the Burmese authorities [12]. As a result, recent intense discussions in Brussels, and among European diplomat circles in Rangoon, Bangkok and New York, indicated that many EU members were unsatisfied with the tough approach adopted by the EU as a whole since 1996. The policy is not as efficient as initially anticipated, as too many obstacles impeding its success lie in both its spirit and definition.

<sup>27</sup> "European Commission to maintain aid levels", *The Myanmar Times & Business Review*, Dec. 26 – Jan. 1, 2006.

<sup>28</sup> Interview, UNHCR official, Rangoon, Burma, February 27, 2008. The Rohingyas are a Muslim minority inhabited the swampy Bangladesh-Burma borders, and highly discriminated against by Bangladeshi, Arakenese and Burmese authorities.

<sup>29</sup> "EU provides extra EUR 40 million in aid to Myanmar", *AFP*, December 19, 2008.

## Obstacles to the Success of the Present EU Approach

### Wrong Target, Wrong Assessment

Despite the advent of a new Burmese junta and a shift of policy in the late 1980s', many analysts have warned that economic sanctions and foreign political pressure against the Burmese military were doomed from the beginning<sup>30</sup>. Constrained by symbolic political aims, but mainly economic means, Western and more specifically European approaches towards the post-1988 Burmese conundrum were doomed to fail and miss their primary target. The Burmese Army, in power since the military coup staged in 1962, had in fact been at the very forefront of Burma's political scene since the march towards Independence in the early 1940s and has managed to continually consolidate its ascendancy over the Burmese economy since the early 1950s. As the main institution dominating Burmese society, it has always propagated a nationalist ideology that has relied on an obsession with national security. As a result of single-minded focus on defence against internal and external threats - coupled with the *Tatmadaw's* rhetoric on the non-disintegration of the country, the safeguarding of the national unity and the moral duty of defending *myanma*' identity - has pushed economic and development priorities well into the background. As a consequence of this pattern, in which security goals prevail over economic ones and the enrichment of the few, if Western sanctions first target the welfare of a military elite and not its security obsession, they simply miss the point. No matter how hard and extended the economic pressure or the freezing of financial assets are, the national security obsession will still be the priority for the Burmese Armed Forces. Thus *Tatmadaw* is quite likely to further its domination of the country's political landscape in the years to come if not threatened in a different way.

While it may be unpalatable to accept, the Burmese military is indeed here to stay and to remain the major political actor, in spite of the aura and international recognition of Aung San Suu Kyi. To hope for a complete withdrawal of *Tatmadaw* from political life - either through external pressure and sanctions or a collapse due to internal divisions - is an illusion in the mid-run. So is predicting the probability of the Burmese formal economy becoming bankrupt thanks to the asphyxia created by international sanctions. Both are based on a misguided assessment of the current Burmese state of affairs. Europe in particular, and the international community in general, cannot continue to deliberately ignore an Army that controls the lion's share of Burma's formal economy, basks in its calculated isolationist habits aimed at preserving the integrity of the nation, and has consolidated its grip through a xenophobic propaganda campaign inadvertently abetted by policies of international sanctions [4]. It has always been a mistake to underestimate this xenophobic nationalism fuelled among the Burman elite, including among civilians and anti-junta circles which are far from all being pro-NLD and pro-West. The imposition of boycotts and sanctions has indeed served to further the negative perceptions the Burmese military has of the outside world, reinforcing their counterproductive

<sup>30</sup> See the early 1990s works of David I. Steinberg (Georgetown University), Josef Silverstein (Rutgers University) or Robert H. Taylor (SOAS, London), or more recently David Holliday (Hong Kong University) or Christopher Roberts (University of Canberra).

effects, and hindering closer interactions in *a priori* non-political fields such as development and humanitarian activities. From the Burmese junta's perspective why should you allow in external powers that want you out? Why should you welcome assistance and support from powerful states that have enacted laws to ban you and promote your own collapse? The fear of seeing the trauma of the colonial past reimposed on Burma has reinforced the Burmese army in its hatred against outsiders, whether Western, Indian, Chinese or Thai. While the symbolic impact on the Burmese military rulers is real<sup>31</sup>, systematically putting the blame on the nationalistic regime and reviling its leaders has, and will, continue to bolster their self-serving sense of patriotic duty to resist external pressure.

Thus, it can be asked, whether isolating a regime that wants to be isolated and targeting one of its low-level priorities, namely economic development an adequate policy? A more subtle assessment of the current Burmese situation is needed to further the development, social and humanitarian assistance the country needs from the Western world. A way must be found to do this without embracing the military regime. Within Burma massive money printing, increased corruption, a rise in trafficking and volatile cross-border flows appeared as a way of counterbalancing the social costs and the economic burden generated by sanctions<sup>32</sup>. The new restrictive package decided by Europe and the USA after the Depayin incident and the third arrest of Aung San Suu Kyi in 2003 [8], and then after the repression of the "Saffron Revolution" in 2007 had a disastrous impact, not only on rich Burmese tycoons, traders or profiteers, but also on workers in timber factories or petty merchants in markets. As demonstrated in many reports on sanctions<sup>33</sup>, a better analysis of the direct costs of these policies, especially those defined by EU members, would help spark a review of the EU Common Position [5,9,11]. However, endless intra-European bargaining impedes any substantial reconsideration of policies and tactics.

### The 'Tower of Babel' Dimension: Intra-EU Bargaining

Beside miscalculations, internal divisions within the EU and the competitive strategies of individual European member states, added to the lack of interest, or even cursory knowledge of the Burmese situation from some EU members, have hindered the effectiveness of the EU approach to the Burmese quagmire. Furthermore, changing the symbolic impact of the EU's Common Position would be too costly in domestic political terms, given the blind support of European public opinion for Aung San Suu Kyi's democratic struggle. A common European perspective has cast Burma as a "pariah" state and its regime as part of the "evil side", while its democratic opponents are depicted as representing "the good side". As the Burmese-born academic Michael Aung-Thwin argues in a provocative

<sup>31</sup> In most of my meetings with Burmese officials, I have systematically noticed their recurrent question as to why the West is so determined and obsessed with the objective of sanctioning the regime, and sharply criticizing it.

<sup>32</sup> See the analysis in International Crisis Group, "Myanmar: Sanctions, Engagement, or Another Way Forward?", *ICG Asia Report No. 78*, 26 April 2004.

<sup>33</sup> *Ibid.*; see also David Steinberg, "Burma: Feel-Good US Sanctions Wrongheaded", *Yale Global Online*, May 19, 2004.

academic article [2], going beyond this “good versus evil” picture remains extremely difficult. His argument that no middle way, no middle path for compromise and consensus appear thinkable has since found many supporters denouncing too this counterproductive Manichaeism in most of the assessments of the Burmese situation. The spirit of Western sanctions was borne out of the early 1990s, and dropping them would be perceived as a severe loss for the democratic forces and a shameful compromise of the West with its own values.

When looking at where the core of the European policymaking in the Burmese case lies, the influence over the approach every European countries has towards Burma clearly appears to emanate from the sphere of political actors, and not from the diplomatic or military, nor even economic/business circles. This contrasts with the situation in neighbouring China, Thailand or India, which all have deep-rooted strategic concerns and profound economic interests in and around Burma. Consequently, Brussels and the European member states are much more receptive to public opinion and intellectual debates within their vibrant civil societies than other regional powers which tend to focus on security and trade matters. In fact, European policymaking on Burma seems to be the result of a delicate balance between the Europeans countries willing to outspokenly criticize and isolate Burma (the United Kingdom, Scandinavia and a few Eastern Europe countries following Vaclav Havel’s all-weather support for his fellow Burmese Peace Nobel Prize award-winner) and those who appear keener on adopting a softer diplomatic approach and opposing the mantra of ostracism (starting with France and Germany). Interestingly, various fieldwork of this author in Rangoon has also revealed a growing rift between the few European diplomats posted in Burma<sup>34</sup> and those, far more numerous, based in Europe, whether in Brussels or at their central administration headquarters. London’s Foreign Office and the French presidential palace appear indeed far more sensitive to the concerns of pro-democracy lobby pressure than British or French diplomats in Rangoon. The various declarations of British officials (PM Gordon Brown and Foreign Secretary, David Miliband) during the Saffron Revolution in Rangoon, as well as vitriolic statements by the French President Nicolas Sarkozy and his Foreign Minister Bernard Kouchner in trying to impose the Responsibility to Protect (R2P) principles on Burma after the passage of cyclone Nargis in May 2008, were coolly received by their respective embassy staff which had to find a way of dealing effectively with Burmese local officials in Rangoon<sup>35</sup>.

In the end it appears that the definition of the EU’s global approach to Burma is a political compromise between leaderships in just a handful of European states, with France and UK at the forefront, the two countries having the largest investments in Burma. The British have always had a strong policy of criticism of the Burmese junta since 1988, while having maintained close interactions with the pro-democratic opposition in Rangoon (both the NLD and the Generation 88, made up of former student leaders of the 1988 uprising). The French are, on the other hand, tempted to

<sup>34</sup> As mentioned, only four EU countries have embassies in Rangoon proper: France, Germany, Italy and the United Kingdom, to which we can add the ECHO representative.

<sup>35</sup> Thus generating a strong antipathy towards the French from the Burmese authorities which had so far considered France as more open and willing to negotiate with the junta than the other EU members, according to various interviews I had with French and British diplomats in Paris and Rangoon in the course of 2008.

pursue a more global agenda on Burma, with far fewer political connections inside a country which has never been part of the French sphere influence, but with various active French NGOs (AMI, GRET, MSF, *Partenaires*, *Enfants du Monde...*) and cultural activities (*Alliance Française*).

The difficulty of coordinating the EU policymaking process among 27 countries having contending views on Burma is patent. Beside France and the UK, Germany and Italy have at times tried to propose various initiatives, not often welcomed by other EU members dealing with Burma from their embassies in Bangkok. The German presidency in 1999 brought an EU delegation (Troika) to Rangoon, despite the prohibition on high-level contacts (above Director General, but not as far as “senior officials” are concerned) between Europe and Burma. The German embassy in Rangoon regularly, and outspokenly, denounces the unilateral sanctions reinforced every year by the EU Common Position, pointing out their lack of effectiveness<sup>36</sup>. The Italians too have pushed to give Piero Fassino a key role in seconding the UN Special Envoy on Burma, Ibrahim Gambari, in 2007 and 2008. But on the other end of the scale, European member states like the Czech Republic, the Netherlands or Sweden – the latter two openly financing Burmese activist organisations and exiled news group in Europe, India or Thailand<sup>37</sup> - have constantly offered far stronger opposition to any diplomatic concessions to the Burmese generals unless the position of Aung San Suu Kyi and her party is improved. When the European countries having no interest in Burma and those, such as Poland and Hungary, more willing to follow the tougher US position are factored in, then the “tower of Babel” dimension of the EU approach appears flagrant [15]. This gridlock strongly hinders any push towards a revision of the Common Position which remains immobilized in this polarized configuration.

### Looking For a Way Out: Is There a Smart Policy for the EU?

Is there then a way out, as posited by a report of the *International Crisis Group* in 2004<sup>38</sup>? While the Burmese military junta keeps on digging in, Europe has shown its incapacity to exert any leverage on it after the Burmese monks’ demonstrations in 2007 or the Nargis catastrophe in 2008. Comfortable to continue their “feel good” mantra – one which is though perfectly in line with liberal European values – EU members have found it difficult to overcome the polarized debate and the “black & white” perception of the Burmese political scene the Western world has developed. While other options have been proposed through the definition of “smart sanctions” or “targeted sanctions” fusing the “feel good factor” and the “do good factor” into a smart EU policy seems a far greater challenge than unquestionably continuing existing policies. Yet, many experts or Burma watchers have offered different alternatives; all denouncing the counterproductive effects of an attitude of ostracism towards the isolationist-prone Burmese junta. Globally, sanctions have worked when

<sup>36</sup> Interview, German Embassy in Burma, Rangoon, 29th February, 2008.

<sup>37</sup> Various discussions with Burmese exiles receiving funds and support from those countries in New Delhi and along the Thai-Burma borders (2006-2008).

<sup>38</sup> ICG, “Myanmar: Sanctions, Engagement, or Another Way Forward?”, 2004.

being implemented in unison, with the international community adopting common views as was the case concerning South Africa. On the contrary as far as Iraq, Cuba or Burma are concerned, divisions between global powers and regional powers have hindered achieving any concrete results on the ground<sup>39</sup>.

As argued previously, hoping that the Burmese army and its authoritarian political expressions will swiftly collapse through external pressure remains utopian. In all probability the *Tatmadaw* will continue to dominate the Burmese landscape in the next two decades, given their background, the historical legacies of the Burmese state-building and the country's geopolitical environment. They cannot go back to their barracks in a fortnight, as the 1988-90 dramatic parentheses on 1988-90 led some to believe. Twenty years afterwards, a gradual transition from military rule to a civilian one is not only required but is the most that can be hoped for. For such a transition has to encompass not only the political-democratic dimension, but also in the social and economic domains. Burma today is absolutely ill prepared for a swift transition, as it has no viable capacity to absorb the economic and social cost of such a transition, even if strongly supported by international institutions and/or neighbours. Establishing a federal administrative system is for instance one of the most costly political watersheds for a country which has no viable banking system, a highly corrupted military elite still controlling the economy's lion share and no efficient decentralized administrative entities, separated from the Military. Burma does not possess yet the capability to find a credible, similarly-organised and structured socio-political alternative, to efficiently run the country without internecine struggles. There are currently too many flaws in Burma's state capacities: no independent institutions building (especially in the justice sector), no credible financial system to support it and a complete failure of the education system. Such fundamental weaknesses are exacerbated by – and contribute to – the chronic under development of the country, thus further reducing the viability of any possible transition. Paradoxically, by delaying the development of the country, its civil society and its economic structures, international sanctions have also reduced the probability of Burma reforming itself rapidly from the inside.

Yet, ironically, at least rhetorically speaking, assistance in building up a vibrant civil society has always been the main motivation and primary argument underpinning the EU's approach towards Burma. European diplomats have always defended that EU's role as preparing for a political transition by helping the Burmese civil society to strengthen and grow. So why is there this gap between declarations, and efficient actions and results at the grass-roots level in the past years? How can the incredibly low-level of European humanitarian aid in Burma be explained compared to that for Laos or East Timor, to cite but two Southeast Asian countries? In the 1979-80 fiscal year, the isolationist Burma of Ne Win received US\$ 473 million in grants and loans from external donors, including US\$ 72.6 million from West Germany (i.e. US\$15 per capita at that time : see [1], p. 95<sup>40</sup>). Thirty years after, a Burmese receives less than US\$3 per year of humanitarian or development

<sup>39</sup> See for instance a series of editorials in prominent newspapers: "Sanctions don't work", *The New York Times*, Nov. 10, 2003, "Sanctions won't work", *Financial Times*, July 27, 2004 or "Sanctions: History Lessons", *The Economist*, Oct. 21, 2006.

<sup>40</sup> Though the aid was almost entirely siphoned by the regime's apparatchiks or unproductive state-controlled companies, one can notice.

aid, while a Laotian could expect US\$30 and an East Timorese more than US\$140. The Manichaean view of the Burmese political situation has indeed also affected European humanitarian involvement<sup>41</sup>. In this regard the Europeans are in a dilemma: it is often perceived that giving aid to a country requires, one way or another, building up close cooperation with the local authorities. However in the Burmese case this means cooperation with the execrated military government, which is unacceptable according to the spirit of EU sanctions – though in contradiction with the mandate given by the *Development Cooperation Instruments* (DCI). The fundamental issue lies here: is the West willing to compromise its ethical stance and enhance its development and humanitarian programmes despite this requiring visible collaboration with local Burmese authorities, as is done elsewhere in the world? Is the EU as a whole, and its member states, willing to increase its support for Burmese civil society, enhance its role in reforming and transforming Burma's education system and build a wider assistance framework inside the country if this involves networking with local officials and deeper interactions with a ruling entity that is not as monolithic as often assumed?

The current official EU position still stipulates that political progress and reforms should be first observed in Burma, before assistance and cooperation are enhanced, as Benita Ferrero-Waldner, the EU External Relations Commissioner, publicly declared after the September 2007 repression in the streets of Rangoon<sup>42</sup>. But cooperation in education or health matters does not necessarily mean political endorsement of an authoritarian regime, especially with a form of repressive rule that does not need this kind of cooperation to maintain itself. In this author's view, Europeans should be more creative<sup>43</sup>, but also more modest, in their objectives in Burma. They have to begin by accepting their current lack of political influence in the short-term in Burmese politics for the junta is now in a position to gradually implement its own roadmap to transition, according to its own agenda and at its own pace. While opting for a mellowed form of political criticism, the European focus has to be reoriented into concrete humanitarian and development aid programmes, coupled with improved cultural relations designed to restore the negative image the Western world has in Burma. It seems misguided to assume that a society that has been bruised by decades of colonial trauma, continuous civil wars and xenophobic propaganda will welcome with open arms the help of the Western community. It remains a misperception to picture Burma as governed by only a cluster of xenophobic and ultranationalist Burmese generals, with the rest of the Burmese society widely and willingly open to the outside world. For many Burmese, the West is still perceived as a global threat, and the links with Aung San Suu Kyi are too obvious, as if Burma's other ethnic minorities or conflicting opposition voices were ignored and pushed into the background.

When travelling throughout the country, off-the-beaten tracks, one can notice many signboards in front of factories, schools, wells, meeting halls built or financed by Japanese, Korean or Chinese donors, but very rarely by European ones. The de facto outsourcing of development assistance – as well as the political pressure – to

<sup>41</sup> Author's discussions with EU officials dealing with Asia (December 2008 and July 2009).

<sup>42</sup> "EU backs 'carrot and stick' approach towards Myanmar", *Reuters*, Nov. 21, 2007.

<sup>43</sup> One would say Machiavellian: to put the worm inside...

Asian countries (ASEAN for instance), limits the EU's influence, future leverage and popular appeal. Indeed, Asian diplomats are often upset at seeing the West "passing the Burmese buck" to Asia, admitting they have no leverage over Burma. The EU is indeed often asking ASEAN, China or India "to reach its sacrosanct goals of democratic change with the Asian way of dealing and negotiating"<sup>44</sup>. The EU should admit that direct and immediate political change in Burma will not occur through strong external pressure, far from it, but accept that a long-term and deeply anchored development policy needs to be defined and implemented if meaningful political reforms are to be brought about [6]. Priority should be given to development and humanitarian assistance (and that will inevitably come with some dose of cooperation with the Burmese regime) in order to prepare a much needed transition, beyond the mere urgency of the present humanitarian crisis<sup>45</sup>.

### **Conclusion: Burma's Problems and the Problem of Burma**

The international community in general, and the European Union particularly, has a problem with Burma. The EU appears as a divided house, with few member states strongly opposed to any relaxation of the restrictive measures against the authoritarian regime and others unwilling to pursue the coercive approach given its lack of positive impact. In spite of a common goal – promoting a democratic, stable and developed Burma – no unifying forces have been observed in the EU policymaking process dealing with the Burmese conundrum. In spite of strong official statements against the Burmese military and a large range of economic restrictions and symbolic sanctions, the Europeans cannot count today on any credible leverage over the internal political process in Burma, and more globally no influence over the whole evolution of the country. With an incredibly low-key involvement in terms of humanitarian aid or development assistance compared to that proffered has in neighbouring countries such as Bangladesh, Laos, Cambodia or Vietnam, the EU lacks influence.

What is more, given the international outrage left by the repression of the Burmese monks' demonstrations in 2007, the xenophobic withdrawal after cyclone Nargis in 2008 and Aung San Suu Kyi's farcical trial in 2009, given the strength of pro-democracy lobbies and Burmese exile groups in Washington, London, Brussels or Paris, given the lack of economic and concrete strategic interests of most of the European countries in Burma, and, finally, given the inability to overcome the Manichean perceptions the Western world has of Burma, the EU approach has little chance of evolving in the coming years. While it remains morally unthinkable for European political leaders, the return of European military attachés to Rangoon and the relaxation of the continuously strengthened EU economic sanctions is unlikely to occur even in case of a third liberation of Aung San Suu Kyi after 2010. As the iconic leader of the democratic opposition will not be allowed by the junta to contest the state-controlled 2010 elections (the fifth point of the SPDC's 7-step road map towards a "disciplined democracy"), the EU will not be in a position to offer the Burmese regime many political incentives. A

<sup>44</sup> Interview with the Singaporean Ambassador to Burma, Rangoon, March 6, 2006.

<sup>45</sup> International Crisis Group, "Burma/Myanmar after Nargis: Time to Normalize Aid Relations", *ICG Asia Report No. 161*, 20 October 2008.

few localised assistance programmes might be – and should be – proposed, with the amount of EU aid sharply increased<sup>46</sup>. However, given the political risks and the intra-European stalemate, overall EU Burma policies will not be altered in the near future unless a complete change of mindset takes place.

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<sup>46</sup> As the first step taken in December 2008 illustrates: "EU provides extra EUR 40 million in aid to Myanmar", *AFP*, December 19, 2008.