

Decades of Crisis and Conflict in Myanmar

Myanmar has once again been the talk of the town with decades of military rule, conflict, repression and the recent political execution of four activists.

During the colonial rule, Britain plundered and transported Burma's crude oil and teak to various countries around the world. The exploitation and plunder of wealth available abundantly in such countries like Myanmar provided the preconditions for the development of capitalism in Europe. The wealth that was moved by the military might of the colonialists in the past entered these countries as finance capital in the later period. Burma lost oil deposits and many valuable mines such as tungsten, tin, lead, and silver not only in the imperialist plunder but also in their 2nd World War bombings. To this day, Myanmar is a victim of the military-dominated policies and exploitative tactics of the imperialist countries. Myanmar, being in a geographically strategic location in the Bay of Bengal like Sri Lanka in the Indian Ocean, has been turned into one of the conflicts zones by the imperialist countries.

Myanmar is a small agricultural country bordering India, China, Bangladesh and Thailand. It has a population of five crores and forty lakhs. 88 per cent of the population are Buddhists while Christians and Muslims constitute the minority. It gained 'independence' from Britain in 1948. Since then, it has been under the control of military governments for the majority of the period (1962-2010). Internal crises as well as economic crises continue in this country to this date. As in our country, after 1948, some 'welfare' measures have been taken by Myanmar. It implemented Eight-year plans; it nationalized all the mines and industries in the country; but like Nehru's rule, it depended heavily on agriculture in the name of implementing socialist policies. After the 1980s, the models of development of the West and the model of Singapore entered into these ongoing plans. By 1987, the country had joined the ranks of the poorest countries of the world. This means that within seven years of implementing the imperialist economic policies, Myanmar became a poor country dependent on foreign debts.

Myanmar should not be a poor country. It has varied and rich natural resources. It produces precious stones such as rubies, sapphires, pearls, and jade which are known all over the world. About 90 per cent of the world's rubies are extracted from the mines of this country. But the workers who extract these gems are provided the most gruesome and dangerous work environments. Once extracted, these gems then become the golden goose eggs for US and European jewellery companies. The junta's military government directly controls the gem trade either by direct ownership or by partnering with private companies. The country supplies around 10% of world's rare-earth elements. This is the guaranteed

income of the military rulers. Other exports include agricultural goods, textiles, wood products, construction materials, gems, metals, oil and natural gas. Petroleum accounts for 28.6 per cent of the country's exports, rice 4.9 per cent, refined copper 3.75 per cent. These industries mainly bring in foreign exchange.

Tourism is also a source of income for this country. Many unethical activities associated with tourism are also going on in the border areas of Thailand. Opium, drug manufacturing, transportation and smuggling of illegal weapons are going on in some areas. They also bring in unaccounted foreign exchange. From the very beginning, the imperialists continued to compete for supremacy to use this country for such 'businesses'.

Economy

Myanmar's projected nominal GDP for 2022 is \$69.26 billions. Foreign debt accounts for 40 per cent of GDP. The country's military budget increased from USD 2225 million in 2019 to USD 3141 million in 2020. Its economic growth declined 18 percent in 2021 and is continuing its downward trajectory while its inflation is rising.

Its currency, 'Kyat's exchange rate against the dollar has been falling drastically. 1 USD is equivalent to 1,860 MMK (Myanmar Kyat). Our rupee is equal to the 23 MMKs. As a result, every international development takes a toll on the country's economy.

With the recent international developments, the prices of diesel have gone up by 29 per cent and that of petrol by 33 per cent. Prices of edible oils have tripled since the military government took office in Feb 2021. The issue of food security is haunting 70 per cent of the population. Vast population are adjusting with a single meal a day and many are forced to club breakfast and lunch as 'Brunch'. People are withdrawing their savings to spend on food. Those who managed to have some assets are selling them to have a living. In 2021 alone, 16 lakh people lost their jobs.

The ILO 2022 report estimated that 8 per cent of jobs are lost in both the organised and unorganised sectors and 1 crore 44 lakh people need humanitarian assistance immediately. The ILO analysed that the collapse of productivity due to rise in gasoline prices, fears of foreign investors, non-payment of taxes and electricity bills as part of the fight against the military rulers, the stagnation of government revenues due to the political crisis all led to further collapse of the economy.

According to the Human Development Report, 2020, Myanmar ranked 147th among 189 countries. The additional crisis brought on by Covid in the last three years has made the situation worse. Poverty in villages is very high compared to urban areas. Poverty levels are significantly higher among ethnic minorities, smallholders and landless people. Multinational companies are taking advantage of this poverty situation and are entering rural areas.

Foreign Investments

IFAD (International Fund for Agricultural Development) is a specialised rural financial investment agency of the United Nations (UN) headquarters in Rome. It has designed a poverty alleviation program for Myanmar. This program facilitated the intrusion of Foreign finance capital into Myanmar's rural areas for expanding into 'agribusiness' and 'social

agro-forestry'. IFAD is currently financing 3 projects providing \$ 90.5 million funds of the total cost of \$ 108.77 million.

FDIs from EU reached \$ 700 million while that of China reached \$ 19 billion as of 2019. Since 2012, although, USA, Canada and EU have introduced a variety of restrictions on the flow of finance capital, the country is receiving foreign exchange from China, Singapore, the Philippines, South Korea, India and Thailand.

Agriculture, Industry and other Sectors

Agriculture sector employees 70 per cent of the total work force. It accounts for 36 per cent of the GDP. About 60 per cent of the total cultivated land is under paddy cultivation. Over the last 30-40 years, more than 50 rice varieties have been developed and expanded with the 'help' of research from International Rice Research Institute. Similar to our country Myanmar went through 'green revolution' and achieved higher crop yields through new rice varieties and the use of more fertilizers. Imperialist finance capital entered the food sector as early as the 1980s. This means MNCs have infiltrated the scientific and technological institutions in this field years ago.

In the industrial sector- power sector, military industry and mining are in the hands of the government. The garment industry, with its exports is providing employment to more people. Some garment industries have also been moved here from neighbouring Thailand as cheap labour with a minimum daily wage of \$ 3.18 a day is available here. Sectors like retail, transport, entertainment, etc. have been worse than the pre-covid-19 pandemic levels. Of these, those that are completely dependent on the transport and service sectors have been hit the hardest. The decline in family incomes and the rise in unemployment directly impacted the manufacturing sector. Banking services and internet services were also affected. The costs of manufactured products have gone up as nearly half of the companies have seen their transportation costs rise exponentially along with input raw material costs. As a result, the prices of commodities skyrocketed, and so farmers who constitute the majority are incurring heavy losses due to the increased input costs.

As everywhere in the world, Myanmar's agricultural, industrial sectors and the services sector that depend on them are facing an unprecedented crisis. There are indications of a future food crisis. Foreign exchange reserves are also shrinking completely due to the already rising imports and the fall in the value of Kyat against dollar. These developments will only add to, but will not reduce, the impending food and other crises.

Political Crisis

Aung San Suu Kyi won the elections and her National League for Democracy (NLD) came to power in 2015. It again won in 2020 general elections. But the Military rulers known as the Junta led a coup and took control in February 1, 2021. About four and a half lakh people were displaced during this period of autocratic military rule. Half of the population i.e. 25 million people have been pushed into further poverty. Thousands of people are languishing in jails. More than 2,000 people have died since February 2021. The military government recently said that it had executed four political prisoners. It refused to give their bodies to the relatives for fear of public outburst. The insecurity among the people has increased more

than in the past. While the protests of the people in defiance of this military government seem to be for the sake of 'democracy', the fact remains that the people there are showing their rightful anger over the social, political and economic crisis.

Rohingya Issue - Imperialism

In every country imperialists create some kind of perennial problems that can pave way for internal political crises. During The Second World War, Burma is under the British control. As part of the war of supremacy between Japan and Britain, the Rohingyas were armed by the British to fight against Japan while the majority Burmese wanted independence from Britain. Thus the imperialists created a historical rivalry between the local ethnic groups. In 1982 Nationality law was brought-in to deny citizenship to Rohingyas. In the aftermath of this, nearly 800,000 of the Rohingya's Muslim population were made 'stateless'. They were pushed into buffer zones as refugees who did not belong to any country. In 2021 alone, 12,700 houses, schools, places of worship and personal property were destroyed along Myanmar's borders with India and Thailand. Thousands of people lost their lives. The interests of the imperialists in laying the foundations for the killing of lakhs of Rohingyas by the military and Buddhist fundamentalists along the Bangladesh border areas - are very deep. Like the India-Pakistan issue, like the LTTE issue of Sri Lanka, the imperialists incite internal conflicts among many nations, enter these countries as United Nations peace keepers or security advisors and influence their internal affairs. These countries are thus forced to increase their defence budgets to handle their conflicts; and these budgets end up not in resolving their conflicts but in expanding the imperialists arms trade and forcing the countries towards loans. Then enters the vultures of International Financial Institutions in the name of providing financial aid. In fact, it is official that Aid for a poor country is an Investment for the Capitalist. As of now Japan's aid programs are running. Also, Norwegian company 'Telenor' has offered to invest in this country.

Every conflict in these countries is necessary for the imperialists to profit.

Relations with Russia, China, India and USA

Myanmar's relations and military agreements with Russia have been going on for over 60 years. It imports more military products from Russian than from any of the neighbouring countries including China. In return, Myanmar exports timber, tin and other raw minerals to Russia without having to pay in dollars for its imports. Myanmar's annual military budget is about \$ 2.5 billion. Of this, \$ 500 million will be allocated for defence purchases. The cost of one Sukhoi Su-30 fighter jet supplied by Russia to Myanmar alone is \$ 47 million.

China has trade relations with Myanmar mainly in hydropower. As part of the CMEC, economic corridor, agreements have been made for various infrastructure development projects, but military arms deals are few.

India continues maintaining strategic and mutual trade relations with Myanmar. When the NLD government was in power, India provided military assistance along with Britain, but after the military junta grabbed power, under the tutelage of US India stopped various military aid. It has maintained that these measures were taken in retaliation for human rights violations. It continues to maintain business relations as part of its imperialist dictated agenda of expansionism. As of now, India entered Myanmar as a junior partner to the

imperialists in hydropower, IT, ports, infrastructure development and oil & gas extraction sectors.

The US stopped military aid to Myanmar during the Obama administration in 2016. It also stopped the International Military Education and Training (IMET) program and The Foreign Military Finance Program (FMF) ran under its aegis. The sale of military equipment to Myanmar was completely prohibited now.

US imperialism changes tactics in situations where it cannot maintain direct relations with smaller countries. It does so by using its partner countries to act on its behalf and by forming economic or security alliances through financial institutions and banks which are under its tutelage. It makes a variety of agreements with the group countries so as to weaken the business of its rivals.

South Asian Sub-Regional Economic Co-operation - SASEC

It was formed in 2001 under the aegis of ADB (Asian Development Bank) and has its headquarters at Manila, Philippines. India, Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka are the member countries along with Myanmar. Its stated goals are regional economic cooperation, ease of transport between border countries; and business development among member states; superficially, it appears that regionalisation is done for improving business and development. But this is similar to the move by India's ruling classes which divide some, and merge other parliament and assembly constituencies for political milieu.

As part of the American imperialist strategy to counter the competition from China, India is made a primary country while China and Pakistan are excluded. It must be understood that this SASEC experiment by the American imperialism through ADB is for economic infiltration into these countries, for getting a hold on their exports and imports of oil, coal, ores, electricity etc and ultimately for controlling the member states.

Conclusion

The heads of MNCs and World Bank officials, are seeking the UNO's cooperation to bring Myanmar out of today's turbulent and conflict situation. They are advising Myanmar to improve the situation, create a conducive atmosphere of peace and tranquillity so as to bring more foreign investments into the country. To establish this peace the military junta has additionally increased the military budget by approximately \$ 1 billion. But the aspirations and democratic demands of the people in Myanmar as in any other country are different from that of the ruling classes.

To escape the ever escalating economic crises within their own countries, to escape the in errant capitalist crisis, the imperialists are tearing down the economies of the poor countries and plundering their wealth in every way. And to perpetuate this plunder the imperialists always create conflicts among the poorer nations. But these tactics will not last long. The imperialists will be defeated by the oppressed people of the world.