

# Interview

## Understanding Myanmar

**An Interview with Senior General Than Shwe,  
Chairman, State Peace and Development Council, Union of Myanmar**



*Senior General Than Shwe*

**EDITORS' NOTE** *Senior General Than Shwe is a central figure in Myanmar's ruling military junta and holds various positions of power that render him Head of State including Commander-in-Chief of the Tatmadaw, Patron of Union Solidarity and Development Association (USDA), and Chairman of the State Peace and Development Council (SPDC). After working as a postman, he enlisted in the Burmese army. Than Shwe continued to rise steadily through the ranks, working for the military's Psychological Warfare Department and reached the rank of Lieutenant Colonel in 1972, Colonel in 1978, Commander of the South West Regional Command in 1983, Vice Chief of Staff of the Army, Brigadier-General and Deputy Minister of Defense in 1985, and Major-General in 1986. He also obtained a seat on the ruling Burma Socialist Programme Party's Central Executive Committee. The State Law and Order Restoration Council (SLORC) was created after the military organized another coup in response to the democracy uprising of 1988, and Than Shwe was appointed as one of 21 members of the cabinet headed by General Saw Maung. In April 1992, Than Shwe became Chairman of the Council, Head of State, Secretary of Defense, and Commander-in-Chief of the armed forces.*

**You kindly gave your first conversation and interview with a member of the press to LEADERS magazine in 1998. What has changed in Myanmar since then, in terms of issues such as the movement of the**

**capital, further investment, and international relations?**

It has been 12 years since the last interview and, during those 12 years, many developments have taken place in the country.

The first significant development is the attainment of peace and stability. For any country, peace and stability is a prerequisite for development. When we first took responsibility for the country in 1988, there were armed insurgencies, anarchies, and unruly terrorist acts in the country. Our hard work in the past few years has brought the return of the 17 major armed groups and over 20 minor armed groups into the legal fold.

Looking at that time line, the peace agreement with the 17 major groups had been reached before 1998 and peace agreements with other minor groups were attained after that. The majority of those groups have been transformed into border guards. This is building a permanent peace between the government and the armed groups.

A small number of groups have not accepted the transformation process yet, but they are still upholding the peace agreement. Peace agreements were reached and maintained with armed insurgents groups and, hence, peace and stability have prevailed in the whole country after 1998.

We were able to implement border areas and national race development projects, as well as 24-zone development projects in the areas where peace and stability was restored. The outcome has been all-around development in all the remote border areas. Those areas have witnessed socioeconomic improvement in areas including health, education, and transportation. Moreover, drug production and trafficking, as well as gun-running in border areas have ended.

The second important development is that the Tatmadaw government was able to make an all-out effort to bring progress to the nation, which was in the less developed zone. It formed the Special Projects Implementation Committee with me at the helm. So the country has achieved considerable progress.

Up until 1988, the country had only 138 dams and a total sown acreage of 23.8 million including over 11 million acres of paddy. We have built 233 new dams and sluice gates, set up 327 river water pumping stations in areas that are difficult to build dams in, and sunk 8,162 wells in areas where river water pumping is impossible. The total sown acreage has reached over 57 million, including over 19 million acres of paddy.

The nation's annual paddy output at present is over 1,500 million baskets, up from 630 million. Our country has become the leading beans and pulses producer in Southeast Asia and a food producer for people around the world.

We have also achieved unprecedented development in all other sectors including in the economy, communications, transportation, education, health, energy, science, and farming. We have already built almost all the infrastructure necessary for the development of the nation and its people.

The third outstanding development is that a successful National Convention was held and the State Constitution was adopted. Previously, due to difficult circumstances, the National Convention had been temporarily adjourned. Our relentless efforts enabled us to reconvene it.

The Convention adopted fundamental principles and detailed basic principles for the successful drafting of a new Constitution. The Constitution was approved at the referendum in 2008. At the referendum, 98.12 percent of all eligible voters in the nation cast votes. Of them, 92.48 percent cast yes votes.

It was a remarkably high voter turnout and support clearly indicates the public opinion. It is a crucial political development in our country.

The fourth important development was the successful free and fair elections that were held in 2010 in a peaceful and stable atmosphere. Political parties enjoyed freedom of campaigning and nomination, and the people could freely decide to vote or not vote.

Over 77 percent of all eligible voters voted for the candidates or parties of their choice. Election results have been officially announced and preparations are under way to convene the hluttaws soon.

All of these are remarkable developments in the transition from military government to an elected government that will govern the nation systematically and democratically in accord with the Constitution.

The fifth development is investment. Through 1998, FDI in Myanmar was \$7.064 billion. Today, FDI is over \$29.953 billion with investment in 263 different business activities. Domestic investment is over Kyats 1036.593 billion in 558 business activities.

There are another 18 FDI projects amounting to \$29.547 billion. Some of these already have signed memorandums of understanding and some have already met agreements for implementation.

We have good opportunities and potential for a marked increase in FDIs. I believe the threats and sanctions by some countries have hindered the increase of FDI flow into Myanmar, although Myanmar has a favorable investment environment.

In the future, Myanmar will be making all the necessary reforms to remain in conformity with the market economy to further attract FDI.

**What do you think will happen to the U.S./Myanmar relations and do you think the future of Ms. Suu Kyi will be linked to those relations?**

Myanmar practices an independent and active foreign policy based on the five principles of peaceful coexistence. Thus, Myanmar wishes to maintain friendly relations with all countries of the world, and is always open for the establishment of friendly relationships with the U.S. based on mutual interests.

The U.S. stated that it will maintain direct engagement with Myanmar and, yet, that sanctions will also be maintained against Myanmar.

The U.S. Undersecretary of State, Joseph Yun, who recently visited Myanmar, said, "Our direct engagement policy with Myanmar will be a long-term process, and although there might be difficulties in our cooperation due to limitation, I hope that we could achieve success through open and friendly discussion."

Our relationship will improve if we can base it on mutual interest, respect, justice, and understanding each other's differences. Both sides must engage with constructive approaches.

The people of Myanmar have not only adopted the new Constitution, but have also elected their representatives and political parties to implement the new Constitution. Hence, anyone who wishes to take up politics, including Daw Aung San Suu Kyi, can do so in accordance with the Constitution. The future of the politicians will also depend on whether they respect and abide by the Constitution or not.

**What kind of changes will the new Constitution bring? How will the new Constitution effect the future investment of foreign companies in Myanmar?**

The new Constitution will change the military administration into a constitutional administration, i.e. into a democratic administration system.

Similarly, government, Hluttaw (legislative assembly), and judicial organizations will exercise the administrative, legislative, and judicial powers in accordance with the Constitution.

As for the people, they will enjoy their fundamental rights and duties of citizens in accordance with the Constitution.

In order to be in conformity or harmony with the democratic market economy, the current standing laws will be appropriately amended, supplemented, or abolished, and new laws will also be enacted. Soon, we will enact laws concerning the implementation of Special Economic Zones. Therefore, the future investment opportunities for attracting foreign companies to Myanmar will be broader.

**Do you feel that Myanmar is misunderstood by the Western countries and particularly by the U.S.? If so, how would you go about correcting that misperception?**

Myanmar's political history, the issues of the national races, and the armed insurgencies

are delicate and complex issues that are deeply rooted in nationalism, and differences in ideologies and religions. They are the unique characteristics of Myanmar that have profound influence on Myanmar's political, social, and economic realities.

Without having an in-depth knowledge or understanding of the true situation of our political history, the issues of our national races, and the history of armed insurgencies in Myanmar, the U.S. and other Western countries are making assessments and policies based on the negative information provided and disseminated through the media by opposing individuals and parties.

**What are Myanmar's future plans to further strengthen the good relationship with China?**

Myanmar, like any other developing country, is striving for development. Although we have, to a certain extent, adequate natural resources, we lack investment and technology. Our development will be accelerated if we have more foreign direct investment.

However, due to sanctions imposed by some countries, including the U.S., Myanmar is not getting enough investment. Even some countries that had already invested in Myanmar had to leave because of the political pressure asserted by some big countries.

After 1988, due to American pressure, the international financial institutions such as the International Monetary Fund, the World Bank, and the Asian Development Bank no longer give soft loans, grants, or aid to Myanmar. Therefore, Myanmar has to rely on investment from other places to build many of her basic infrastructures for the social, economic, and education sectors.

China, a good neighbor, has extended help and support to Myanmar in many ways. Investments, loans, and aid are granted with low interest rates based on Myanmar investment policies so China has been able to increase investment in Myanmar.

**What will happen in the next five years? In which area does Myanmar need investment? Which areas will be targeted for future development?**

We hope, within the next five years that the seeds of democracy and democratic practices will have taken root in the people, the political parties, the parliament, and government organizations in order for all to truly and rightfully enjoy the essence of democracy.

We hope to sustain the peace, stability, and development that we have achieved thus far. In the future, we will put more of an emphasis on the implementations of the UN Millennium Development Goals and the ASEAN's 2020 vision.

We will continue to strive for all-around development in the future. Our main focus will be on attracting investments for promotion of the production, industries, energy, health, and education sectors.

In the next five years, we will strive to build our country into a harmonious society with all-around development in the economic, education, and health sectors.

**Even during the period when the Revolutionary Council and Burma Socialist Programme Party had adopted a one-party socialist economic system, the U.S. extended good relations. Now that the State Peace and Development Council is introducing**

**democracy and a market economy, the U.S. is imposing sanctions. What is Myanmar's view on this matter?**

The Revolutionary Council and the Burma Socialist Programme Party government were discharging State duties in succession during the period from 1962 to 1988. Myanmar was practicing a one-party system and socialist economic system at that time.

But relations between the two were good. The U.S. was even helping Myanmar's anti-drug drive a great deal.

When Myanmar experienced political changes in late 1988, the U.S. said that it wished to see democracy and market economy in the country. Actually, the current government is supporting democracy and the market economy, inspired by the people. Clearly, the government's endeavors are consistent with the wishes of the U.S.

Now we have approved a new constitution and successfully held the elections for transition to democracy. Soon, there will be an elected government carrying out the democratization process.

Although the U.S. had extended better relations with the then socialist government, it is now imposing sanctions on the government that is introducing democracy according to people's aspirations. The people of Myanmar find this difficult to understand.

The problem is that the U.S. cannot accept a non-aligned country in the post-Cold War period. It wants to see all countries dancing to its tune. There is already an organization and a person who can follow through on U.S. interest in Myanmar. So it is applying the method of imposing sanctions and punishments for the said organization and person to take over state power.

The U.S. should be dealing positively with a constitutional government elected by the people if it really favors democracy. Sadly, the U.S. shows no sign of a positive approach towards the forthcoming new government and recognizing the people's decision made at the 2010 elections.

**Some say sanctions don't hurt people. What is Myanmar's response?**

Frankly, people are suffering a lot because of multiple U.S. pressures including economic sanctions.

A total of 162 foreign companies withdrew from Myanmar due to the sanctions. What followed is that a large number of new FDI projects shunned Myanmar. Yet, almost all the investors are interested in a resource-rich country like Myanmar. But the sanctions made them unable to invest in our country. You can imagine the amount of FDI that could flow into our country if they could invest at will. Without a doubt, sanctions have a direct impact on the country and an indirect impact on the people.

Another consequence of the U.S. sanctions is layoffs due to the withdrawal of 162 businesses causing factory closures. Sanctions hit the tourist industry hard causing a direct impact on people of relevant businesses.

It is absolutely wrong to say that sanctions do not hurt people. Undeniably, the people of Myanmar are directly or indirectly suffering from sanctions. ●