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Abstract

The current political transition of Myanmar is a state-led transition in which the Tatmadaw (military) government has tried to institutionalize the political orbit in order to achieve the development goals they set. They have taken both roles in political and economic development processes. Indonesia, under Suharto (1966～98), adopted a similar approach and created a foundation for a successful state-led development or state building process. National development emerged from the political arrangement set up by the New Order. Under this political arrangement, the military, the opposition, and other stakeholders were able to come together for the realization of development goals. The present Tatmadaw government in Myanmar has also tried to do the same, though the desired development level has not yet been achieved. This paper argues that the need to fully implement policy for the institutionalization of civil-military partnership supporting national development, as a factor, has undermined the development efforts by the Tatmadaw government.

Keywords: State-led Development and Developmental State, State Structure and Bureaucracy, Civil-Military Relationship

Introduction

The objective of this paper is to analyze the efforts of the state-led development process of Myanmar in comparison with the case in Indonesia under Suharto. To fulfill this goal, this article will analyze 1) the legacy of the British divide and rule policy, 2) the civil war faced by the parliamentary government (1948～1962), 3) the introduction of the military in political and economic affairs (1962～1974), and 4) the management of development by the present military government (1988～present). However, the three phases that take place up until 1988 will only be discussed briefly while the politics of development starting from 1988 will be emphasized. Current understanding on the nature of the state in Myanmar will also be discussed in order to link the conceptual framework and the case study.

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As this study examines what challenges the state of Myanmar has faced in its state-led development process, the concept of state-led development is used as the theoretical framework. The theory of developmental state will be sketched out in order to understand how a successful state-led development is achieved, and to know the key features such as the bureaucratic capacity, legitimacy, state-society relationship, etc. in the state-led development process.

1 Theoretical Framework

1.1 Concept of the State-led Development

"An effective state is vital for the provision of goods and services and the rule and institutions that allow markets to flourish and people to lead healthier, happier lives."

(World Development Report 1997)

Scholars have studied the role of the state within the fields of political science for many years. Many of these scholars have focused on the context of Western Europe and North America by using the state as the central concept and then developing categories to explain its role in social, economic, and political change. Based on their studies, the state is understood as: 1) an actor whose autonomy from society is assumed to empower the state with the capacity to fulfill its interests, 2) a strong autonomous organization which acts in relation to society, i.e. a vision of the state’s role by embedding it in its societal context, and 3) an organization which struggles with society and develops autonomy and capacity for action as a final result of the competition between itself and societal forces, i.e. a vision which sees the state’s relation to society as essentially a contested one (Barkey & Parikh 1991: 525). In any argument, the state is not a sole actor, and it is obvious that its relation with the society is indispensable. However, if the state is seen as an actor with the power to fulfill its interests, the society will be seen as the weaker stakeholder that the state will always use it for its own legitimacy or interests. Again, if the state is seen as a competitor with the society, their competition will produce more harm than support to the national development. Therefore, it is better to view the state as embedded in or cooperating with the society and the business sector with the common interest of pursuing economic development. This is what Evans (1995) calls embedded autonomy.

According to Evans, “a concrete set of social ties [that] binds the state to society ... provid[ing] institutionalized channels for the continual negotiation and renegotiations of goals and policies.” State, society and the business sector work together to implement the common development goals and policies. Evans writes: “Only when embeddedness and autonomy are joined together can a state be called developmental.” He also asserts that “only the ascension to power of a group with strong ideological convictions and close personal and organizational ties enable the state to regain its autonomy (Evans 1995: 12, 52).”

The state is also treated “as administrative apparatus where administration means the extraction
of resources, control and coercion, and maintenance of the political, legal, and normative order in society (Barkey & Parikh 1991: 524).” By this definition, the administrative apparatus or the bureaucracy is an essential linkage between the state and the society and will explain the efficacy of the state in its efforts for development.

The understanding on building a state is also different among scholars, especially between the Western-centered studies and the developing world. The Western-centered studies take political and economic liberalization of individuals or citizens as necessary conditions for development. They consider the democratic change in a country as the prerequisite for other social and economic developments. The state is the facilitator for the realization of the goals or needs of individual citizens, and the public interest is seen as the summation of the interests of individual citizens or voters (Tanzi 1997: 4). This democratic change often involved the overall regime change and system change. We may term this as revolutionary change of a political system. In contrast, countries of the developing world are apt to focus more on stability, unity, security, and then to development. It is because of this that they usually fail to deliver even such fundamental public goods as property rights, roads, and basic health and education (Roberts 2006: 2). These developing countries consider political transition evolutionarily or sometimes desire no change if they have faced no such demands from the society. This choice on the course of change is a major conflict between the Tatmadaw government and the opposition in Myanmar. For the Myanmar case, the transition process is more likely adaptable to the evolutionary means as the experiences from over two decades have told us. A sudden or revolutionary change of the political system is unacceptable to the Tatmadaw government. Instead of introducing a liberal democratic system that is widely accepted by the western world, the government has introduced disciplined democracy, or guided diplomacy in the new constitution. This suggests that the development process in Myanmar will in the future be one that is state-led. We have already witnessed such practices of state-led development over two decades of the Tatmadaw rule in Myanmar.

The term state-led development may be understood in two ways. One is the state-led development performed under the socialist planned economy after World War II when countries in Asia and Africa emerged as independent states and introduced the state-led model of development intended to bring about industrialization and entrepreneurship through intensive and deliberate effort and state intervention. According to Fritz and Menocal (2006: 2), “state intervention in the economy in many of these countries was often wasteful (with highly inefficient state enterprises or parastatals as a prime example), leading to bloated states that proved incapable of delivering developmental outcomes in a sustained way. A succession of national economic crises was the result.” State intervention was assumed to have failed because influential interest groups used the state to foster their own interests and extract rents rather than to promote a developmental vision that is the core in a developmental state (DS) (Ibid). The role of the state is too strong while the role of the private
sector and market forces were lacking under the socialist style economic system. Many socialist
development plans were considered irrational because they were solely the product of what the state
wanted to do, and not the plans that would work for national development. This socialist style
economic model did not meet the end to realizing development goals in many developing countries.

From 1990s, state-led development in East Asian countries like Japan, South Korea under
General Park, Taiwan under the Kuomintang Party, and Indonesia under Suharto was studied by
scholars, and they termed state-led development in these countries as developmental state. State-led
development explained in terms of the DS is different from state-led development that had been
practiced soon after World War II. The DS is a state-led development process where the state has the
developmental vision and encourages private sector involvement in the development process. As
cited by Fritz and Menocal, according to Ghani et al. (2005), a developmental state project must
possess at least two essential attributes. Firstly, the state must have the capacity to control a vast
majority of its territory and possess a set of core capacities that will enable it to design and deliver
policies; secondly, the project must involve some degree of reach and inclusion, and have an
institutional, long-term perspective that transcends any specific political figure or leader.

Development plans were considered rational in a DS (Johnson 1999: 33–4). According to Leftwich
(2000: 167–8), an ideal-type developmental state is one that demonstrates a ‘determination and ability
to stimulate, direct, shape and cooperate with the domestic private sector and arrange or supervise
mutually acceptable deals with foreign interests’. Thus, a developmental state is broadly understood
as one that evinces a clear commitment to a national development agenda, that has solid capacity and
reach, and that seeks to provide growth as well as poverty reduction and the provision of public
services (Ibid 4).

Therefore, DS is a phenomenon that is also understood as the state that influences, directs, and
leads the development (state-led development) of a nation by cooperating with other stakeholders for
national development. I will discuss the major characteristics of DS below.

1.2 Developmental State

Scholars like Chalmers Johnson, Ziya Onis, Mark Beeson, and Adrian Leftwich focus on state-
centered development and have developed the theory of DS through observing the development of a
state under strong or authoritarian rule. This makes sense for a case study of a state whose history is
full of authoritarianism. It helps scholars to understand the transformation or transition of an
authoritarian state towards a more developed one or a more open society since other liberal theories
may not be immediately appropriate for the study of such a transformation or transition. These
scholars pay more attention to how a strong state works or must work for development and to how
states try to maintain or transform the position of those who have power in future state’s affairs.
They study on the structure of the state, state apparatus, bureaucracy, state-society relations, the
legacy of the past, legitimacy, and political arrangement or political institutionalization.

Johnson was a pioneer in the field of developmental state studies, and he coined the term developmental state. According to him, Japanese development was “plan-rational”, and it was guided by the state in the direction that the state wanted it to go. However, it was not pure “market-rational,” as American ideology maintained it should be. As Beeson (2003) explains, Johnson has considered that such successful development was an outcome of a plan rational state or DS where the state “determined to influence the direction and pace of economic development by directly intervening in the development process, rather than on market forces to allocate resources. The DS took … the task of establishing ‘substantive social and economic goals’. However, Johnson did not support the role of state in the sense that the state was solely responsible for economic achievements, or that it behaved like the state in command economies in assigning tasks and duties to the people (Johnson 1999: 33–4).

Leftwich’s discussion takes politics as the driving factor that structures the DS. The political factor includes “nationalism, ideology and a wish to ‘catch up’ with the West” (Leftwich 2000: 154). According to him, the priority of a DS to drive for economic development is the need for the state to, 1) catch-up or protect itself, either economically or militarily or both, and 2) win legitimacy by delivering steady improvement in the material and social well-being of its citizens (Leftwich 1998: 62).

He seems to support evolutionary change of a country rather than revolutionary change as he sees the state as better able to achieve its legitimacy by delivering steady improvements. We may term this as performance legitimacy.

Loriaux (1999) defines DS as a capitalist political economy where a competent bureaucracy is an actor for economic growth and the promotion of national interests. His definition points out the need for a DS to develop a common goal of national interests and to have a competent bureaucracy.

Onis follows Johnson in defining the concept of DS. According to him, the term economic development in DS is defined “in term of term of growth, productivity, and competitiveness” and is the “foremost and single-minded priority of state action.” State intervention is firmly convinced in public-private links. The market is guided by a small and effective bureaucracy, which is organized with talented persons available in the system. This bureaucracy has a sufficient capacity to take initiatives and operate effectively. A strong and autonomous state is fundamental to the success of the developmental state. Among others, a pilot agency, within the bureaucracy, is crucial in formulating and implementing policy (Onis 1991: 110–11). Mark Beeson (2003) treats this role of pilot agency as taking the task to ensure that indigenous businesses are both nurtured and “managed in the overall national interests.”

Vartiainen (1999: 218–19) accounts the characteristics of the DS in a wider line of combination of DS proposed by others including Johnson and Evans. According to him, a DS has; the external ties to the economy’s organized agents such as corporation, industrialists associations, and trade unions
(embeddedness), and mutual dependence or mutual balance between the state and the rest of the economy.

After reviewing the theory, it is possible to summarize the common characteristics of the developmental state as follows.

1) a strong state with a capable bureaucracy to institutionalize the coordination mechanism between government and business, which includes the clear will from the business side to cooperate with government and to set social, political and economic goals,

2) a political factor that includes the state’s efforts in order to catch-up or to gain performance legitimacy,

3) the links between the society and the state in order to establish embedded autonomy,

4) plans that are rational (plan-rational state) and the capacity/system to implement plans, and

5) the external ties or the favorable international order.

Based on the aforementioned discussions, there are fundamental characteristics of DS that we need to discuss in the case of Myanmar. These are the state and bureaucracy, the links between the state and society, and the political context or factor, as suggested by Leftwich, as the driving force for the overall national interest. I will discuss these characteristics in comparison with the Indonesia under Suharto regime.

2 A Sketch on the Politics of Development in Myanmar

2.1 The Legacy of the British Colony

The legacy of the British divide and rule policy constituted a cause of development failure. There are two causes of this legacy that we need to discuss in the course of building a modern developed nation in Myanmar. When the British colonized Myanmar (Burma until 1989), they introduced the divide and rule policy of administration in hills and other parts of Myanmar. This policy later created the ethnic discord in independent Myanmar that will be discussed later. The other cause is the damaged bureaucratic structure and the capacity of bureaucratic staffs after the independence. The British brought many Indians into the country and employed them in administrative post since no trained Burmans were available at that time (only 60 Burmans received university degree in 1937). Indians, Chinese, and Europeans were employed in all aspects of economic and administrative life, excluding the native Burmans from industry, commerce, and the professions (Furnivall 1953: 22–23).

The effect of these issues was that native Burmans were unprepared to fill the gap in administration created by the British withdrawal and the independence of Myanmar. The bureaucratic machinery was destroyed when the British withdrew its administration and professional civil servants, leaving the country to start its administrative works under the newly recruited and inexperienced staff. Under British rule, few opportunities were given to local people to participate in the bureaucracy.
Because of the civil war that caused the withdrawal of many officials and of the insufficient number of trained staff, the role of former British staff to work for the independent state was very limited. This and the damaged infrastructures made the bureaucracy unable to create a stable administrative system (Mutebi 2005, Appleton 1947: 510–11 & Furnivall 1953: 22–23). Successive governments had failed to introduce policy for reforming the bureaucracy that worked for national development and this remained a process that required special attention.

Because it has emphasized on the political issues, the present Tatmadaw government “has yet to undertake any comprehensive attempt at reforming its civil bureaucracy—something that is increasingly an intrinsic part of the whole national and political reform ethic” (Mutebi 2005: 142). The increasing number of military and civilianized military officers in bureaucracy and the governmental structure of Myanmar led to civilian officers unable to compete for higher positions.

Indonesia has a different history from Myanmar regarding the legacy of colonial rule. Under the Dutch rule, indigenous participation in the civil service in Indonesia was allowed to expand gradually. The number of civil servants rose rapidly to about a quarter-million persons by 1940, leaving the local people familiar with the nature and art of bureaucracy when the Dutch departed the country in 1942. They also trained the military personnel and other workers. The majority of these trained persons, along with many soldiers trained under Japanese military occupation (1942~1945), continued to work for the Indonesia government after independence. By 1968, the number of employees in the Indonesian bureaucracy had increased to two and a half million (Emmerson 1978: 86–7) and four and a half million by 1990s including teachers (two million).

2.2 The Civil War under the Parliamentary Government (1948–1962)

Since independence, the internal instability caused by the ethnic and communist insurgencies constituted a factor that contributed to the failure of development. Ethnic discord continued as a result of the legacy of divide and rule policy of the British colony. Settling this problem became the first priority for the newly independent government, as it was the major barrier for development efforts (Furnivall 1953: 22–23). Development policies introduced at that time were politically oriented, with examples such as nationalization, indigenization, Burmanization, and industrialization. The government determined to build the economy through state intervention based on the idea of self-reliance. All these policies tended to prevent discord between foreigners and the native Burmans. In 1951, a group of Oxford academics was invited to give their views on the development of Myanmar (Than 2007: 54). The government implemented the report by the group with some revisions that would enable the state to intervene in the economy. The development, however, did not come to the level expected by the planners because of the “failure to concentrate on completely restoring law and order, and launching of the programme without first preparing the ground [for economic development] systematically” (Ibid 56).
On the other hand, the newly independent state was barely able to maintain political order and economic direction, and lost its hegemonic position, as “non-state institutions were often perceived as more powerful than the state itself” (Taylor 2009: 219). Everywhere in the country, farmers, workers, transients, refugees, bandits, people’s volunteer groups, local pocket armies of the former resistance leaders, and ethnic insurgencies armed themselves and tried to take advantages of the chaotic situation (Callahan 2003: 117).

This divide and rule policy resulted in a civil war between the majority Burmans and other ethnic groups in independent Myanmar. Distrust between the Burmans and minority ethnic groups occurred as a result. While many ethnic groups accused the government of using Burmanization policy that excluded them from the major important sector like the bureaucratic machinery and other development processes, the Burmans worried about the secession of the ethnic groups from the union (International Crisis Group 2003: i). Maintaining national unity became the main focus of successive governments and made them reason that this legacy of the British colony was a major cause for the failure of development in Myanmar. The recent head of the state, Senior General Than Shwe, occasionally described the legacy of the British colony as the major cause of continuing insurgencies that left the ethnic regions out from the development process and thus, required the Tatmadaw government to take power of the state and control the situation.**

This discord between the government and the ethnic groups exists up to the present day. Although there are ethnic groups that have agreed to cease-fire agreements with the government, there are still other groups that remain as the threat to national unification and the development process carrying out by the Tatmadaw government.

2.3 The Introduction of the Military in Political and Economic Affairs (1962–1987)

As the parliamentary government in Myanmar seemed unable to settle the situation, the military seized the power of the state in 1962 under the Revolutionary Council (RC) headed by General Ne Win. The RC prepared a plan for the military involvement in politics and economy. The Burma Socialist Program Party (BSPP) was formed on 4th July 1962 by Ne Win as an organ to initiate political power in future (Win 2008: XI) and in 1974, Ne Win formed the socialist government under the socialist constitution.

Being committed to the socialist policy, the Ne Win government’s economic strategies were to support the policy of self-reliance. A combination of civil and military related persons filled the important positions of the government while the military involvement in power politics was buttressed by the BSPP. The technocrats were only the followers of the BSPP and had little say in the developmental agenda, though many of them were trained in the Soviet Union and Eastern Europe.

** This can be seen in his several speeches on Independent Day, Armed Forces Day, Union Day, etc.
Their competency was dubious, having no authority and little power. During this time, foreign direct investment was not welcome, market forces were suppressed, and private initiatives were denied (Than 2007: 311–13). The economic policies under the Burmese Way to Socialism and the mismanagement of the economy under the military initiative for twenty-six years made it impossible to create a strong state structure, and to steer the economic development (Mutebi 2005: 149–50 & Than 2007: 227). The deteriorating economy finally forced the socialist government to ask the UN to assign the country as the Least Developed Country (LDC) in 1987. The consequent political upheaval in 1988 saw the state unable to control the situation and the bureaucratic machinery. The government itself was unable to compensate its own staff and was no longer able to continue monitoring the state machinery (Taylor 2009: 379). The collapse of the socialist government saw the coming of the military government after 1988. It is this coming of the military government into the political and economic affairs of the state that is the focal point of discussion of this paper. Therefore, to understand the role of the state, it is necessary to understand the structure of the Tatmadaw government and how it has implemented the state-led development process.

2.4 Present and Future Role of the State in Myanmar

When the State Law and Order Restoration Council (SLORC) came into power in September 1988, almost all higher positions of ministries were held by generals and retired military officers. Unlike Indonesia under Suharto, the number of military personal in the Myanmar government was unlikely to decrease. Suharto, after allowing tens of thousands military personnel to penetrate into civilian posts in the 1970s (Crouch 2007: 244), attempted to balance the growing threat from the military to his power by introducing a strategy to decrease the participation of military in the executive power structure gradually starting in 1980s (Vatikiotis 1998: 85–86). Under the 2008 constitution of Myanmar, which was approved by a referendum monitored by the military government, the military will continue participating in the future political processes of Myanmar- taking 25% of parliamentary seats and melding with civilians to participate in the law making bodies. This constitutes a major barrier for the emergence of political talk between the government and the opposition, as the agreement on the participation of the military in politics has not yet been reached. Since the new constitution is still a question to be answered by all the political stakeholders, the legitimacy of the future government will be contested. The opposition and the international community are demanding a review of the constitution in order to get an agreement with all political stakeholders, especially with the main opposition party National League for Democracy (NLD) led by Aung Sun Suu Kyi, which after winning a landslide victory in the 1990 election was denied the formation of a civilian government by the Tatmadaw.

In the Myanmar case, although many efforts to transform the country are similar to the state-led development process in Indonesia under Suharto, there are also differences in the nature and
characteristics of the two governments. A visible difference is the rules practiced in the two countries. While the government in Myanmar is clearly military in nature and has ruled the country without a constitution for over two decades, Indonesia under Suharto was under the indirect military influence and re-embarked on the 1945 constitution. Military involvement in Indonesia was visible in all areas of the country’s administration while the military representatives took 100 seats in parliament (Singh 1994: 54). This 1945 constitution, however, provided means for “checks and balances that would be required in a liberal democratic state” with the strong president rule (Lowry 1996: 181). From the 1970s, there were elections where Suharto allowed the participation of the opposition parties and this was assumed “as a way of lending ... legitimacy to the preordained results” (Kingston 2008: 20). Conversely, Myanmar has yet to witness a change in its political system since the result of the last election in 1990 was rejected by the Tatmadaw government. Nevertheless, both governments had promised to uphold the rule of law to ensure political stability and both were criticized for their suppression of the opposition under the pretext of maintaining political stability. By promising to uphold the rule of law, Suharto’s government decided to use the 1945 constitution (Vatikiotis 1998: 7).

After the May 1990 multi-party democratic election, the Tatmadaw government denied the transfer of power to the NLD and called for the National Convention (NC) to convene to draft a new constitution in January 1993. The main reason behind this move was Tatmadaw government’s intention to draft a new constitution in order to transfer power systematically and to legally introduce the military in political and economic affairs of the state. The intended move to introduce military influenced state-led development became the main reason for the Tatmadaw government to study Indonesia’s New Order under Suharto. Consequently, a large delegation led by the first Secretary of the SLORC visited Indonesia in December 1993, amid the NC, aiming to get the first-hand experience of how the involvement of the Indonesia army under Suharto’s New Order worked in line with the constitutional order (Sundhaussen 1995: 768–69). Since that time, the Tatmadaw government has endeavored to legalize the role of the military in the new constitution, lay foundations for development, and expend military involvement in ministries and other development sectors. Their activities are similar to the dual functions of the Indonesian army under Suharto (the military takes both roles in political/security and economic affairs). This intention of introducing a state-led development model similar to Indonesia under Suharto continues to the present day. In March 2008, Ibrahim Gambari, the UN special envoy to Myanmar, after his meetings with the Tatmadaw government, revealed that the Tatmadaw government in Myanmar “has been looking for a model closer to Indonesia where there was a transition from military to civilian rule and ultimately to democracy” (Uusijio 2008). The political system of Myanmar after the scheduled 2010 election would be more likely similar to the one practiced under Suharto.

The argument that continuing military involvement in state affairs is vital for national
development is used by the Tatmadaw government in Myanmar, as it was by Suharto in Indonesia. Since the Tatmadaw government has made sure of its role in the new constitution (Section 6 (f)), the influence of the military in future social, political, and economic development policies and decision-making processes is unavoidable. On the other hand, it will still be necessary for any future civilian government to have good relations with the military since maintaining security problems emerging from the armed conflicts will definitely require the willing cooperation of the military. It is unclear how and when the military will only maintain its role in security affairs and not become involved in other affairs of the state since no time frame or clear means for the withdrawal of military from power politics is provided in the new constitution. Suharto, in an attempt to legitimate its government’s rule under the New Order, tried to introduce the ideology that “a period of authoritarian rule, and hence, objective, scientific, and decisive policy-making was necessary to build [the] base for the economy and provide the preconditions for future democratic government (Robison 1988: 61).” Therefore, it becomes a necessity to study how a nation’s development is achieved under such political, social and economic arrangements.

The transition in Myanmar is more likely to adapt to the evolutionary means as has been obvious by the over two decades of military rule. Under the current conditions, a third group of scholars who contends that both the Tatmadaw government and the opposition are better at finding ground for mutual agreement under the present political transition process that has been led by the Tatmadaw government since 1988. They are optimistic about the change in the future political design that will be brought about by the political road map created by the government and argue that this change will either enable or legalize the opposition to have a formal role in balancing the domination of the military in future Myanmar. They suggest a re-negotiation among the parties concerned. However, they avoid viewing the politics in Myanmar, especially on the politics of the Tatmadaw government, in terms of black and white; rather, they prefer to focus on the regime capacity. Recognizing the indispensable role of the military in future Myanmar, they perceive the political transition implemented by the Tatmadaw government as the only possible way to change or bring about dynamism in the political system. Since the 2008 constitution of the future Republic of the Union of Myanmar has been adopted with 92.48% of votes, as claimed by the Tatmadaw government, it will be unacceptable by them to look for a new political arrangement that may involve constitutional amendments by the opposition. Many, including the ASEAN countries, seemed to agree on this approach. They perceive the case in Myanmar is static and requires dynamism. Under the present political order and the restrictions posed by the Tatmadaw government, the opposition has a weaker or non-influential role in the society and is not able to balance the solely dominant role of the Tatmadaw. The United Nations also seemed to agree with the views of this third group as it asked the opposition and the Tatmadaw to look for ways to make the 2010 election more inclusive. The election is a process to bring the 2008 constitution into force and to legitimize the role of the military in major
decision-making processes. At the “Conference on 2010 Myanmar Political Analysis,” which was held in Myanmar on 14th Sept. 2009, a prominent political activist, U Win Naing, suggested to the Tatmadaw government a 60: 40 share of power; the military takes 60 percent while the opposition parties take 40 percent. What he meant is that whatever the result of the election to be held in 2010, the military is responsible for delegating the power it holds to the opposition. In other word, he did not see the opposition as having an influential role under the power sharing methods provided in the new constitution and perceived that the military would have the upper hand in any case.\(^4\) Seeing this, the influential role of the state in future Myanmar is visible.

3 State Structure, Civil-Military Relationship, and Bureaucracy

3.1 State Structure and Civil-Military Partnership in Bureaucracy

“The major role of institutions in a society is to reduce uncertainties by establishing a stable ... structure to human interaction.” (North 1990: 6)

In September 1988, the present Tatmadaw government came to power for the reason that the state was about to collapse because the BSPP government was no longer able to contain the chaos that started from the nationwide demonstration. The Tatmadaw government claimed that the military was necessary to maintain stability unless there was such military intervention the different ethnic nationalities would secede from the Union and split the nation under the deteriorating situations (Taylor 2009: 387–88, Aung Myoe 2007: 5).

The State Law and Order Restoration Council (SLROC) was composed of 19 military officers, ranking from Colonel to General. The first Chairman of the SLROC was General Saw Maung, who was also the Commander-in-Chief of the Armed Forces (Taylor 2009: 478). Cabinet portfolios were distributed to senior military officers while General Saw Maung assumed the power of prime minister. The country was officially renamed as Myanmar from Burma in 1989. The direct military rule was reintroduced as a means to maintain security and stability (Callahan 2003: 210). The SLROC was renamed as the State Peace and Development Council (SPDC) in 1997 and it has been the main body of the executive authority up to the present day. The hierarchical bureaucratic autonomy is centralized by the military domination. The present head of the state, Senior General Than Shwe, took the absolute power of the state (Head of State, Head of Army, and Head of Government (Prime Minister)) until 2003 when he transferred the title of prime minister to General Khin Nyunt. General Khin Nyunt was assumed to be a soft liner among the generals, and he also received the plaudits of the majority for his efforts in the state-building processes. However, he was arrested and sentenced to 44 years in prison in July 2005 under the charge of involvement in an alleged corruption case. After him, two prime misters, including the present one, took the title of prime minister. All the prime ministers after 1988 were generals appointed by the Tatmadaw government.
The executive, judicial, legal, and regulatory authorities are represented by the Cabinet, the Office of the Chief Justice, the Attorney General’s Office, and the Auditor’s General’s Office. Although some civilians are appointed as ministers and cabinet members, their power to function is unclear. Many ministerial functions at local levels have often been put under monitoring by the local and regional authorities.

As an attempt to maintain control and to increase the high command’s authority throughout the country, the Tatmadaw government, initially, reorganized the Ministry of Defense in 1990. Military expansion and modernization throughout the country, on the other hand, enabled the Tatmadaw government to expand its power and thereby take a leading role in state-building. With the expansion and modernization, local regional commanders became powerful as they were granted the authority to monitor the overall political and economic affairs of their respective regions. These regional commanders initiated the infrastructure building processes, managed the economic welfare of the regions, and expended surveillance and crowd-control capacities (Callahan 2003: 211–12). Under this military structure, the civilian bureaucrats and public administration, all become under the monitoring of the military command, which left them with a lesser role in carrying out the development projects.

There are seven states and seven divisions in Myanmar. The seven states are named after the major ethnic groups inhabiting the respective region while the seven divisions are divided among the areas where the Burman majority is residing. Therefore, the Burman will usually get the upper hand in the decision-making process when it comes to deciding major policies by majority vote. Accordingly, there are also regional and local peace and development councils (PDCs) that are responsible for public affairs of the respective regions. There is thus a “four-tier structure of PDCs below the junta: division or state level; district level; township level; and the ward or village level” (Than 2000: 6). Heads of the PDCs at state, division, and district levels are the military officers while civilian officers are appointed as heads of the PDCs of township, ward and village levels. Therefore, it is also not a true civil-military partnership as the pattern of power control on civilian officers reflects the supremacy of the military. According to Than (2000: 5), “although the ministerial functions are well defined at the central level, the regional authorities exercise significant control over local resources and substantial influence in the operation of government agencies. Moreover, there are also the special projects which cut across ministerial and regional boundaries as well as occasional instructions by the SPDC Chairman, Vice Chairman, Secretary–1, and Secretary–2 on account of their tours and field trips to the countryside.” Most civilian ministers are those selected by the Tatmadaw government, though it is also unclear how they were selected. Therefore, it is difficult to say that there is a strong or true civil-military partnership in the bureaucratic system since civilians are for most of the time following the policies and instructions that have descended from the SPDC. Rather, the bureaucracy is more likely to be an organization that implements the policies that are not the result of partnership, but of the SPDC acting on its own. This may be termed as the problem lacking
embedded autonomy as suggested by Evans.

The following Chart represents the hierarchical bureaucratic authority in Myanmar.

**Hierarchical Bureaucratic Authority in Myanmar Before 2010**

- **Head of the State and Commander-In-Chief of Defense Service (Senior General)**
  - **Vice Senior General**
  - **Joint Chief of Staff**
  - **Prime Minister (Major General)**
  - **Secretary of the SPDC**

**Military Council** meets every four months for the major events and policy guidelines. Attended by central and regional commanders or generals (Army, Air, and Navy) to brief and discuss the success and failure of their respective regional political, social, security, and economic affairs.

**Cabinet** Headed by Prime Minister and attended by ministers selected by the SPDC. Its functions are unknown.

- **Divisions, states, and sidelines departmental offices of ministries are responsible for the implementation of the projects and policies passed down from the central authority.**

- **Townships and Villages level officers. They are responsible for the implementation of policies and projects under the control of regional commanders and Divisions/states administrative officers. Interventions from both the regional and central commanders are expected.**

**Notes**

1. The Secretary of the State Council (SPDC) is responsible for monitoring the smooth implementation of state development projects. He is empowered to check and order the regional commanders for their regional development projects.

2. Pure civilian ministers are those from the Ministry of Education, Ministry of Justice, Attorney General Office, Ministry of Health, and Ministry of National Planning and Economic Development. There are usually the deputy ministers who were appointed by the military and have a military background. Many still wear a military uniform.
Public administration or bureaucracy in Myanmar, unlike Indonesia under Suharto, has not been a priority list to be strengthened as a basic reform for development (Mutebi 2005). In Indonesia, Suharto had established a strong bureaucracy by reforming the one left by Sukano’s regime, making the administration more loyal and more active. He recruited new officers who were loyal to him and framed the bureaucracy “with an exoskeleton of military command” (Emmerson 1978: 82–83). He replaced those who had been involved with political parties “with civilians whose lack of outside base made them more susceptible to central conditions” (Ibid). In Myanmar, civil servants are not allowed to engage in any political party activity under the officially prescribed Ethical Code of Civil Servants (2004). Apart from their original duties, every civil servant is liable to fulfill any duties occasionally assigned by the authority. For example, a teaching staff position may also require involvement in matters of state stability. In the recruiting of civilian officers, there are examinations for entry from the junior officer level to the level of the gazetted senior officer. Further promotion is based on worked experience and distinctiveness of one’s ability. However, the positions from the Director-General and above are appointed and many are the retired military officers. The military officers are directly transferred from the military services and positioned from junior officer level and above with no examination. This system of appointment makes it difficult for civilian officers to get promoted. However, after 2003, there is information that the appointment of civilianized military officers required a placement test (Interview 2009).

Again, when Suharto came into power, he did not abolish the existing institutions in his effort to introduce the dual-functions of the army under the New Order. Stability of the institutions could be maintained in a short time. The case is somewhat different in Myanmar where the Tatmadaw government tried to deal with the bureaucracy. It had to reorganize the administrative organizations and institutions, as the existing ones were barely able to function because of the demonstration involving the majority of civil servants. In the process, the number of the military officers in the higher-level positions increased noticeably. The change of bureaucratic machinery was very sudden when compared to the case in Indonesia under Suharto, when bureaucratic institutions and the core of military composition in them changed gradually. This gradual establishment of strong military dominated government enabled Suharto to consolidate his government “authority throughout the country and embark[ed] on an era of unprecedented economic growth” (Crouch 1988: 160).

A distinctive factor in the change initiated by Suharto was the appointment of the high-ranking civilian bureaucrats who had doctoral degrees, largely in economics, from foreign countries. Using these highly educated bureaucrats was the precondition for the US to start its ODA to Indonesia. They took an important role in formulating the development policies and strategies. This creation of a competent bureaucracy enabled Suharto to establish economic development. Although the military was still dominant in Indonesian government, other civilians were recognized as important in the administrative system. The state in Indonesia was in the hands of a group of bureaucrats and
politicians who were loyal to Suharto and there was no cohesive class at the heart of the state (Halldorsson 1991: 196). These bureaucrats believed that the increase in GNP, made possible by a set of rational policies, would reduce the poverty level. Importantly, the means taken by them were not intrinsically apolitical. The views held by these bureaucrats diverged from those held by the former government, and they worked at the discretion of the President and enjoyed professional autonomy. They were given influential roles in the early years of the New Order for bringing stability and growth to the economy (Ibid 246–48). Although the military officers were put in control of the state bureaucracy, the state corporations and the political system, the military institution gradually lost power to President Suharto (Ibid 198).

3.2 Stability and Development of Bureaucratic Institutions

When Suharto and his men came into power, they recognized that their political legitimacy could only be achieved by their performance to put the country in the right direction and were thus concerned about fostering stability, generating growth and development. Suharto introduced the New Order as a means to correct what were considered to be the wrongs of former president Sukarno’s Old Order (1945–66). He did not, however, have the grand strategy for political renewal and reform. Against the hope of those students and politicians who had supported him to take power in 1966, Suharto could not initiate the path to democracy, and he appointed very few of these people to senior positions in the government until 1980s. He also tried to suppress those who joined the Communist Party and imprisoned them for long years and toppled the left wing of Sukarno’s Nationalist Party. However, his image of brutality faded in the light of successful strategy of national development. Indonesia became stabilized and witnessed actual economic growth (Vatikiotis 1998: 33–34). In order to make sure of the centralization of power in his hand, Suharto neutralized other potential centers of power, such as the military, the bureaucracy, the parliament, the Golkar and the political parties by making them depend on him for power and patronage. He eliminated his current and potential rivals following the Javanese principle of alon alon asal kalekon (Slow but sure). Meanwhile, under the “Territorial Warfare Doctrine”, the army tried to monitor the local people through territorial military organizations and also tried to integrate with the local community. Local commanders took the responsibility to maintain security functions as agents of the Operations Command to Restore Security and Order, named in the native tongue as Kopkamtib. The Kopkamtib became the organ for the government to control civilian dissidents (Crouch 2007: 222–23).

Although the territorial military units were organized throughout the country, the relationship between civilians and military officers was more or less parallel. Because of the perception that successful implementation of national development required the intense local involvement under the policy of self-sufficiency and the requirement to improve delivery of social services, deconcentration and partial decentralization or delegation of power to local governments was practiced. Although
there were civilianized military governors, there were also elected local assemblies that had the responsibility of nominating a list of candidates for regional head. These heads were responsible to their regions and the local people (Tinker and Walker 1973: 1102-03).

In the case of Myanmar as mentioned above, the civilian administrators are not in a position to work in parallel with those of the regional commanders while civilian administrators in Indonesia were able in a position to work in parallel with the military officers. This may be because of the different rules practiced in the two countries, namely; direct military rule and indirect military rule. The relationship between the military and civilians is asymmetrical while it was symmetrical in Indonesia. One other reason may be the military’s distrust of the civilians.

As mentioned by Mutebi (2005), the military leadership regarded themselves as generally superior to the ineffective rules and bureaucratic procedures. Under the reform processes of the economic strategy and of laws and institutions which included adopting foreign direct investment law, companies act, privatizations of some state’s enterprises, and extending of ministries, etc., the country had witnessed economic growth during the early and mid-1990s. Consequently, the government claimed an average GDP growth rate of 8.2% for the periods 1992–93 to 1995–96. The reality also reflected that growth. The progress was recognized by the international monetary organizations like World Bank and IMF. However, they also recognized that there were still problems such as unemployment and poverty reduction (Maung 1997: 505). The progress was not sustained as the economic growth rate began to decline at the end of 1990s (Soe 2008: 7). One of the reasons for this was the incapable and incompetent institutions, which failed to cope with realities of market and policy. Moreover, the stability of administrative machinery was threatened by the frequent changes and incompetent formulation of policies (Ibid 10). Economic decision making networks became very weak with even minor decisions being passed up to higher authority (Taylor 2009: 379). Therefore, the value of the bureaucratic institutions has been questioned, as the civil servants are not confident in carrying out the policies formulated by the state. This is a case of inconsistency and instability of organizations and institutions. Another problem is the irrational plans made under this centralized decision making system. An example of this is the instruction of the government to implement the plan to plant physic nut in the whole country without transferring enough technology for producing fuel from the physic nut and knowledge necessary to safely cultivate it. It is, also, unknown whether this plan was a result of consulting with technocrats or the business sector. This is a case of lacking rational plans that featured in most DS, as was discussed above. All these facts proved the political development theory developed by Huntington. According to him (1965: 394), “institutionalization is a process by which organizations and procedures acquire value and stability. The level of institutionalization of any political system can be defined by adaptability, complexity, autonomy, and coherence of its organizations and procedures ... [while] attention is on the reciprocal interaction between the on-going social processes of modernization … the strength, stability or weakness of
political structures, traditional, transitional, [and] modern.” Therefore, weaknesses in political organizations and institutions constitute weaknesses in building a modern developed nation in Myanmar.

Politically, the SPDC were able to initiate remarkable cease-fire agreements with the 17 ethnic insurgency groups while the threats from the communists were diminishing with the end of the cold war and the support from China. The government also allows some ethnic groups who came into legal fold to manage their regional affairs under the name of Special Regions. Also in the 2008 constitution, they are allowed to have Self-Administrative Areas without the right to secede from the Union (see Section 10 of the 2008 Constitution). However, according to Irrawaddy online magazine (2009–4–9), these groups would be forced to lay down their arms in future Myanmar and this makes them ask the Tatmadaw government to review the new constitution. The major opposition party NLD also consistently demands that the government discuss the politics and review the constitution, and allow all political stakeholders to participate in the future political process. However, the demands are not partially or fully fulfilled yet.

Regarding the financial sources of the state, as in Indonesia, the income from gas and natural resource sectors provided a major portion of the government expenditure. According to Aung Myoe (2009: 163), the military expenditure is received from other ministries such as Ministry of Energy (oil, gas, and other mineral resources), Ministry of Home Affairs, Ministry of Forestry, and from military businesses like the Union of Myanmar Economic Holding Limited and the Myanmar Economic Corporation. However, unlike Indonesia, which had a fundamental support from international community, especially the EU and the US, the Tatmadaw government in Myanmar has not enjoyed the favor from such support.

4 Conclusion

Since taking the power of the state, the Tatmadaw government has gone through processes that can be seen as efforts to implement a successful state-led development because many of the characteristics resemble what Suharto had done for Indonesia under the New Order. They have recognized the need to get performance legitimacy and set out policies and strategies to meet their desired goals. They have introduced a market economy, invited investments, forced the ethnic groups to disarm, suppressed those who jeopardized the course they are implementing, and managed to gain a strong financial hold. However, things did not turn out the way they did in Indonesia. Under the current analysis of this paper, it appears that the most important factor for development is the need for strong commitment to the institutionalization, the politics of state-led development until a genuine democracy is introduced.

Firstly, the need to successfully establish or achieve the embedded autonomy, as suggested by
Evans and also Leftwich, slowed down the growth pace. They could not establish the committed
civilian-military partnership that can make it easier for them to enter a good connection with the civil
society as a whole, which will in turn enable the state capacity and legitimacy to successfully
implement the development goals and to legalize their efforts.

Secondly, rather than making the bureaucracy more active and stronger, their actions suggest a
move in the opposite direction. The policy for recruiting and using professional and intelligent
bureaucrats and the process to make them more reliable were not prioritized; instead, the increasing
number of the military personnel and the making of the civilian bureaucrats inferior to the military
have decreased the value of the bureaucratic institutions and increased their uncertainties. This is a
lack of competent bureaucracy as suggested by most developmentalists, as was discussed earlier. If
we look at the current situation in the context of Huntington’s ideas, the current situation in Myanmar
does not support the concept of institutionalization of the organizations and institutions that may lead
to the development of politics and growth. The value, stability, adaptability, and capacity of state
bureaucratic organizations and institutions did not increase, as they were not prioritized; rather, the
bureaucracy was politicized to enable the Tatmadaw to cement the military involvement in the future
administrative system. Boakye-Sarpong (1998: 1–2) indicates that, “the bureaucratic culture in the
developing systems is very complex, often ambivalent and contradictory. The explanation may be the
interaction between the values of the bureaucracy and those of the rest of the larger society.
Bureaucracies in the developing countries, for fear of survival tend to resist change.” This indication
resembles the characteristics of bureaucracy in Myanmar, which is under a slow process of change or
is perhaps in a static situation under the political arrangement of the Tatmadaw whose intention is
focused much more on the legalization of the role of military in administrative affairs. Therefore, an
option is required for the emerging of changes or bases for strong and competent bureaucracy for
national development.

Thirdly, the Tatmadaw government needs to get international support and eventually inter-
national aid. The requirement to satisfy the international demands in order to get assistance and
support, as in the case in Indonesia under Suharto, who was able to get a large amount of international
assistance, constitutes another setback for the realization of development goals. One reason for this is
the changing attitude of major international donors toward the process of democratization. Legitimacy
is a requirement to satisfy the international demands. Under the current understanding, democracy
and human rights are a prerequisite to be eligible for assistance and support. The political
arrangement of the Tatmadaw government is seen as undemocratic by the donor countries. All of
these factors, as well as many others, undermine the successful implementation of state-led deve-
lopment in Myanmar.
Notes

1 The term “development” in this paper applies to the development of a state in political and economic aspects. Economic development will be measured by the annual growth rate of the GDP (PPP) while political development will be measured by whether the real political situation in a country is stable enough to support for the national development.


3 This third group reveals their political attitude in their weekly-published journal named “The Voice Journal”. The journal is seen as the only publication, being focused on recent Myanmar politics, which is permitted by the government to publish.

4 See Mizzima News, 2009–14 (September)

5 The author conducted an interview on 16 Sept. 2009 with a civilianized officer who had a university level law Degree before his entry into the military service and then transferred to be a township judge. He had the experience of teaching law/law-related subjects in the military collage.

6 This plan was widely criticized by domestic and international scholars alike. See http://www.canada.com/topics/technology/science/story.html?id=7aea4151-ef9e-473a-8ef6-4c8e5b9cc563&

7 The Tatmadaw government agreed ceasefire agreements with these ethnic groups during the period between March 1989 and April 1997. (See the paper of H. E U Khin Maung Win (former Deputy Minister for Foreign Affairs) on Myanmar Roadmap to Democracy: The Way Forward, MICT Park, 27–28 January 2004).

References


