

Japan and Burma: The Limits of 'Quiet Dialogue'

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Japan's historical influence over Burma has waned since the days it helped Aung San in his independence struggle.

The apparently deliberate shooting of Japanese journalist Kenji Nagai at the height of the September demonstrations in Rangoon angered people in his homeland and prompted the Tokyo government to cancel a ¥552 million (US \$4.7 million) aid project for a Rangoon university.

Some believe this government response was not strong enough and asked whether Japan would finally join with Western nations and impose economic sanctions against Burma.

Despite indignation over Nagai's death, this is unlikely. Since the collapse of the Ne Win socialist regime and the seizure of power by the State Law and Order Restoration Council in September 1988, Tokyo has fashioned a Burma policy that rules sanctions out. This policy was stated succinctly by a foreign ministry official speaking to a public forum in Tokyo in 2001.

Concerning relations with Burma, Ms Taeko Takahashi, director of the Japanese Foreign Ministry's First Southeast Asia Division, divided countries into three categories: first, there were Western governments that placed the highest priority on democracy and human rights and implement sanctions and harsh criticism; secondly, Burma's Asian neighbors, which do not want to interfere in Burma's internal affairs and hope change can be encouraged through expanding economic relations; thirdly, the Japanese government, which had announced the adoption of "a position that places importance on human rights and democracy as a matter of course" but which shuns sanctions, preferring to "speak as friends."

Ms Takahashi posed the questions: "What are the expectations of the international community? What needs to be done for Myanmar [Burma] to be accepted into the international community? These are things we are in a position to discuss quietly."

Since 1988, "quiet dialogue" between Japan and Burma has involved Japanese expressions of moral support for Burma's opposition leader Aung San Suu Kyi (who is quite well-known and popular in Japan), and the selective use of economic incentives in the form of official development projects (known as ODAs) to encourage the junta to improve its behavior.

The Japanese government was thought to have been instrumental in securing the release of Suu Kyi from house arrest in July 1995, and followed it up with a gift of ¥1.6 billion (\$15 million) for the renovation of the Institute of Nursing in Rangoon, indicating that further progress in democratization would receive similar rewards.

Compared to China, Singapore and Thailand, Japan's economic profile in post-socialist Burma has been rather low, but it remains the largest donor of country-to-country ODA, as it was during the 1962-1988 Ne Win era.

Between 1990 and 2002, Tokyo gave Burma ¥68 billion (\$573 million) in debt relief grants and funded the completion of certain loan projects that were approved before 1988. When the Burmese government paid off some of its yen loans, the Japanese government returned the money, telling Burma to use it to buy goods and services from Japan.

While Ne Win was in power, Japan had more influence inside his isolationist state than any other foreign country, owing to the large volume of its ODA (some \$1.94 billion disbursed between 1970 and 1988, mostly in the form of low-interest project loans) and sentimental bonds based on wartime ties.

Imperial Japan established the Burma Independence Army, forerunner of the Tatmadaw, in 1941. Ne Win was a BIA veteran, as was Aung San Suu Kyi's father, Aung San.

Quiet dialogue between "friends" seemed to be a plausible way for its Southeast Asian neighbors to prod Burma along the road to gradual economic and political liberalization. The policy was hobbled by contradictions, however.

Powerful business interests inside Japan wanted full economic engagement with SLORC, including resumption of aid at generous pre-1988 levels. Aid contracts create lucrative opportunities for Japanese companies, especially general trading companies (*sōgō shōsha*), and they sensed new opportunities in SLORC's post-socialist economy, which other Asian countries such as South Korea and Singapore were exploiting.

Suu Kyi seemed to be an obstacle to closer economic ties, so it is not surprising that she became the target of vituperative attacks from within the business world as well as their allies in academic, political and diplomatic circles, a phenomenon one Japanese journalist has referred to as "Suu Kyi bashing." A Keio University professor wrote in a monthly magazine in 1996, for instance, that her heroic image was just a fabrication of the international media and that the junta's accomplishments were ignored.

On Burma policy, Japan cannot ignore the opinions of its most important foreign partner, the US, whose government imposed the first set of serious sanctions on Burma in 1997. American pressure was apparently behind Japan's original decision to freeze ODA disbursements from September 1988 until February 17, 1989, when Tokyo formally recognized SLORC as Burma's government and resumed the flow of aid on a case-by-case basis.

Needing to satisfy both business interests and the US, Japan's Burma policy has frequently been ambiguous, its stated pro-democracy objectives watered down to placate the domestic "economics first" constituency.

In February 1998, for example, the Japanese government announced it was lending Burma ¥2.5 billion (\$19.8 million) to renovate the runway and control tower at Rangoon's international airport. Tokyo labeled this infrastructure project as "humanitarian aid," a clearly inappropriate use of the term, and both Suu Kyi and the US criticized the decision.

Some observers have wondered whether the funding wasn't the result of Nichibei Myanmar Masatsu (Japan-US friction over Burma)—in other words, an expression of the resentment felt by Japanese policymakers who believe they are constantly pressured to follow Washington's line.

As the second decade of SLORC/SPDC rule comes to a close, one thing is clear. Thanks to the profitable export of strategic raw materials, especially natural gas, and economic and other forms of support from newly affluent Asean countries, as well as India, Russia and especially China, the junta has resources at its disposal with no questions asked—at least not about human rights. Japanese aid

and investment are no longer really needed, and the country's historical influence over Burma's leaders seems to have largely dissipated.

Pro-democracy Burmese and their international supporters are not calling for a boycott of Sony or Toyota—but of the 2008 Olympics in Beijing.

P.S.

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