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CSIS Myanmar Trip Report

STATE OF THE NATION AND RECOMMENDATIONS FOR U.S. POLICY

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SUMMARY

In August 2012, a group of senior CSIS Asia specialists visited Myanmar to explore the political, economic, and social reforms launched by the new civilian government and develop policy recommendations for the U.S. government. The trip is part of a Myanmar Project launched by CSIS and funded in part by the C.V. Starr Foundation. The CSIS delegation was led by Ernest Bower, director and senior adviser, Southeast Asia Program, and included Michael Green, senior vice president and Japan Chair, Christopher Johnson, senior adviser and Freeman Chair in China Studies, and Murray Hiebert, deputy director and senior fellow, Southeast Asia Program. Eileen Pennington, deputy director of the Women's Empowerment Program at the Asia Foundation, accompanied the group as an observer.

Myanmar is in the early stages of moving toward transformational change in nearly all respects, including political and economic reform, the opening of space for civil society, empowerment of women, defining foreign policy and national security priorities, and finding a path to reconciliation with its diverse ethnic groups. However, there was evidence that significant challenges remain with respect to governance and reconciliation with ethnic minorities and that rights abuses continue in some areas, despite the overall positive direction from the leadership of the new government. Real change appears to be under way, but it is not irreversible.

Myanmar's government, opposition leaders, civil society groups, and business leaders all emphasized that there is an urgency and immediacy around the process of change in their country. The United States should be aware that there are important, perhaps even historic, opportunities to promote and support reform. It needs also to be aware of substantial threats to reform and transparency. Developing a policy to navigate through these opportunities and challenges will require thoughtful consideration and intense focus. Actions the United States takes in Myanmar are intrinsically linked to the U.S. relationship with ASEAN and its broader Asia Pacific regional strategy.

This report provides an executive summary of the CSIS team's perspectives, shares its findings, and makes near-term recommendations for U.S. policy relating to Myanmar.

RECOMMENDATIONS FOR U.S. POLICY

- 1. Ensure that President Barack Obama meets with both President U Thein Sein and opposition leader Daw Aung San Suu Kyi when they visit the United States in September.** There is a delicate balance required to effectively nurture the reform process in Myanmar. The United States has a sophisticated role to play in this context. To meet only with Daw Aung San Suu Kyi could be perceived as unbalanced and as a slight to President U Thein Sein—a failure to appreciate the courageous role the latter has played in launching political reforms in a country ruled by the military for five decades. Members of Daw Aung San Suu Kyi’s National League for Democracy (NLD), who are managing this balance carefully, said they recommended that President Obama meet both the opposition leader and President U Thein Sein when they visit the United States.
- 2. Move toward conditionally removing U.S. sanctions on imports from Myanmar and immediately allow U.S. support for assistance programs by international financial institutions in Myanmar.** If the Myanmar government releases all or most of its remaining political prisoners before President U Thein Sein visits the United States in September, the U.S. government should make clear its intention to take steps to ease the sanctions against Myanmar’s exports. The U.S. government should also immediately move toward allowing officials to vote in support of appropriate international financial institution programs designed to advance reform and transparency in Myanmar. The United States should use the government’s interest in getting the export sanctions lifted to press the regime to step up transparency in the extractive industries, including by signing the Extractive Industries Transparency Initiative (EITI). State-owned Myanmar Oil and Gas Enterprise (MOGE) should be required to prepare an annual report on its activities for Parliament to leverage resource revenue sharing; encourage transparent contribution of funds for spending in core areas such as education, health care, and infrastructure; protect the environment; and promote workers’ rights. The delegation heard requests from the democratic opposition, civil society leaders, and international organizations for the United States to support political reform by allowing for economic development, job creation, and a measured and conditioned process of sanctions lifting by the United States that provides leverage to those seeking a transparent, accountable, and sustainable opening of the country. This principle should be reflected in U.S. policy.
- 3. Support substantial levels of assistance for capacity building at all levels.** The United States, which is reopening its U.S. Agency for International Development mission in Myanmar in September, should coordinate with other donor nations to leverage its support and provide targeted assistance to enhance governance, rule of law, and skills in Myanmar. The U.S. government and private sector should join forces to increase the funding available for these aid programs. The assistance should include training to increase the capacity of officials in Parliament, the executive branch, and the judiciary and provide guidance on best practices for how these institutions should function to create conditions for political stability and democracy. Training should focus particularly on rule of law, transparency, and policies to govern the economy, protect the environment, and rein in corruption. Civil society leaders and opposition political leaders called for a massive increase in English language training across

the board so that people beyond the elites and their children would have access to foreign training inside the country and be able to study abroad.

4. **Increase engagement with Myanmar's military.** The United States should use engagement opportunities to provide training to a new generation of military officers in such areas as civilian-military relations, law of war, and transparency. Many of the most reform-oriented senior officers in the current government are products of international military education, including in U.S. institutions. Vetting military officers and complying with U.S. legislation will not be easy, particularly as fighting continues in some areas controlled by ethnic groups such as Kachin State and violations of ceasefires continue in other border areas. If the military continues to support the transition to civilian rule and observes ceasefires in ethnic minority areas, the United States should begin to consider joint military exercises with the Myanmar armed forces and provide selected Myanmar officers access to U.S. International Military Education and Training (IMET) opportunities in U.S. defense academies. More immediately, the United States and ASEAN should engage the Myanmar military in such forums as the annual Shangri-la Dialogue in Singapore and the biannual ASEAN Defense Ministers Meeting-Plus. U.S. think tanks could play an important role in providing non-military training opportunities for Myanmar officers.
5. **Support developing economic laws and regulations required to promote sustainable and equitable economic growth.** Myanmar needs immediate and comprehensive help in developing its economic laws and regulations to help promote economic growth, investment, and expansion of trade. Officials and civil society leaders are particularly concerned about the need to develop regulations to govern the extractive industries in such a way as to protect the environment and ensure that opening this sector does not exacerbate corruption in the country. The government needs immediate support in these areas so that it can prepare to participate in regional trade and investment agreements.
6. **Cooperate with ASEAN to support reform to boost Myanmar's role in regional institutions.** The United States, Association of Southeast Asian Nations (ASEAN), and other nations should provide coordinated support to Myanmar so it can become a democratic political model and achieve a more transparent and open economy that actively contributes to ASEAN and the Asia Pacific region. The United States has made clear that a strong ASEAN is a vital foundation for developing regional architecture, including the East Asia Summit, ASEAN Regional Forum, ASEAN Defense Ministers Plus, the Transpacific Partnership, and Asia Pacific Economic Cooperation. A weak and isolated Myanmar has for years undercut efforts toward a strong and unified ASEAN.
7. **Explore collaboration with China in Myanmar.** The widespread belief that the Myanmar government's concerns about excessive dependence on China was a primary motivator in prompting military leaders to pursue reform appears to be overstated. In fact, the group's interlocutors stressed China's role as a traditional neighbor and encouraged the United States to avoid zero-sum policies toward China. Given China's long near-monopoly on political ties, military sales, and trade with Myanmar during the decades of military rule, the country's rapidly warming ties with the United States are being greeted with suspicion in China and are stoking fears about

imagined U.S. containment efforts. A proactive policy of consultation with China on the U.S. approach toward Myanmar could help mitigate concerns in Beijing about the United States using Myanmar to contain China.

FINDINGS

- 1. Real change is under way in Myanmar.** Political and economic reforms launched by President U Thein Sein and his allies and broadly supported by opposition leader Daw Aung San Suu Kyi appear to be real, but the process for implementing and institutionalizing those changes remains fragile and is not irreversible. The people the delegation met in the government, the opposition, civil society, and private sector consistently expressed goodwill and strong support for the changes outlined by the government, but confidence in their ultimate success was hardly universal. Members of the military the delegation met were supportive of the reform process, though it was impossible to gauge how far the military will go in voluntarily ceding further power to civilians. Notably, government and military leaders alike indicated that they expected the military to reduce its role in Parliament and government in general, including reducing the constitutionally mandated requirement for 25 percent of the Parliament to be held by the military.
- 2. The president is moving in the right direction, but the extent of support for reform is still not fully tested.** President U Thein Sein has consolidated his power and moved forward with important steps such as ending press censorship, shuffling those not aligned with reform out of his cabinet and allowing Daw Aung San Suu Kyi and her party to run for election and sit in Parliament. However, some of the hardest political hurdles in addressing the residual power centers of the old regime lie ahead. After nearly five decades of military rule, learned governance habits tend to be top-down—“give orders, take orders,” as one expert noted. This creates risk. For instance, both the president and the National Defense and Security Council retain the constitutional right to declare emergency rule at any time. The lack of resource-sharing agreements in ethnic areas or transparency in the government budget means that the powerful cronies (often referred to as “proxies”) from the previous regime have not yet seen their core equities challenged. The CSIS delegation heard broad consensus that the military wants to transition to a professional military role, but this appears to be contingent on the maintenance of peace and stability. Peace and stability is contingent on the ruling party and the democratic opposition finding a way forward in the midst of numerous competing interests and within a fragile political space. The transition is complicated and possibly threatened by ongoing ethnic strife, for instance in Rakhine and Kachin states. Many ethnic groups continue to feel that their influence within the transition remains severely limited or nonexistent.
- 3. Myanmar is geostrategically important.** Myanmar is the second largest country in terms of land mass in Southeast Asia. It is the fifth most populous with a population of roughly 55 million and is located at the crossroads of China, India, and Southeast Asia. Myanmar, one of the poorest countries on the planet situated in the midst of a vibrant Southeast Asian region, has an opportunity to develop quickly through implementing basic reforms and trading and integrating with its neighbors and the global economy. The government’s recent political

and social reforms, if they prove to be sustainable and successful, could potentially make Myanmar a model for other nations in the transition to democracy.

- 4. Economic growth could be rapid.** Economic growth depends on political stability. If stability is enhanced by comprehensive political reform and the implementing of basic economic reforms, Myanmar's economy could experience rapid growth. Some estimates suggest that the gross domestic product could expand by more than 10 percent next year. Although this growth would be based on a relatively small base (GDP was estimated at \$84 billion in 2011), it could contribute millions of new jobs. The most important barriers to growth include political instability, corruption, and the lack of transparency, lack of education, a dearth of training, and poor infrastructure. Representatives of the garment industry told the delegation that they were exploring standards for corporate and social responsibility and were cognizant of the importance of labor rights and the role of women in economic development. The bulk of Myanmar's current economic difficulties are the result of gross mismanagement in the past, but those policies can be effectively reversed.
- 5. Lack of training and expertise could hobble reform.** The lack of expertise and experience is one of the biggest challenges facing the reforms. People the group met readily admitted that many officials have little idea what political reform and democracy mean after decades of authoritarian rule. The same is true for economic reforms. For instance, parliamentarians across political parties said they were hungry for models they could apply for lawmaking, staffing, and due process. At present, the legislative process is, by default, top heavy; the leadership develops ideas and pushes them down for approval, reflecting the military background of the leaders. For instance, topics to be raised for debate in Parliament need to be approved in advance. Officials talked about the difficulty of getting new policies implemented at the local level, though it often was not clear to what extent this was due to foot dragging or a lack of understanding. Parliamentarians say they have no experience, no legal expertise, no staff, and no libraries. What they say they need most is capacity building and exposure to the experience of other democracies.
- 6. Expect another significant release of political prisoners in September.** Leaders and senior officials said they expected the government to release a substantial percentage of the remaining political prisoners before President U Thein Sein visits the United States in late September. The opposition NLD has given the government a list of 330 political prisoners remaining in detention. Some other groups estimate that more than 500 political prisoners are still in prison. Separately, the government announced in late August that it was removing more than 3,100 dissidents, exiles, and journalists from the blacklist that long blocked people from visiting the country. Officials said the list had included more than 24,000 a few years ago, but they planned to reduce it to below 3,000 soon.
- 7. The regime appears to be severing military ties with North Korea.** The U.S. government has long suspected that Myanmar had links with North Korea to buy conventional weapons and possibly components for nuclear weapons. Myanmar's officials said they recognize how important this issue is to the United States, insisted that

the government did not have (or no longer had) such ties, and said they will abide by all UN Security Council resolutions related to North Korea. Subsequent to the visit, some U.S. officials have expressed confidence that Myanmar is cutting its military ties with North Korea, but they did not provide evidence nor was the delegation able to corroborate the state of Myanmar–North Korea links today. Assertions by officials in Myanmar are encouraging, but verification will be important.

8. **Reconciliation with ethnic groups is a major challenge.** Myanmar has more than 130 ethnic groups, and of these about 20 have mounted insurgencies against the government over the past decades. Reconciliation with the ethnic groups is fundamental to Myanmar’s reform process and political stability. Myanmar’s leaders are strongly focused on sustaining their nation’s territorial integrity and have relied on the military as the institution to hold the country together. That situation must change for reform and reconciliation to take place. Ethnic groups want respect, autonomy, and the ability to make decisions locally, while deferring to the national government on issues such as foreign policy and national security.

Officials have negotiated ceasefires with 10 ethnic groups, but the earlier ceasefire with the Kachin Independence Organization (KIO) in the north has collapsed since the civilian government took office last year. Low-level fighting, human rights violations, and the displacement of villagers continue. President U Thein Sein has assigned U Aung Min, his office’s dynamic reform-minded minister who was promoted in a cabinet shuffle in late August from his role as minister of railways, to begin a political dialogue with five of the ceasefire groups. It is still far from clear how a fair political settlement, a condition for most of the groups to lay down their arms, will be achieved with the ethnic groups. Two years ago, the notion of “federalism” was considered a dirty word by the government. Today government officials have begun to talk openly about the concept, although they leave it undefined.

The delegation heard considerable goodwill toward the ethnic groups from senior officials, but so far much of their attention is focused on ceasefires, which history suggests is not enough to resolve long-standing differences. Land-grabbing, failure to compensate locals for land and resources, and similar abuses continue to be reported in ethnic minority areas and remain the hardest challenge for the government in managing its powerful military and its long-standing economic interests. Some form of equitable revenue sharing will need to be worked out, particularly because the areas where the ethnic minorities live are where much of the country’s oil and gas, mineral, and forestry wealth are located. Failure to address resource sharing would likely derail efforts to move from ceasefires to political settlement. This is important because economic growth—namely, creating jobs and opportunities—is a key factor for sustained peace and stability in areas controlled by ethnic minorities.

There still does not appear to be the sustained and high-level focus on political empowerment of the ethnic minorities that is necessary before stability, reconciliation, and development can occur. One other critical unanswered question is what the ethnics, who are divided into many different groups, want in exchange for laying down their weapons and reconciling with the new government. Even in areas where ceasefires have been

signed, government troops have not been withdrawn; ethnic leaders say that they continue to face human rights violations and that many of their former fields are still heavily mined.

- 9. The Rohingya and Rakhine State threaten to undermine reforms and national unity.** The Rohingya, a predominantly Muslim minority group living in the western state of Rakhine, are considered by the United Nations to be one of the most persecuted minorities in the world. The Myanmar government does not officially recognize the Rohingya as one of the country's minority groups and will not grant them citizenship. Violence in the region was stirred up earlier this year, and on June 10 an emergency was declared, allowing the military to enter the region to quell the violence. By the end of August, 88 people had died in clashes. President Thein Sein said July 12 that deporting the Rohingyas should be the solution to the problem. Disappointingly, many groups and individuals generally supportive of human rights either support the president's view or like NLD leader Daw Aung San Suu Kyi remain silent on the issue. Beginning September 1, Buddhist monks, in the largest monk-led protests since the 2007 Saffron Revolution anti-government demonstrations, launched marches protesting the presence of the Rohingya. With virtually no domestic supporters, it is hard to envision how this issue will be resolved in a way that preserves the rights of the Rohingya with Myanmar.
- 10. Why did the military regime decide to undertake political reform?** One of the key questions in Myanmar today is why the former military regime mounted a political liberalization effort. Some analysts have suggested that China's increasingly dominant role in the country's economy was a key factor in prompting the reforms to allow the government to court closer relations with the United States, Europe, and Japan. But, inside the country, officials and observers stressed such internal factors as the leadership's damaged pride and embarrassment over the country's falling economically so far behind its neighbors, the army's fatigue with running the country (including the military's tarnished image after it brutally repressed Buddhist monk led protests in 2007), and the increasing clamor by the country's people for a voice in shaping their destiny. Officials credited former strongman Than Shwe with initiating the top-down reforms in 2004 with his seven-point democracy roadmap (summarized in appendix 2 below) and then stepping aside for U Thein Sein in March 2011 following elections. Describing Than Shwe as a wily political manipulator, informed observers speculated that he sought to diffuse power to avoid a Ceausescu-style uprising in the wake of the Arab Spring and to safeguard his inner circle's perquisites once safely in retirement. "The military needed a graceful exit," one official said.
- 11. The role of the military going forward.** Government officials, including representatives of the Ministry of Defense, said they expected the military planned to gradually cede its grip on 25 percent of the seats in Parliament as is now mandated in the constitution. Officials frequently cited the Indonesia model where the military gradually gave up the protected seats it had in the Parliament following the 1998 toppling of President Suharto. In Myanmar, military members of Parliament do not always vote as a bloc and end up sometimes supporting the opposition as many did on a recent proposal requiring that parliamentarians should declare their assets. This measure was voted down by parliamentarians from the dominant United Solidarity and Development Party (USDP). The military says it wants to professionalize, cede its dominant role in politics, and focus on

national security issues. To achieve this, military leaders say extensive training is needed, particularly among young rising officers. The military says it has the utmost respect for the professionalism of the U.S. military and would like to receive as much training as the United States is willing to offer.

- 12. Commitment to reform is driven by a small group of leaders.** Most officials and observers believe that the reforms are being driven by President U Thein Sein with strong support from a small core of reform-minded colleagues in the cabinet, including U Aung Min, Industry Minister U Soe Thein, and Planning Minister U Tin Naing Thein. These three were promoted to an inner circle of ministers in the President's Office in late August. Several officials opposing reforms and seen as foot dragging have lost their jobs in recent months. Vice President Tin Aung Myint Oo resigned in May and former minister of Information U Kyaw Hsan was demoted in the recent cabinet reshuffle. In early September, President Thein Sein shuffled his cabinet again and replaced the defense minister and attorney general. The speaker of the lower house of parliament, U Shwe Man, is also described as a committed reformer, even though the legislature is often in competition with the executive branch. Most of those interviewed by the CSIS group said the reforms were not completely dependent on President U Thein Sein, though there was a consensus that he was uniquely courageous and bold in driving the reform agenda. That said, it was difficult for the group to determine whether the broader political elite serves as a silent reservoir of support for the handful of committed reformers or is simply sitting on the fence waiting to see which way the political winds blow.
- 13. Is the decisive moment for reform 2015 . . . or now?** Some analysts have argued that the next big opportunity to promote reform will come around the time of the next national elections in 2015. But civil society activists we met, including NLD leaders and long-imprisoned leaders of the 1988 Generation student uprising, said that the important time to build support for reform and institutionalize the changes is between now and 2015. They argued that it is critical that the opposition work now to build confidence within the military so it will have enough trust to allow amendments to address the limits on democracy in the constitution and not panic if the opposition wins the majority in Parliament. The group met with political prisoners released over the past year; all stressed the need to build confidence rather than seek retribution against their former jailers. Their sense of mission, discipline, and apparent lack of desire for retribution was striking.
- 14. Constitutional Court resigns amid constitutional crisis.** The country's constitutional court resigned on September 6 after the lower house of Parliament had voted to impeach the court's nine judges in the midst of constitutional standoff between the legislature and the president. The parliamentary vote was supported both by the majority USDP and the opposition NLD while the military members abstained or voted against the impeachment. The Parliament challenged the authority of the president, who is responsible to appoint the judges, but the fact that he allowed the judges to resign quickly suggested to some observers that he was looking to resolve the dispute as soon as possible. The conflict began in March after the court ruled that parliamentary committees did not have national ("union") level authority and as a result did not have standing to overrule the president's office and call ministers for questioning in Parliament. The president had requested the court ruling to clarify the powers of

committees as the new Parliament had moved in recent months to step up its amendments to many of the legislative measures under consideration by the legislature. Members of Parliament felt that the court had violated the country's 2008 constitution to restrict the powers of the elected lawmakers. The court had said that its ruling was final and could not be challenged. How the president and the military respond to the judges' resignation and the calls for amendments to the 2008 constitution will be an important test of the country's nascent political reform process.

15. Political reform is leading economic reform. So far most of the reforms have focused more on the political system than the economy, although officials recognize that popular expectations are running high and that economic development is critical to maintain political and popular momentum for the country's political transition. The fact that the only other country to follow this order of reform was the former Soviet Union is not lost on officials and helps explain at least in part why they are so eager for foreign investment and other economic assistance.

Meeting these high expectations will involve improving the lives of the estimated 26 percent of the country's population that live below the poverty line, improving access to health and education services, upgrading the supply of electricity, and ending the state's monopoly on telecommunications so that competition can bring down the price of mobile phones. The toughest economic reform tackled so far was ending the previous government's complex multiple exchange rate system that created huge economic inefficiencies and provided opportunities for corruption.

Myanmar business executives say that President U Thein Sein seems to have decided not to punish former cronies/proxies, but these corrupt businessmen appear to have lost most of their former privileges as the president has moved to level the playing field. The monopoly of a few military companies on importing cooking oil and cars has ended, causing prices to drop sharply on these two items. Ministers feel they cannot have any dealings with cronies out of fear they could face charges of corruption. To burnish their image, some cronies are reportedly mounting corporate social responsibility projects and asking foreign diplomats for information on international labor standards.

Businessmen from Europe, Japan, and the United States are packing airplanes into the country and Yangon's hotels to come look at the last unexplored frontier in Southeast Asia, but very few have signed any agreements to invest. Among other things, they are vetting potential joint venture partners to ensure they are not on the U.S. Specifically Designated Nationals List, which includes people deemed to have engaged in activities that violated human rights or hindered political reform or the peace process with ethnics. They are also waiting to interpret the newly passed foreign investment law. Beyond that, foreign companies recognize that the country still lacks basic infrastructure, including reliable electricity and ports, rule of law, an educated and trained workforce and strong property rights.

- 16. New foreign investment law passed.** Parliament passed a new foreign investment law on September 7 after repeated delays since last year caused by animated debate among lawmakers. The draft that circulated in recent weeks included many protectionist measures called for by domestic business executives who fear they will be hurt by foreign investors and was widely viewed as unlikely to attract many foreign investors. The bill passed is believed to have removed an earlier amendment calling for minimum investment of \$5 million per project. The amendment that called for foreign investment to be restricted in 13 key sectors, including manufacturing and agriculture, was apparently eased to allow 50 percent foreign investment, up from 39 percent. The length of time a company will be allowed to lease land has been increased to 50 years from the earlier mooted 35 years.
- 17. Officials say U.S. sanctions against Myanmar hurt effort to create jobs.** Officials and private sector representatives complained that the recent easing of U.S. sanctions allows American companies to invest in and sell to Myanmar, while domestic companies are still blocked from exporting their products to the United States. They said that easing the U.S. import ban would help particularly garment factories to ramp up production and hire more workers, which would boost economic growth and ease the high levels of unemployment. The U.S. government is looking at removing the import ban, but that and remaining sanctions such as the prohibition on the U.S. support for international financial institutions' assistance to Myanmar require more than a presidential waiver—they require legislative action by the U.S. Congress. Recently, the White House delegated visa decisions for Myanmar citizens wishing to visit the United States to the State Department. This should streamline the onerous visa process.
- 18. Beware of moves to change the electoral system.** The success of the NLD in April's by-elections, in which it won 43 out of 45 seats, has prompted discussion about changing the country's election format from a winner-take-all system to proportional representation. The ruling USDP won only one seat in the by-election even though it garnered 30 percent of the vote, and leaders are said to be concerned that the party could be wiped out by an NLD landslide in the elections in 2015 unless proportional representation is introduced.
- 19. Burma or Myanmar?** Many opposition officials and civil society leaders interviewed were not pleased with the manner in which their country's name was changed from Burma to Myanmar, but they told the CSIS group that the country should be called Myanmar unless and until the people of Myanmar change the name in the future.

BACKGROUND

The People We Met. The group held in-depth discussions with a broad cross section of officials and representatives from the private sector, including President U Thein Sein and several of his cabinet members and advisers, opposition leader Daw Aung San Suu Kyi and her advisers, members of Parliament, leaders of ethnic groups, members of civil society organizations, think tank representatives, business leaders, and foreign diplomats including newly appointed U.S. ambassador Derek Mitchell. For a more complete list, see Appendix A.

The CSIS Myanmar Project. The visit was part of a larger CSIS project on Myanmar and U.S. policy in the wake of the government's recent reforms and initial U.S. steps to support reforms and normalize relations with the country. The trip also served to gather insight and information ahead of a second component of the project, **The Myanmar Conference @ CSIS**, to be held at CSIS in Washington, D.C., on September 25 and a new CSIS policy tool called **Myanmar in 4D**. The conference will include speakers from Myanmar's government, the opposition, and civil society as well as U.S. government officials and experts. It will explore U.S. policy options now that the first steps toward developing closer ties have been taken. "Myanmar in 4D" is a proprietary CSIS policy tool that will incorporate hundreds of layers of sophisticated data and research and present them in a manner simple for policymakers and leaders to understand and digest. The tool will be based on an interactive map of Myanmar and will cover issues ranging from economic development opportunities to the location of hydrocarbons and other mineral deposits and threats to stability from continuing conflict with ethnic groups.

BOX 1: Signposts for Reform

Following is a partial listing of steps that will demonstrate that the Myanmar government is serious about reform:

- The remaining political prisoners are released.
- A political settlement and resource sharing agreement is achieved with the ethnic groups.
- A ceasefire is negotiated with the Kachin Independence Organization.
- Spending on health and education is increased.
- Refugees in Thailand and internally displaced persons are allowed to return home without retribution;
- Greater democracy is achieved in Parliament, including increased transparency in lawmaking and greater latitude for parliamentarians to raise questions and comments.
- The military agrees to gradually reduce the reserved seats for military officers in Parliament from the current 25 percent.
- The constitution is interpreted or revised to reduce the role of the National Defense and Security Council;
- The government signs International Atomic Energy Agency protocols.
- The Ministry of Defense prepares a defense white paper that it shares with other governments.

APPENDIX A: Myanmar's Seven-Step Plan to Democracy

The seven-step roadmap, a guideline to bring Myanmar to democracy, was initially proposed by the military junta in the early 1990s before it was suspended in 1996. It was reintroduced by then-prime minister Khin Nyunt in 2003. However, a split emerged within the government and Khin Nyunt was stripped of his position and put under house

arrest. Eventually, junta leader Than Shwe took up the plan. Officials describe the 2008 referendum on the constitution as a key component of the roadmap. So was the 2010 election that established the current government.

Critics say the roadmap was little more than a plan for those in power to remain in power while Myanmar transitioned toward democracy. They say the current reform process is essentially a continuation of the roadmap and use it to argue that the current reforms will not lead to real democracy.

The steps in the roadmap are as follows:

1. Reassemble the National Convention, which had been suspended in 1996.
2. Implement step by step the requisite tasks for founding a democratic system after the National Convention has been successfully concluded.
3. Draft a draft constitution based on the concepts and principles advocated by the National Convention.
4. Hold a national referendum to endorse the draft constitution.
5. Hold free and fair elections for the formation of the national legislative bodies (Hluttaw).
6. Convene the meeting of elected representatives of the Hluttaw.
7. The leaders, government, and other authoritative bodies elected by the Hluttaw continue constructing a new democratic state.

APPENDIX B: Partial List of Officials and Opposition Leaders the Delegation Met in Myanmar

President U Thein Sein

Opposition leader Daw Aung San Suu Kyi

U Aung Min, minister of Railroads and lead negotiator with the ethnic minorities

U Wanna Maung Lwin, foreign minister

Commodore U Aung Thaw, deputy minister, Ministry of Defense

U Thein Swe, Member of Parliament and deputy chairman of the Legal Affairs and Special Issues Committee (Lower House)

U Hla Myint Oo, Member of Parliament and chairman of the International Relations Committee (Lower House)

U Ko Ko Hlaing, political adviser to the president

Dr. Zaw Oo, executive director, Myanmar Development Resource Center

Dr. Tin Myo Win, political adviser to Aung San Suu Kyi

U Myo Mying, economic adviser to the National League for Democracy