

Rakhine State – In Need of Fundamental Solutions

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This policy note was written by David Dapice (David_Dapice@harvard.edu) following trips to the region in January, July, and December 2016. *The views expressed herein are the author's alone and do not necessarily reflect those of Proximity, the Government of the Union of Myanmar, or Harvard University. Issues discussed in this paper are aimed to facilitate dialogue among the citizens of Myanmar, who are ultimately responsible for making decisions regarding the country's policy choices.* This piece, along with other recent Ash-Proximity reports on Myanmar, is posted at <http://ash.harvard.edu/journal-articles> and www.ash.harvard.edu/myanmar-program

Context

Rakhine State is in a state of conflict. There is a relatively small number of mostly local, Islamic trained insurgents who are attacking military and police units primarily in Maungdaw, a township in the north next to Bangladesh.¹ These extremists are operating under the cover of one million desperately poor Muslims who have been locked up in their township for four years. By mixing in with the villagers, it is impossible to fight a “clean” battle; one army major was killed when he had his troops cease fire on women and children, but the extremists were hidden in the group and shot him.² There is said to be financial support coming from abroad, distributed through Imams in some of the mosques. The conflict is complicated by a lack of trust by Rakhine Buddhists towards Burmese authorities, due to a long history of what they see as exploitation and neglect.³

Steps Needed: Security and Development

If the security measures taken are primarily based on repression, the danger is that the number of extremist recruits will grow. Recent satellite photos and other evidence suggest that security forces have burned over 1500 homes.⁴ A strategy is needed that persuades the many Muslims that there is hope for more equal treatment and better conditions, while also boosting conditions for Rakhine Buddhists.⁵ Such a strategy will allow the government to gather better intelligence and isolate and defeat the relatively few radicals who are bent on violence, while easing Rakhine and Muslim fears that sectarian violence will persist.

Citizenship and its Alternatives

It is difficult to emphasize how bad conditions are and have been for years in Maungdaw township. Most men have less than six months of work a year. Malnutrition is high. Health conditions are very poor. Muslims are not allowed to move outside of the mainly Muslim township for work. Recent violence has made things even worse. There is an urgent need for a new strategy that can be implemented quickly.

Ideally, the Muslims in Maungdaw would promptly be given citizenship if they are legal citizens and allowed to move freely within the state and nation. This step is supported by most Rakhine persons with whom we spoke. If there is no proof their grandparents were born in what is now Myanmar, they might be given residence cards, with preferably full or restricted mobility. One sympathetic Buddhist from Maungdaw said perhaps only 20% of the Muslims in that township could prove they are eligible for legal

¹ The International Crisis Group puts the number in the hundreds, but our inquiries found estimates in the single digit thousands. In any case, the number is very small compared to the million Muslims living in Maungdaw.

² One local senior security official said, “It is not like in the north where the militia wear uniforms. We need to learn how to deal with them mixing in.”

³ See the International Crisis Group Report 261, October 2014, “Myanmar: The Politics of Rakhine State.”

⁴ <https://www.hrw.org/news/2016/12/13/burma-military-burned-villages-rakhine-state>

⁵ This paper will use “Rakhine” to mean Buddhists from Rakhine and identify Rakhine Muslims.

citizenship, although others guess over half could provide such proof.⁶ (The Muslims living in and close to Sittwe are in a different situation; most can prove their status and should be given citizenship and full mobility in the near future.)

Constraints on Implementing Development

The new Chief Minister of Rakhine state is competent and honest, but not always supported by the “old guard” of civil servants under him. He has a very low budget – about \$6 per capita. In 2013-14, Rakhine had one-quarter of the per capita spending of even nearby Chin state.⁷ The security forces answer to Nay Pyi Taw and not to the Chief Minister. More resources and more cooperation are needed.

There is potential for many good projects that could use local labor and provide much needed jobs. Roads need upgrading. Bridges need to be built. Small dams could provide better irrigation and hydropower – both are badly needed. Electricity transmission and distribution is poor and should be improved and expanded. A port in Maungdaw urgently needs funds for expansion to increase trade. The cost of these projects would be very low compared to the costs of a long-running and larger conflict. Health and education are rudimentary in rural areas, and construction and subsequent funding of schools and health/family planning centers would be productive. (Tying food relief to family planning is one possibility – many poor families have very high fertility and cannot provide for those children already born.)

Traditional aid and budget spending may not be agile or fast enough to respond adequately to the current situation. Topping up the multi-donor peace fund or LIFT and giving it a mandate to find and execute projects that would generate jobs and create useful infrastructure might be one way to proceed. Another possibility is to create a Rakhine investment fund, which could accept aid donations and encourage private investments by providing supportive infrastructure. There is always a problem that Rakhine people might resent “excessive” aid being given to Muslims. Structuring some of the spending as private investment rather than aid might allow this problem to be reduced.

It is not only infrastructure that needs attention. Farmers in Rakhine state are being hit by low paddy prices and high costs, and so are losing money on rice cultivation. Extension, certification of seeds, fertilizers and agricultural chemicals and improved paddy pricing should help these problems and encourage the use of more (mainly Muslim) farm labor. Many farmers wish to plant mung beans or other crops; this should also be allowed and even encouraged, to improve the soil and diversification while reducing pest problems.

Electrification is a special problem because of the expense of expanding the national grid. Many wide rivers in Rakhine state make improving transmission and distribution difficult and time consuming. A special effort is needed to consider if medium scale hydro (1-30) megawatts per site with a local grid is a

⁶ It is also true that many Rakhine Buddhists in rural areas cannot prove citizenship. They should be given equal treatment in any expedited program to settle uncertainty.

⁷ “State and Region Public Finances in Myanmar”, Discussion Paper #8, 2015, p. 38 (Asia Foundation and MDRI)

better initial response than simple grid expansion. Such projects require only state level approval. Even if full national grid integration is the long term goal, an intermediate step of local grids might be better. Much would depend on whether the selected sites could deliver steady power during most of the dry season. Providing backup diesel generation would also be expensive. The goal is to keep costs low but to speed overall electrification.

Mobility, Citizenship and Residence Rights

Because the economy of Rakhine state has been so poor, many younger Rakhine (Buddhists) have left the state and have gone elsewhere.⁸ Therefore, an expanded construction program and enhanced irrigation that provides for multiple cropping will require Muslim labor. Such construction programs could be part of the new policy, i.e. greatly increased investment and infrastructure with more mobility for all residents of Rakhine state. Increased security could help allay fears of attacks on each other by the two groups.

More work is needed on how to consider a policy towards resident Muslims who cannot prove citizenship. Some Muslim residents may have come from what is now Bangladesh or was then East Pakistan decades ago. Others may have actually had ancestors born in Rakhine state but are without records. Relatively few came in the last decade. Expelling all of these people – between half and one million people – is advocated by some in Rakhine. Others support allowing such Muslims to become registered residents but not citizens, if they were also given national mobility. There are some who support starting long-time Muslim residents as registered residents but also giving them a path to citizenship – such as requiring them to learn Burmese, salute the flag and take an oath of allegiance. These are questions for the Parliament and government to decide. The Rakhine, however, are quite clear that if legal citizenship or residency is granted, it should come with freedom of movement within the entire country and not just in their state.

There is an urgent need to grant citizenship quickly when merited under law and to allow mobility. This would decrease the large amount of relief supplies now required as the Muslim population could then find paid work again. Indeed, the current restrictive policy has created a need for even more relief aid than is being given, while donor fatigue combined with Rakhine resentment at the support could make things worse. Redirecting relief to investment activities is a long term need, but it can only succeed if the current restrictions on people's mobility are eased. These comments also apply to those who cannot prove citizenship but might be granted residential and subsequent mobility rights.

Ethnic vs. Geographic States

In a larger context, Myanmar is negotiating with other ethnic groups about the type of arrangements each state will have. Many ethnic groups envision "their" state as being run by one (their own) ethnic group. There are many problems with this. One problem is that ethnic groups have mixed due to migration. For example, in Kachin state, a minority of people living there are Kachin. It would not be right for a minority to rule a majority. In Shan state, there are other ethnic groups with their own townships (the Pa'O for

⁸ In 2010, when national electricity per capita consumption was 121 kWh, Rakhine state had 3 kWh pc.

example) who already are somewhat self-governing. In Rakhine state, some Muslims want to split off the townships close to Bangladesh to have a “Rohingya” ethnic state – something the majority Rakhine Buddhists utterly reject. These problems are largely unsolvable if ethnicity is the basis of the states within Myanmar. Instead, the states could be partly self-governing, but with a democratically elected government. All legal citizens who are resident could vote for their chief minister and local parliament.⁹ There could be a decision to devolve some decision making authority down to the township level, such as in education. Funds could be provided for essential state functions by the Union government, but the day-to-day decisions could be made by fairly elected governments.

This proposed concept is different from what some Muslims are demanding in Rakhine and also what many ethnic leaders are asking for in the Panglong II conference. It may be helpful to analyze and specify exactly what the ethnic issues are and how they might be resolved. For example, if an ethnic group wants to teach in their own language, a possible compromise could be that Burmese would be taught in all schools. Under this scenario, township administrations would decide if other languages are taught, and it would be legal to teach other languages, so long as Burmese were taught. There could also be compromises over curriculum and even, to a degree, on communally owned land. Specific concerns could be addressed, but in the end, citizenship would matter more in governing than ethnicity.

If young people are going to be able to move around within Myanmar for jobs and education, this idea of citizenship is necessary. For example, if a young Shan person wants to work in Yangon, they cannot reasonably be denied voting rights or the right to live and work in Yangon. That is, after all, what it means to live as a citizen in one country. Likewise, if someone wants to move to Shan state from elsewhere in Myanmar, they too should be allowed to live and work and, if a citizen, vote there, once they become a resident. This is practically the only way to have a united country with some local differences.

If this broader idea of citizenship came to be accepted, it would be much easier to solve the Rakhine conflict. Rakhine state would then be seen as a geographic entity. All citizens living in its geographic entity would vote with equal rights. Some township rights could allow for mainly Muslim townships to have different education (for example) than mainly Buddhist areas. Overall, the relevance of a “Rohingya” state would diminish or vanish, since ethnicity would give way to geography as a way to define states. If most Muslims now living in Rakhine state were able to move freely, the concentration of Muslims in one state (about 35%-40% now) would likely diminish as well, much to the relief of their Buddhist neighbors.

Summary Conclusions and Recommendations

This paper suggests that a two pronged strategy is needed to end the Rakhine conflict and bring lasting peace. On the one hand, police and military forces are needed to protect the public and pursue those bent on violence. On the other hand, only substantial development investments benefitting all areas and

⁹ The current constitution requires the chief minister to be appointed by Nay Pyi Taw. Changing this will take time. Emergency measures may be necessary in any state in which there is substantial conflict.

communities of Rakhine state will create conditions for lasting peace. The key is to invest more throughout the state, create a demand for labor and allow Muslims to go to where the jobs are.

Under existing law, which has been applied slowly, many Muslims qualify for and should receive citizenship, along with full mobility within Myanmar. They should also, of course, be able to move around Rakhine state and travel to other countries. For those who are not able to prove citizenship but need some legal status, a suggestion is to give them legal resident status, with a pathway to citizenship once they pass certain citizenship tests. Those with such residence cards would also have the ability to move about in the same way as citizens.

The contentious desire for a separate state based on the Rohingya identity could be side-stepped by adopting a shift in the basis of how states within Myanmar are defined. If the focus shifts from a state defined by ethnicity, to a state defined by a geographic entity in which all citizens can vote for their local government, it could give the nation the best chance of peace and unity. The devolution of some decision-making authority to townships¹⁰ would allow ethnic preferences to be respected without diminishing the rights of others. (An exclusive focus on ethnicity in governing a state would not allow the rights of minorities living in the state to be adequately realized.)

This kind of policy would require prompt and significant peace building aid that builds infrastructure throughout Rakhine state. Ideally, it would include other interventions to increase the profitability of farming, with certified seeds, fertilizers and other inputs along with the technical support to use them well. In terms of increased budget amounts for Rakhine state, an initial annual budget allocation of \$10-\$15 per capita – twice to three times the current state spending level – would make sense. With a \$40 million dollar increase in state budget, significant wages would be earned and improved infrastructure would also promote other private investment and job growth. Priority could be placed on implementing small irrigation and road improvements, as these are relatively easy to engineer, have fast implementation cycles and can be widely spread among townships. Costs for such projects should also be easier to estimate and so corruption could be curbed. Local contractors are able to implement such projects.

The argument that these immediate investments for Rakhine state are too expensive is unpersuasive. Conflict is much more costly than peace, especially when the threat of outside intervention and extremist infiltration is present. Donors and groups that are concerned about the treatment of Muslims in Rakhine state can welcome such opportunities to help solve the underlying problem, rather than simply provide more relief supplies which create resentment and prolong the same conditions. By changing from a relief emphasis to an investment and job creation focus, a basis for a long run solution could be created. Both the Chief Minister and of the head of security in Rakhine state understand this need for development and would support it.

¹⁰ Certain decisions should be retained by the Union Government of Myanmar. For instance, the central government of Indonesia retains control over the following six areas: defense, foreign affairs, justice, religious affairs, macroeconomic management (monetary policy and fiscal policy); national level strategic and policy coordination. An example of a decision that can be devolved to a township level, as mentioned above, is education.