

## MYANMAR'S (BURMA) "ROAD TO SOCIALISM" AND INDONESIA'S "NEW ORDER": A COMPARATIVE ANALYSIS

SYED SERAJUL ISLAM

Department of Political Science, International Islamic University,  
Kuala Lumpur, Malaysia

In the immediate post Second World War period, political developments in two countries of South East Asia, Indonesia and Myanmar (Burma), proceeded along similar lines. The Western style of parliamentary democracy collapsed in the 1950s and consequently, military dominated political systems emerged in the 1960s in both countries. Gradually, however, it seems that the military regime in Indonesia has been far more successful than that of Burma in achieving political and economic developments. The balance sheet of Burmese regime towards political development has been negative. Economically, it has been declared by the United Nations as the least developed country in the world. The Indonesian regime, on the other hand, though authoritarian in many respects, has operated the political system through constitutional means and has achieved remarkable economic progress.

In view of the similar nature of political developments in the late 1950s and early 1960s the question may be raised: why has Indonesia had success in its quest for political and economic developments while Burma has failed? The answer to this question stems from the obvious differences in the colonial legacies as well as in the role of contemporary governments in managing the political institutions, economic development and ethnic/regional disputes in both countries.

### HISTORICAL EXPERIENCE

While Burma was a British colony Indonesia was a colony of the Netherlands. There were fundamental differences in the colonial administrative policies of these two European powers. While the British followed the policy of "direct rule" in Burma, the Dutch pursued the policy of "indirect rule". British introduced a new set of criteria for administrative behaviour in Burma. The Dutch, on the other hand, followed a radically different policy in Indonesia. It did not attempt to breakdown the traditional patterns of rule completely in Indonesia,

rather it adopted the policy of “adjustment rule”.<sup>1</sup> All these have lasting effects on the performance and skills of subsequent regimes in both Burma and Indonesia.

At no point, the British government utilized the traditional institutions of the central government of Burma. The glory of its king and court, its system of *Mythugyis* (circle headmen) and feudatory retainers were swept away and replaced by the British system of administration. In place of Monarchy the British appointed the Governor General, the direct representative of the Viceroy of India. More importantly, Burma was never ruled as a separate state, rather it was treated as a province of India. Thus the British developed among the Burmese a sense that authority is primarily a concern of the trained rulers and not of popular politicians. The rulers must maintain a distance from the common populace. According to a former British official in Burma, it was a “curiously impersonal system”.<sup>2</sup> Until the separation of Burma from India in 1937, only ten years before independence, the Burmese were not given any opportunity to participate in politics and administration. Even those who had the opportunity of entering into politics and administration after 1937 did not receive any proper skills of administration. The inadequate skills of the politicians led to their failure to maintain stability in the post-independence period. The Army also did not have any chance to develop their skills as there was no separate Burmese army. However, when the Second World War began the Japanese stressed the importance of developing military skills among the indigenous population of Burma. The “Thirty Comrades” Under Aung San and his deputy, Newin, founded the Burmese Army (BIA) to fight alongside Japan.<sup>3</sup> Thus many of the Burmese got the opportunity of being trained by the Japanese. Although the Japanese rule was very shortlived the Burmese army’s important role during the War raised the political importance of the *Tatmadaw* (military). One result of the Japanese rule was that the efficiency, scope, image and therefore, the power of the army were enhanced.

In the post-colonial Burma, the augmented importance of the military led them to take over power from the ineffective civilian government. However, since the proper military skills, knowledge and administrative experience did not develop in the Burmese army, it had failed to efficiently manage the political and economic affairs of the country. The military regime is maintaining a similar distance from the common population as the British did from India during the colonial rule. Thus one scholar comments, “The internal politics (of the Bur-

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<sup>1</sup> Lucian Pye, “The Politics of Southeast Asia”, in Gabriel A. Almond and J.S. Coleman (eds.) *The Politics of the Developing Asias*, (Princeton: Princeton University Press, 1970), p. 87.

<sup>2</sup> Lucian Pye, *Politics, Personality and Nation-building: Burma’s Search for Identity* (New Haven: Yale University Press, 1963), p. 82.

<sup>3</sup> Ulf Sundhussen, “Indonesia’s New Order: A Model For Myanmar”, *Asian Survey*, vol. 35, No. 8 (August 1995), p. 772.

mese military regime), remarkably similar to those of the earlier British colonial government, stressed the administrative rule to realize the ideals of 'Law and order' and externally, the approach has become one of self-imposed isolation".<sup>4</sup>

The Dutch administrative policy, on the contrary, was quite different in Indonesia from that of the British in Burma. The initial approach was to work with the assistance of the traditional structure of authority by preserving the position of the Javanese aristocracy – the *Priyayi* and *Santri* families. The rights of the family and the village, or *desa*, were respected, and both the claims of the peasants and aristocrats were protected. Although decisions were taken by the *Resident* and *Regents*, there still remained the traditional Sultan and aristocrats. The Dutch felt, on the one hand, the need for the preservation of traditional values and customs, and on the other, the need for an increasing centralized bureaucracy. It developed the institutions of *Landraad* (a council composed of the Resident and two other natives), *Wedanas*, *mantris*, etc. This was interestingly an authoritarian system by using the indigenous aristocracy.<sup>5</sup>

In the military sector, like the British, the Dutch also did not develop any strong army of native recruits but had an independent Indonesian army – *KNIL*. During the Second World War Japan occupied Indonesia and stressed the development of a separate strong Indonesian Army – *PETA*. When the Dutch returned to the Islands, after the War, it found an independent Indonesian government already established and a trained and organized military, ready to resist the reimposition of Dutch rule. During the protracted and bitter conflict which followed, the military gained both strength and unity. The former officers of *KNIL* and *PETA*, and youth with only rudimentary training merged together to form the Indonesian Armed forces, called the *ABRI*, for the purpose of denying a Dutch return to the Islands.<sup>6</sup> Initially leadership fell into the hands of a *PETA* officer, Sudirman, but after his death, a Dutch trained *KNIL* officer, General Nasution took over the leadership of the armed forces. *Ex-KNIL* officers provided both military expertise and an intellectual input. On the other hand, *PETA* officers had professional training outside the military. Therefore, the Indonesian army included a substantial portion of the Indonesian elite. Thus Indonesia was more fortunate than Burma in having a strong army both physically and intellectually. These inherited qualities have helped the military regime in Indonesia to manage the political and economic affairs of the country in a very effective way in the post coup d'état decades.

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<sup>4</sup> A. Fenichal and G. Huff, "Colonialism and the Economic System of an Independent Burma," *Modern Asian Studies* (June, 1975), p. 322.

<sup>5</sup> J.W.B. Money, *Java or How to Manage a Colony* (London: 1961), p. 206; see also, V. Singu, "Colonial Background of Indonesian Politics", *International Studies* (January – March, 1976), p. 13.

<sup>6</sup> Alan A. Samson, "Indonesia", in Robert N. Kearney (ed.) *Politics and Modernization in South and Southeast Asia* (New York: John Wiley and Sons, 1975), p. 254.

## CONTEMPORARY EXPERIENCE

In the 1960s, after the capture of political power, the military regimes in both Burma and Indonesia attempted to bring back political stability and economic developments but the experiments in developing new instruments and institutions have been so different that they have brought divergent results for both the countries. The ideologies of the two regimes are completely opposite to each other. The policies for managing the ethnic and regional separatisms, the most crucial factor for political instability during the civilian regimes, have also been quite different. Looking from this perspective the performance of the two military regimes can be examined from three angles: institution-building, state-building and Nation-building.

### *Institution-building*

In his article on “*Political Development and Political Decay*” Samuel Huntington wrote that the main crisis of political development in the third world countries is the lack of Political Institutions. Development demands the growth of political institutionalization so that it can absorb a high level of participation.<sup>7</sup> If one looks at the institutional developments in both Burma and Indonesia it appears that while the Burmese regime has failed to institutionalize its political system the Indonesian regime has “Mixed Success”<sup>8</sup> towards the building of its political institutions. After the coup d’etat in Burma in 1962 the Newin regime suspended the constitution, banned all the political parties, and operated the political system through the Revolutionary Command Council (RCC). In conformity with its slogan of “Burmese Road to Socialism” it established a one party state by forming the Burmese Socialist Programme Party (BSPP). General Newin remained the chairman of both the RCC and the BSPP. In order to dominate all levels of administration from the Secretariat in Rangoon down to the villages the regime formed the security and Administration Committees (SACS) with army officers as their chairmen.<sup>9</sup>

By Mid 1971 the BSPP attained its maturity having nearly 74,000 full members. In June 1971 the party took a decision to draft a constitution which was to

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<sup>7</sup> Samuel P. Huntington, “Political Development and Political Decay”, *World Politics*, vol. 17 (1965), pp. 386–430.

<sup>8</sup> Larry Diamond, Juan J. Linz, and Seymour Martin Lipset, et al. *Politics in Developing Countries: Comparing Experiences With Democracy* (Boulder: Lynne Rienner Publishers, 1990), p. 34. In this book the authors categorize democracy along a six point scale of ideal types. There are ‘High Success’, ‘Progressive Success’, ‘Mixed Success’, ‘Partial Mixed Success’, ‘Failure but Promise’, and ‘Failure or Absence’. The ‘Mixed Success’ means democracy is returning following a period of breakdown and authoritarian rule but has not yet been consolidated. There exist formally democratical institutions, such as multi party electoral competition but authoritarian domination continues behind the scene.

<sup>9</sup> B.N. Pandey, *South and Southeast Asia: Problems and Policies* (London: Mac Millan Press, Ltd, 1980), P. 168.

be approved in a national referendum in December 1973. The constitution was written but it confirmed the BSPP as the sole authorized party in the country. The strict authoritarian rule continued by suppressing all kinds of protests and movements until 1987. The growing frustration of the people led to an outburst in March 1988 in which nearly 10,000 unarmed protesters were killed. At this point due to the old age Newin resigned in July 1988 and was succeeded by the Army Chief of Staff, General Usein Lwin. He was the most brutal officer who continued mass killings by declaring Martial Law. This provoked further student led riots. In order to cool down the situation General Lwin resigned and the BSPP appointed a civilian President Dr. Maung Maung, the author of Newin's Biography. The President revoked Martial Law and permitted the formation of the All Students Union. He also liberalized the press and called for free elections within three months.<sup>10</sup> However, with the knowledge that the military's dominance was in jeopardy, Army Chief, General Saw Maung ousted the civilian President Dr. Maung Maung and restored the military to power. This military coup d'état was not against an opposition government but against its own created civilian facade government. The new regime established a new institution called the State Law and Order Restoration Council (SLORC) which declared the election to be held in May 1990, and all political parties were asked to register.

Consequently, the law maintaining the BSPP as the sole party was abrogated. It registered under a new name called the National Unity Party (NUP). The opposition political leaders already formed the National United Front, under the leadership of Aung San Sui Kyi, daughter of General Aung San, which registered in a new name, the National League for Democracy (NLD). By December 117 political parties had registered their names for contesting the election of May 1990. It was no surprise that the NLD won 396 seats, out of 485 seats in the *Pyithu Luttaw* (People's Assembly) whereas the NUP won only 10 seats. However, power was not transferred, rather the regime arrested Aung San Sui Kyi and other leaders of the NLD. The government announced that the purpose of the election was not to form a Legislature but a constituent Assembly which was to draft a constitution and subsequently be approved by the SLOR. Until then the SLOR would continue as the *de facto* government. It is a matter of great irony that since then until today the constitution has been transferred to the civilians. It is only recently that Aung San Sui Kyi has been released from the house arrest but there is no sign of handing over power to the civilian. Rather, on August 20, 1996 nearly 200 civilian NLD supporters were arrested by the military junta and 11 of them have already been sentenced to imprisonment for seven years.<sup>11</sup>

On the contrary, if one looks at the institutional development in Indonesia, it appears that after coming to power in 1965, the Suharto regime did not abolish the existing institutions. The political apparatus which the civilian President

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<sup>10</sup> Clark. D. Neher, *Southeast Asia in the New International Era* (Boulder: West View Press, 1994), p. 168.

<sup>11</sup> *The Star* (Kuala Lumpur), August 29, 1994), p. 23.

Sukarno forged was made operative under the new regime.<sup>12</sup> President Suharto introduced a “New Order” i.e., only few changes, e.g. enlargement of DPR (House of Representatives) and MPR (People’s Deliberative Assembly). This was done mainly to raise the number of nominated military representatives so that President could have control over these bodies. Further, Sukarno’s National Front was turned into *Sekbare Golkar* (joint Secretariat of Functional Group) in 1968 and was brought under government control. Golkar became a Federation of 260 trade, professional and regional organizations, ranging from civil servants, teachers, journalists and students to village chiefs, farmers and fishermen. Though virtually a government party, Golkar is technically not a political party, because civil servants, who are not allowed to join political parties, can be its members. Like Sukarno, President Suharto also insisted on the principle of *Musjawarah mufakat* – and *Gotong rojong* – a traditional method of deliberation consensus with Suharto himself as the ultimate and unchallenged arbiter. The essence of this principle is consensus, unanimity and harmony.<sup>13</sup>

Unlike the Newin regime the Suharto regime neither abolished the constitution nor established a one party state. However, it restricted the activities of political parties through some tactics. First, initially the regime, rather than closing the activities of all political parties, outlawed only its target enemy, the communist party of Indonesia (PKI). A mass slaughter of PKI members and supporters ensued through House Cleaning Operation. Secondly, though the non-communist parties were not banned, they were compelled to dismiss their old executives and include only those who were amenable to Suharto’s regime. Even currently, in July–August 1996 the government did not endorse the leadership of Megawati in the Indonesia Democratic Party (PDI) for which a large number of Megawati supporters marched in the streets of Jakarta. Thirdly, based on the competition of all political parties a general election was held in July 1971. In total, ten political parties including Golkar contested the election. Fourth, in order to maintain stability and order in the political system, after the election, the government pressed the opposition parties in 1972 to reduce their numbers and unite into two larger parties. All the nine parties complied with the government order and thus five nationalist and Christian parties formed the PDI and four Muslim parties were united to form the United Development Party (PPP).<sup>14</sup> Since then every subsequent election has been contested by the three political parties; PDI, PPP and Golkar. Fifth, in order to ensure the predom-

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<sup>12</sup> Neher, *Southeast Asia*, *op. cit.*, p. 109. See also, Donald Emerson, “The Military and Development in Indonesia” in J.S. Jiwandono and Y.M. Cheong ed. *Soldiers and Stability in Southeast Asia*, (Singapore: Institution of Southeast Asian Studies, 1988), p. 109.

<sup>13</sup> Samson, “Indonesia”, *op. cit.*, p. 257. Even on the eve of Indonesia’s 51st independence anniversary President Suharto said on August 15, 1966, “Let us all respect the national consensus we have agreed upon with great difficulty”, see *The Sar* (Kuala Lumpur), August 17, 1996, p. 23.

<sup>14</sup> Allan A. Samson, “Indonesia in 1972: The Solidification of Military Control”, *Asian Survey*, vol. 14, No. 2 (February 1973), p. 127.

ance of the Golkar, the government has introduced the concept of “floating mass”,<sup>15</sup> meaning that no political party would be allowed to operate at the village level except during the election campaign. On the other hand, Golkar operated at the village level since the government officers even at the lowest level are its members. Finally, the victory of the President Suharto as a Presidential candidate is almost certain because in the MPR 60 % members are appointed by him. It is thus found that the Suharto regime is also authoritarian but its difference from the Burmese regime is that the Indonesian political system is operating through a constitutional facade. Even, beginning from 1990 the regime has allowed the operation of associations and interest groups. Thus an association of Muslim intellectuals, ICMI, an organization which united a broad spectrum of Islamic interests, was founded in 1990.

In a nutshell, one could see the growth of institutions in Burma has proceeded along unilinear lines. Burma has not allowed any institutions outside the military and its subsidiary organization to develop. Essentially, the plethora of political parties established in 1989 was tailor made for individuals with no institutional structure. The political institutions such as parliament, political parties, and interest groups have no influence over the policy decisions of the state. On the other hand, political institutions in Indonesia did not proceed along unilinear lines because the constitutional framework and political institutions, both formal and informal, of the previous civilian regime, have continued to exist. The people in Indonesia have been given the opportunity of limited participation which has been completely denied in Burma.

#### *State-building*

It is not only the question of political participation through political institutions where the Burmese government has failed, but also in managing economic development the performance of the regime is very disappointing. The management of the economy by the civilian governments of Burma and Indonesia was not a success story in either case. Both countries were reasonably well endowed with natural resources but lacked the skills and capital to develop them. Both the military regimes blamed the civilian governments for pursuing the wrong ideology, corruption and mismanagement of the economy. In order to rectify the mistakes of the past both the military regimes emphasized new ideologies or plans. But, both followed divergent policies which brought opposite results to Burma and Indonesia.

In Burma the Newin regime adopted a “closed door”, “isolationist” policy and declared the philosophy of the “Burmese Road to Socialism”. The essence of this socialism is an “exploitation-free society” rather than a “classless society”.<sup>16</sup> It says that when the exploitation of all forms is eliminated, society

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<sup>15</sup> Samson, “Indonesia”, *op. cit.*, p. 267.

<sup>16</sup> Sheve Lu Maung, *Burma: Nationalism and Ideology* (Dhaka: University Press Ltd, 1989), p. 53.

will be free from all earthly sufferings. Burmese society must be transformed in the socialist way and this transformation must be in the Burmese way. As society advanced towards socialism, the workers, peasants, technologists and intellectuals will eventually but gradually become genuine owners of the state power. This advancement has to be led by the army. Thus the regime established the classic dictatorship of the proletariat in a modified form in which the army, not the workers, is the dictator. The regime justified this with the claim that marxism needed to be modified in order to suit the circumstances of Burma. While some private enterprises were to be allowed, major industries and financial institutions were to be nationalized. By the end of 1995 the nationalization of the entire oil industry, banking, foreign trade, domestic whole sale trade, the timber, tobacco and most of the mining industries was complete.<sup>17</sup> In the agrarian sector land-ownership was allowed but the farmers had to sell all agricultural products to the government at a fixed price.<sup>18</sup>

The end-result of Newin's economic policies has been disastrous for the country. Clark D. Nehr writes, "Burma's economy reached its nadir in 1987 when the UN granted the once prosperous nation the ignoble status of the least developed country."<sup>19</sup> Since the large industries were nationalized the managers and workers did not have to worry for their daily bread. The small enterprises and retailers, on the other hand, suddenly felt the bite of the "Burmese Way to Socialism". Under the "Burmese Way to Socialism" trading and economic institutions were reorganized into 22 "People's Corporations" under the government, but very soon an additional one, Peoples Corporation No. 23, emerged under the supervision of the private entrepreneurs and under the common name of the "Black Market".

Due to the unrealistic market policy the farmers have gradually reduced work on their land so that production has fallen. In 1960 the price of 1 kg of rice was 00.50, but it had risen to kyat 16.00 by 1995. With the price of rice every commodity has become excessive. In Burma, a daily labourer or office clerk can earn maximum from k. 8 to k. 10 per day. As everybody is in need of extra-money all sorts of corruptions are taking place. Every marketable good is black marketed from the factories, godowns and dockyards. If a person wants to see an officer he has to pay the receptionist some 2–5 kyats. The industrial sector is a total failure. For example, in the oil industry the output plunged to 14,000 barrels per day in 1993–94 in contrast to about 30,006 per day in the late 1970s. Investment lags while the state continues to print money. It is estimated that the money supply is around 45 million kyat. Thus while the official exchange rate is for US\$ 1 = k. 6 the unofficial rate is US\$ 1 = 120–130 kyats.<sup>20</sup> Inflation is very high, the consumer price index has risen over 3 times since 1986.

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<sup>17</sup> Pandey, *South and Southeast Asia, op. cit.*, p. 86.

<sup>18</sup> Lu Maung, *Burma, op. cit.*, p. 53.

<sup>19</sup> *ibid*, p. 55.

<sup>20</sup> Nary P. Callahan, "Burma in 1995, Looking Beyond the Release of Aung San Suu Kyi", *Asian Survey*, vol. 36, No. (February 1996), p. 161.

The overall growth rate is very low. The GDP growth rate is average 1.5 per cent less than the population increase of 1.9 per cent. Agriculture has grown only by 0.1 per cent while paddy production has dropped. Manufacturing has declined by 0.4 per cent. By 1995 the short and long term debt was nearly \$ 6 billion. When the military took power in 1962 the foreign exchange reserve was US\$ 660 million, in 1988 this came down to \$33 million and gradually it has come down further.<sup>21</sup> In 1992 the government began to liberalize its economic policy and allowed private investment. But the progress has been exceedingly slow largely because Burmese Generals did not open up completely and foreign investors are still sceptical of the military's role in the system. Even in its foreign Ministerial meeting in Jakarta in July 1996 ASEAN states expressed reluctance to include Burma as a member until the regime liberalizes the politics and economy of the country.

In contrast to the Burmese socialistic policy Indonesia has pursued a free-market economic policy emphasizing private investment, both foreign and local. The regime headed by Suharto proclaimed a "New Order" ending the twenty years post-independence ideological, isolationist and xenophobic economic policy. It began *modernisasi* (modernization) and *pembangunan* (development) oriented policies.<sup>22</sup> While Burma's economic system was skewed to meet the ideological goals rather than the needs of the people, Suharto's "new order" sought to bring order to disorder and rationality to replace irrationality so that economic development becomes the yardstick for the legitimacy of the regime. The means to achieve the ends of the new order were both philosophical and real.<sup>23</sup> From the philosophical point view it emphasized the *pancasila* principles: belief in the supremacy of Allah, humanity and morality, nationalism, democracy by consensus, and social justice.<sup>24</sup> The practical means are a series of five year plans known as *REPELITA* to improve the public welfare, "a financial bonanza from oil resource, the advice of economic technocrats, the repair of the industries, and an emphasis on the private sector for the necessary capital, structural change and productivity."<sup>25</sup> Suharto appointed many technocrats from home and abroad and opened the economy to foreign investors with joint ventures. The policy of import substitution (protectionism) of the former regime was replaced by heavy government intervention in distributing capital. In order to make things easy the government established duty-free zones, liberal investment laws and less bureaucratic redtape.

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<sup>21</sup> Lu Maung, *Burma, op. cit.*, p. 55.

<sup>22</sup> Samson, "Indonesia", *op. cit.*, p. 258.

<sup>23</sup> Neher, *Southeast Asia, op. cit.*, p. 115.

<sup>24</sup> Pancasila or Five Principles, is the Indonesian State Ideology. It draws upon Indian and Javanese motives to provide an ideology which can appeal to all. For details, see Samson, "Indonesia", *op. cit.*, p. 272.

<sup>25</sup> Neher, *Southeast Asia*, p. 115.

On the whole, consequently, since 1965 Indonesia has had a rapidly growing economy. While the growth rate before 1965 was less than 2 per cent per annum, after 1965 this has reached 5.8 per cent level.<sup>26</sup> Deregulation of the Indonesian banking system has resulted in the growth of new banks which in turn have made available credit and funds for investment and a loosening of the interest rate for lending. In general, although widespread income disparity, corruption and regional imbalance in development exist, the results are overall impressive. The growth rate is on average 5.8%, reaching 7 per cent in 1990.<sup>27</sup> The quality of life has improved in numerous ways; life expectancy has increased significantly in just one decade from 50 years in 1980 to 60 years in 1990. Infant mortality rates have also improved; while in 1971 132 of every 1,000 new born babies died before the first birth day in 1992 this declined to 65 deaths in 1,000 births. All these improvements, according to Neher, “are a major factor in explaining the stability of the economy and the polity and the high level of legitimacy accorded the Suharto administration. Accordingly, contemporary Indonesia is a good example of a nation whose economic performance is largely responsible for the legitimacy of the regime. At the same time, its high level of economic development is the most important force moving the country towards a more open political system.”<sup>28</sup>

#### *Nation-building*

Indonesia has not only allowed the political institutions to grow and pursued an effective economic policy but it has also been able to maintain the unity of the nation by managing successfully the ethnic and regional demands. Nation building demands “the creation of a national political system which supplants or typifies all the regional subsystems”. The process of national integration involves five tasks: creation of a sense of territorial nationality; the establishment of a national central authority; the creation of a minimum value consensus; the bridging of the elite-mass gap; and the devising of integrative institutions and behaviour.<sup>29</sup> Both Burma and Indonesia are pluralistic societies and one ethnic group in each country constitutes the majority. In Burma approximately half of a total population of 43 million are ethnic Burman while over 100 different ethnic groups are scattered throughout the country. Thus Rohingyas in Arakan are different from the Burmans on the basis of their religion and race, while the Karens are different on the basis of their religion and culture. The Shans, the largest ethnic minority,

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<sup>26</sup> *ibid*, p. 117.

<sup>27</sup> David Me Kendrick, “Indonesia in 1991”, *Asian Survey*, vol. 32, No. 2 (February 1992), p. 103.

<sup>28</sup> Neher, *Southeast Asia, op. cit.*, p. 117. For other recent figures on economic development in Indonesia, see, Rizal Mallarangeng and R.W. Liddle, “Indonesia in 1995”, *Asian Survey*, vol. 36, No. 2 (February 1996), pp. 110–112.

<sup>29</sup> Myron Weiner, “The Macedonian Syndrome: An Historical Model of International Relations and Political Development”, *World Politics*, vol. 23, No. 4 (July 1970), p. 668.

are different in their language and ethnic origin. Immediately after independence, the ethnic communities from Shan, Kachins, Karen, Arakan and others demanded a federal constitution with the autonomy of the states. A treaty was signed in 1948 called the *Panglong Treaty*; it was agreed that Burma would be a federal state and the provinces would have the right to secede at the end of a ten years period.<sup>30</sup> However, the constitution which was adopted after Aung San's death was a unitary state with no autonomy for the provinces, though it granted the provision of secession rights to the provinces after ten years. The constitution caused immediate ethnic insurrection and became worst after 1958. The military was virtually invited to control the situation.

After 1962 the Newin regime began to use extreme repressive measures by keeping all powers in the hands of the military. The goal was to spread and increase the power of the state. The use of a control model, known as the Lustik Model,<sup>31</sup> brought disastrous consequences for the country. The Shans, Karens, Arakanese have all demanded independence and organized insurgent movements throughout the country. The six million Karens have established a well organized military and political structure. They have an army of about 20,000 under able military leadership. The worst effected ethnic community is the Rohingyas in Arakan who are Muslims. Since 1989 the Burmese government has begun to settle the Burman Buddhists in the predominantly Muslim areas of Arakan displacing the locals. By a government order of 1982 many of them have been denied citizenship. As a result of the brutal operation of the armed forces they were forced to cross the border into Bangladesh.<sup>32</sup>

In all cases the underlying problem seems to be the attitude of the Burmese army officials which echoes their feelings of superiority over other ethnic minorities. They see themselves as more cultured, a cause of Burman ethnocentrism. The ethnic minorities – Shans, Karens, Kachins, Mons and the Rohingyas – are fighting back. They want the right of self-determination. Their persistence has led to genocide and massacre and many of them becoming refugees in neighbouring Bangladesh and Thailand.

On the contrary, in Indonesia, though there are 13,600 islands, the problem of national integration is not acute as most of the regional/ethnic groups have been gradually integrated into the national political system of Indonesia. The regime, is trying to maintain *Bhinneka Tunggal Ika* (Unity in Diversity). In Indonesia 45% per cent of the present population of 190 million consists of Javanese with more than 600 other ethnic groups. There are 30 major language groups, and

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<sup>30</sup> Shewe Lu Maung, *Burma, op. cit.*, p. 68.

<sup>31</sup> For critical analysis of the model, see Arend Lijpart, *Democracy in Plural Societies: A Comparative Exploration* (New Haven: Yale University Press, 1977) and Donald L. Harowitz, *Ethnic Groups in Conflict* (Berkeley: University of California Press, 1985).

<sup>32</sup> A.S. Bahar, "Rohingya of Arakan: The Beginning of the End in Burma," an unpublished paper presented at a seminar organized by New School of Social Research, New York, November, 1992. Also see Julian Burger, *Report From the Frontier: The State of the World's Indigenous Peoples* (London, 2 ed Books Ltd, 1987), p. 120.

numerous religious groups. Initially there existed a serious resentment against the Javanese.<sup>33</sup> However, gradually the government adopted some tactics to instill in the minds of the people a feeling of Indonesian nationalism. First, the Javanese language is not chosen as the national language, rather *bahasa Indonesia*, the *lingua franca* among the traders of the archipelago, is declared the official language of Indonesia.<sup>34</sup> This served as a signal that the Javanese majority would not use its majority to impose its will on the non-Javanese. Secondly, given the diversity, a federal structure of the political system would have been most suitable for Indonesia. The Dutch, after returning with the end of the Second World War, introduced federalism with the intention of playing a “divide and rule” game among the different ethnic and regional groups. The ill-intention of the Dutch created a hatred for federalism among the Indonesians. The nationalists, therefore, opted for a unitary state and the Suharto regime continued to apply the same system which provided him with a mechanism for unifying the nation through a centralized administrative structure. Thirdly, despite the unitary structure of the political system, the military was organized on a regional basis. The rationale behind this policy was that the local population would be more likely to support any military operation if the troops in any given area are “the sons of the soil”.<sup>35</sup>

Fourthly, under Suharto’s New Order the Javanese officials administering the once rebellious areas were gradually replaced by local administrators. An organization of regional leaders called *potensi daerah* (regional potency) has been formed whose advice is sought by the regime to win over the minorities.<sup>36</sup> The intelligence chief, Ali Mortopo, maintains a close liaison with the regional leaders. Fifth, the security forces avoid harassing the civilian masses. Even in East Timor, the regime has been careful in this regard. In July 1993, a professional officer, Colonel Lumintang who was appointed as military commander in East Timor took action against those soldiers who mistreated civilians. This has resulted in a restoration of confidence in the population.<sup>37</sup> Finally, the Golkar is a unique institution. It has emerged from the Indonesian cultural setting and attempts to provide a coherent response to the country’s manifold problems. It addresses itself to the unity of the country without raising the emotional issues of race, ethnicity, regionalism and religion. It seeks to satisfy the aspirations of diverse people by stressing positive accomplishments. The Golkar is an arrangement of heterogeneous forces that cut across ideological frontiers and colonial legacies. Apparently, the basic values and customs of Indonesian society are present in the organization. On the one hand, it is authoritarian, and, on the other hand, it recognizes the interaction of functional groups in a productive and mutu-

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<sup>33</sup> Pandey, “South and Southeast Asia”, *op. cit.*, p. 142.

<sup>34</sup> Sundhaussen, “Indonesia’s New Order”, *op. cit.*, p. 774.

<sup>35</sup> *ibid*, p. 775.

<sup>36</sup> *ibid*, p. 776.

<sup>37</sup> John B. Hasmen, “Catalyst For Change in Indonesia: The Dili Incident”, *Asian Survey*, vol. 35, No. 8 (August 1995), p. 763.

ally beneficial manner. Consensus is achieved through joint deliberation. It has developed a 7-point (*Saptakrida*)<sup>38</sup> working programme which includes a) political stability, b) economic stability, c) social security, d) development, e) public welfare, f) strengthening state apparatus, and g) general election. Since the Golkar is functioning as an integrative institution the religious and nationalist parties are given opportunities to express their organized voices through their fronts. Thus Indonesia is following a model of assimilation through consensus, not like Burmese process of assimilation through force.

### CONCLUSION

The historical as well as the contemporary experiences of Indonesia and Burma indicate that the former is much better off than the latter in all respects. Historically, in Burma both the politicians and the military inherited weak management tactics and skills and, therefore, they have subsequently failed to achieve political and economic developments. Indonesia has, on the other hand, received due to historical circumstances, a strong and skilled army, if not politicians, which has been able to successfully and efficiently manage the socio-political and economic affairs of the country.

In building institutions Burma is a failure in the sense that for the last thirty four years the regime has denied the participation of the civilian masses preventing the growth of a competitive party system. At first, it created the RCC and later, in order to build a mass support base, it formed the BSPP. Both the institutions were abolished only when a mass upheaval occurred in the mid 1980s. But very soon both the RCC and BSPP appeared in new name SLOR and NUP respectively. In other words, the regime strictly limited the participation of the people and prohibited the growth of political institutions outside the governmental structure. On the other hand, Indonesia is relatively successful in the sense that first of all, it did not abolish the existing constitutional and formal institutions. Secondly, it did not outlaw all the political parties, although subsequently it restricted the activities of political parties by asking them to merge into two major parties. However, at least an opposition forum exists for expressing the organized public voices. The government even gives these parties monthly subsidies and pays for party congresses. Finally, the government party, the Golkar, is not really a political party, rather it is a joint secretariat of functional groups.

In the case of state-building also it appears that while Burma has achieved the status of the "least developed country" Indonesia is cited as a case of an emerging developed economy. Today while Burma cannot even produce a motorbike, Indonesia is manufacturing an aeroplane. Burma has pursued a socialist strategy by emphasizing the Burmese road to socialism. The nationalization of industries

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<sup>38</sup> Samson, "Indonesia", *op. cit.*, p. 267.

and a state controlled economy has provided no incentives to the workers and managers. People also do not feel integrated into the regime's policies since they have no scope for participation in decision-making. The end result is, despite its huge resources, the average annual growth rate is 1.5%. Indonesia has, on the other hand, done fairly well in managing the economy. In the first place, Suharto discarded Sukarno's socialistic pattern of strategy and pursued a liberal economic strategy. Private investors were encouraged and were provided with incentives. It is true that this has brought some negative consequences but the overall achievement surpasses those negative consequences. In fact, even the regime since 1990, is looking seriously for strategies to reduce the gap between the rich and the poor and the imbalance in regional developments. The end result of the regime's policy in Indonesia is the average growth rate at 5.8% per annum.

Finally, in building the nation i.e. maintaining the national integrity Burma has followed a pejorative strategy. The non-Burman ethnic communities have been denied the right of self-determination. No attempts have been made to bridge the gap between the Burmans and non-Burmans, rather a policy of extermination of minority ethnic groups has been pursued by the regime. The Burmese road to socialism has attracted neither the communists nor the noncommunists. The Burmese communist party is quite active and has organized many insurgencies in the hills of Burma. On the contrary, in Indonesia, the regime has successfully eliminated the communists and has initiated various strategies for integrating the diverse religious, ethnic and regional groups into the national political system. The idea of *Pancasila*, and *Sapta Krida* have provided the psychological foundation of Indonesian nationalism.

An overview of the Indonesian and Burmese situations suggests that while the military regime has been a curse for Burma, it has become a blessing for Indonesia. The "Guided Democracy" of Sukarno brought political and economic disasters for Indonesia. The introduction of the "New Order" by Suharto, despite its authoritarian nature, has brought fruitful results. The Burmese government has failed to develop its politics and economy through the "Burmese Road to Socialism". The world inside and outside Burma has no respect for *tatmadaw* and consequently, if it really means the well-being of the country, it must return to the barracks and hand over power to a civilian regime. It will be in the credit rather than in the debit of the armed forces to open up politics and economics. The Burma watchers are eagerly waiting for the transition from authoritarianism to democracy in Myanmar.