

architects intend to promote cultural ideas radically opposed to the ideas of freedom and republicanism associated with the American Revolution and the German classical period. Ideas of writers like Russia's Fyodor Dostoevsky and Switzerland's Friedrich Nietzsche are more and more being brought onto the center stage.

Mrs. Thatcher may have a more limited understanding of the full implications of "Europe 1992," and her BBC interview is narrower in scope, but she has hit the raw nerve: the question of the sovereign nation-state. By eliminating that, as Delors et al. intend to do, they are eliminating the activity of democratic representative government, the institution that has mediated the values of Western Judeo-Christian civilization for populations over recent centuries.

### The Russian question

But Mrs. Thatcher's counterposition of "tyranny" to "liberty" also touched upon another issue: Whether Western Europe will live under Soviet domination.

Italy's *Corriere della Sera* chose the period of mid-July to publish the last political will and testament of dictator Benito Mussolini's foreign minister, Dino Grandi, who stated just before his death earlier this year that he and his circle in the Grand Council of Fascism believed that, for Europe, "the unifying potential is Russian."

Today's most outspoken "Europe 1992" advocates—former Philips company chairman Wisse Dekker, former Montedison head Mario Schimberni, Turin-Venice financier Carlo de Benedetti, West German Foreign Minister Hans-Dietrich Genscher, former French Foreign Minister Jean Francois-Poncet—are also the most outspoken advocates of a "Marshall Plan for the East," and of Gorbachov's "common European home."

According to one senior London financial source, the matter of orientation to the East leads to another central question that pits Mrs. Thatcher against the "Europe 1992" crowd: Where will Western Europe obtain its vital raw materials supplies in the future?

Delors, Genscher, et al. are firmly convinced that southern Africa will explode in bloody confrontations during the next years, and that Europe cannot, and should not, rely on this region to supply what it needs in key strategic minerals, this source asserts. They believe that a comprehensive arrangement should be reached with the U.S.S.R., for agreements of stable energy and minerals supplies, in exchange for a large-scale Western European commitment to transfer technology to the Soviets and to develop the U.S.S.R.'s Siberian region.

Mrs. Thatcher is completely opposed to such a deal, and wants, instead, to find ways to stabilize southern Africa, and to maintain traditional European-southern African relations. Complementing this, Britain will tap traditional, mineral-rich Commonwealth sources of supply, such as Australia and Canada.

## Burma's turmoil has economic roots

by Sophie Tanapura

On July 25, following five months of rioting and bloodshed, during which more than 200 people were reportedly killed, the Burma Socialist Program Party (BSPP) accepted Gen. Ne Win's resignation as chairman. He had dominated decision-making in the country for 26 years. Burmese President San Yu also resigned. Since then, the BSPP Congress has voted in Brig. Gen. Sein Lwin as party chairman. He has also taken over as President of Burma.

According to informed sources, Gen. Ne Win, 78, was not exactly booted out of his post; rather, he voluntarily moved aside in what is suspected of being an arrangement with his successor. Close bonds between the two date back to the early 1940s when Sein Lwin joined Ne Win's outfit, the Fourth Burma Rifles, as a private. Later on, Sein Lwin served Ne Win as a personal aide and then as commander. In fact, when Ne Win came to power through a military coup in 1962, it was Sein Lwin who commanded the troops that quashed student protests at the time. Although out, it is expected that Ne Win will still continue to play a behind-the-scenes role in Burmese politics as an elder statesman.

That Sein Lwin is a hardliner who will not stop short of brutal measures to suppress unrest should be a surprise to no one. It is generally known that Sein Lwin was widely implicated in the suppression of anti-government riots that took place in March and June of this year, which resulted in the deaths of over 100 persons. Diplomatic sources even quote a figure of more than 200 killed in rioting and clashes with police in cities across the country since March.

### Economic roots

The tension building up over time beneath the surface of the Burmese nation has its roots in the worsening of the economic condition of the country since independence. Generally, media news coverage of Burma recalls that the country was once one of the richest nations of Asia. It is true that, while still a British colony, rice production was developed along the fertile banks of the Salween River, making Burma one of the most important rice-exporting countries in the world at one point. However, no one seems interested in

pointing out that, though a top rice-producing country at the time, the Burmese people themselves were not allowed to partake in the fruits of their own labor.

After the 1962 military takeover by Gen. Ne Win, Burma had closed its economy off from the rest of the world in what came to be known as the "Burmese style of socialism." With living standards already abysmally low, the decaying economic situation which continued from that time on was bound to reach a saturation point in this country of 38 million people. Last March, Burma sought "least developed country" status at the United Nations in order to write off much of its \$4 billion foreign debt.

No attempt was made to control spiraling prices of rice, cooking oil, meat, and fish after serious riots broke out in March, after 41 detainees suffocated to death when they were squeezed into a prison van. As a result, further demonstrations erupted in June. In addition, all layers of society were up in arms against Ne Win when he announced an 80% devaluation of the Burmese Kyat in an attempt to hit back at black marketeers. Unfortunately, the measure also wiped out everybody else's precious savings.

### **Broad economic reforms**

According to reports, pressure from Burma's principal aid donors, notably West Germany and Japan, was apparently instrumental in bringing Ne Win around to accepting the necessity of reform in his bankrupt country. The BSPP special congress held at the end of July approved economic reforms that would open up the rigid, socialist economy to more private foreign investment. Although it is still perhaps too early to comment on the viability of the broad economic reforms that were announced at the party congress, certain things are clear.

There are certain oddities in the reforms. The state is reserving exclusive rights in the exploration, production, and export of pearls, jade, and gems, which is usually relegated to the private business sector, whereas public, cooperative, and private sectors are to be permitted to invest in the generation of electric power from water, machinery, and other sources, a very basic infrastructure capability which should remain in the hands of the state. More often than not, it is the cost of electricity per unit which will determine the competitiveness of manufactured goods. Modernization of the agricultural sector will also depend on the cost of electricity production.

The coming months only spell more trouble for Burma. According to reliable sources, student leaders over the recent period have sent out scouting teams to contact minority groups and fellow student movements abroad in order to learn from the experience of others. The same sources report that one Burmese student activist came to Thailand through Chiang Mai. Another group of 41 student activists apparently contacted drug overlord Khun Sa, who then put them in touch with the Chiangmai University student leaders who, in turn,

referred them to Bangkok. Still another group of some 30 Burmese students were found to be in contact with the Karen, tribes near the Thai-Burma border. It is suspected that Burmese student movements also sent out similar scouting teams to India, where the organized political movements during the fight for independence have been the model for others in developing countries.

### **Martial law declared**

One week after the takeover of Sein Lwin as President, martial law has been declared in Rangoon. According to a reliable source, the firm show of military muscle will succeed in keeping the riots in check. In addition, according to the same source, Burmese troops have been sent close to the area controlled by the Burmese Communist Party, bordering Thailand, in an attempt to prevent them from linking up with the students.

Although there are still no firm reports on direct Soviet or Chinese involvement in the internal strife in Burma, such foreign interference is not to be ruled out entirely, as both have long been present in the country.

One of the key figures of dissent has been Aung Gyi, a former comrade of Ne Win from pre-independence days, who broke with the general in 1962. Ne Win's resignation followed a series of open letters from Aung Gyi to Ne Win, protesting the human rights abuses and demanding drastic reforms in the economy. In his last open letter, dated July 19, Aung Gyi, who is known to have close ties to China, said that Ne Win and Sein Lwin were turning Burma into an "animal kingdom" with their repression of protests since March. Soon after Sein Lwin became President, Aung Gyi was incarcerated along with other leading dissidents.

Burma has also come under harsh attack from the London-based Amnesty International. Burma is a former British colony. Clearly, there is a profit for various banking operations, not the least of which might be the British Hongkong and Shanghai Bank, if Burma were to be opened up economically, given the lucrative black-market trade in the country from teak, jade, and opium.

The situation is further complicated by religious and ethnic divisions, a legacy which the British bequeathed from the colonial years. The authorities have historically fought to reduce the role of non-Burmese—particularly Indians and Chinese—in the economy. The Burmese government has been fighting a continuous war with ethnic entities in the southern part of the country, who carry out their own trade and are in close touch with outside agencies. The worsening economic condition in the country has also exacerbated tension along religious lines, pitting Muslim Indians against Buddhists. Although the state Sangha Maha Nayaka Buddhist monks, the supreme committee of Buddhist monks, appealed for restraint, it remains to be seen if the iron hand of Sein Lwin and the new economic reforms will be able to take Burma through these hard times.