

Bi-Weekly

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ISP INSIGHT EMAIL

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SAC's World Biggest Stupa and Superstitious Number 'Nine', The Alarming State of Myanmar's Economy

This week's ISP Insight Email focuses on **the consecration event of the world's highest marble Buddha Stupa, Maravijaya, which main sponsor is the SAC's leader**, the stupa's relationship with the junta's superstitious lucky number 'nine'. We also present **the change of the financial control by the SAC's Central Bank over export earnings** - forcing the conversion of Myanmar Kyat from a ratio of 65:35 to 50:50. However, the policy may have little impact and currently, the state of Myanmar's economy is alarming for both consumers and producers. In addition, the bulletin outlines **recent ASEAN Regional Forum discussions on Myanmar's crisis, the cyclone victims encountering tremendous challenges in the post-Cyclone Mocha relief effort and a report of spiraling violence against the Rohingya in refugee camps**. ISP-Myanmar also briefly introduces Shan historian's books, **'The Selected Writings of Sai Kham Mong Vol. I and II'**.



Key takeaways

SAC's world's biggest stupa and superstitious number 'nine'

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What ISP is reading?

Selected writings of Sai Kham Mong Vol. I and II by Sai Kham Mong (2023)

Key takeaways

1. The world's biggest stupa and superstitious number 'nine'

Since the 2021 military coup, the leader of the SAC, Senior General Min Aung Hlaing, has been fixated on a grand goal - constructing a pagoda. Drawing inspiration from Myanmar's powerful kings of the past, he envisions building a historic religious monument that will endure for generations. His ambitious dreams are now nearing reality as the 'Maravijaya' Buddha stupa continues to take shape. Reportedly, this stupa is set to become the world's highest marble stone image, adding to its significance.

The SAC's official newspaper has seen several writers promote the construction as a noble effort. The project's origin dates back to 2017, when the former junta's strongman, Sr. Gen. Than Shwe, harbored the ambition to build the stupa and later passed the task to the current military head. The marble stone, donated by Angleo Mining Co., Ltd., was transported with great difficulty to Naypyitaw and skillfully carved with advanced machinery. The design of the stupa is inspired by the Bhumi Phassa Mudra style, popular during the golden age of the Yadanabon era. Weighing 1,782 tonnes, with ▶

- ▶ the throne estimated to weigh 3,510 tonnes (a total of 5,292 tonnes), the stupa carries symbolic significance as all the numbers related to it add up to the magical number '9' - believed to be a lucky number by the junta. For instance, the stupa stands at 63 feet high, while the throne reaches 18 feet high. Surrounding the marble stupa are 720 chambers adorned with stone plaques bearing Buddhist treatises.

The junta has called upon various cronies to donate for the stupa, amounting to a total cost of 16.177 billion Kyats. Official newspapers have celebrated the construction as an unparalleled effort to promote and celebrate Buddhist practice. The consecration event for the Maravijaya Buddha stupa is scheduled for August 1 (a date which adds up to the magical number '9'), with over 900 sanghas expected to participate in the donation ceremony.

As for the future of Myanmar's politics and the possibility of elections, the head of the SAC has yet to provide a definitive answer. Analysts speculate that he may address these issues after the consecration of the Buddha stupa. The 'Maravijaya' stupa symbolizes more than just religious significance; it serves as a poignant expression of the SAC's quest for power and prestige. ■

2. The alarming state of Myanmar's economy

On July 13, the SAC's Central Bank of Myanmar (CBM) issued an order regarding foreign currency management. Previously, the CBM required exporters to convert 65% of their export income into kyat within one day, using the designated official rate. The remaining 35% of companies' export earnings could be converted at the market rate. However, the new order changed this ratio to 50:50. This decision came after the SAC chairman's meeting with traders and industrialists at the Chamber of Commerce and Industrialists (UMFCCI) on July 2. Interestingly, the SAC leader reportedly stated that he was not considering a change to the 65:35 ratio before.

The shift in foreign currency management happened amidst the United States' recent sanctions against Myanmar's two banks - Myanmar Foreign Trade Bank (MFTB) and Myanmar Investment and Commercial Bank (MICB) - causing the local currency to depreciate significantly against the U.S. dollar. In response, the junta took control measures, revoking the licenses of 10 forex companies on July 15. Notably, a similar measure was already implemented in June when the CBM revoked 3 forex company licenses and arrested 51 people working in currency exchange.

The SAC's continuous demand for foreign reserves indicates their intention to control foreign currency exchange. However, the compulsory conversion of export earnings to Myanmar Kyat has had adverse effects on traders, making them unprofitable and less competitive with other importers and exporters. Consequently, the volume of exports has decreased, and their ability to buy paddy is diminishing. The local rice and paddy market is losing significant buyers. According to the Myanmar Rice Merchants Association, Myanmar exported 2.1 million tonnes in 2020-21 and 2.4 million tonnes in 2022-23, but many exporters expect a lower rice export in 2023-24.

Furthermore, imports of consumer goods are facing complications, including rising prices due to restrictive regulations and a limit on the number of licenses issued, particularly for raw materials, construction materials, and medicines. As a result, Myanmar's economy is currently in an unstable and alarming state, affecting both consumers and producers. ■

3. ASEAN Regional Forum and 'Myanmar crisis'

The 30th ASEAN Regional Forum (ARF) was held in Indonesia recently, with ASEAN foreign ministers, leaders from the U.S., Russia, China, India, and other interested parties. At the July 14 Regional forum, the leaders discussed many emerging issues including Myanmar affairs, South China Sea maritime security, the crisis in Korean Peninsula and a nuclear-weapon-free zone in the Indo-Pacific region. The leaders also discussed the impact of Russia's invasion of Ukraine.

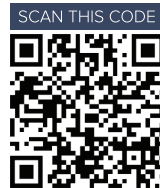
Before the ARF, the 56th ASEAN Foreign Ministerial Meeting was held, but Myanmar's Foreign Minister was not invited. However, as a precaution, Myanmar's Permanent Representative to ASEAN, Aung Myo Myint, and director-general of SAC's Foreign Ministry, Dr. Khin Thida Aye attended the preparation meeting for ASEAN higher officials..

Myanmar's media focused mostly on the Myanmar crisis, which seemed to receive the most attention at the meeting. However, this was not the case, as ASEAN Ministers and strategic partners had a lot to discuss, especially on the theme of this ASEAN meeting, 'ASEAN Matters: Epicentrum of Growth'. In addition, China's interest in joining the Treaty on the Southeast Asia Nuclear-Weapon-Free Zone (SEANWFZ) was also a notable development.

Beforehand of the ASEAN Foreign Ministerial Meeting, Thai deputy-Prime Minister and Foreign Minister, Don Pramudwinai met with Aung San Suu Kji ▶

- ▶ for the first time. This merits further consideration. **(See ISP OnPoint No. 16)** The Joint Communiqué of the 56th ASEAN Foreign Ministers’ Meeting is rather long and includes 149 paragraphs, nine of which are related to the situation in Myanmar. The ASEAN strongly condemned the continued acts of violence, including air strikes and artillery shelling, but reaffirmed a united position that the Five-Point Consensus (5PC) is the main tool to address the political crisis in Myanmar. The ASEAN also committed to conducting a comprehensive review to the Five-Point Consensus. The ASEAN welcomed Thailand’s initiative, but suggested working in line with the 5PC and in coordination with the Chair of ASEAN. In turn, the SAC opposed some points made in the Communiqué.

The Reappearance of Aung San Suu Kyi:
Her Role and New Play of Political Narrative



ISP Onpoint No. 16 ▶

Though the SAC’s Foreign Minister could not join in the ARF and ASEAN meeting, Thailand invited him to the Mekong-Ganga Cooperation (MGC) Meeting and The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSEC) Foreign Ministers’ special meeting held in Bangkok on July 16-17. During the meeting, SAC’s Foreign Minister, Than Swe held separate side meetings with counterparts from India, Thailand, Bangladesh, and Sri Lanka. ■

4. Spiraling violence against the Rohingya in refugee camps

The International Criminal Court (ICC)’s Chief Prosecutor Karim Khan visited Rohingya refugee camps on July 6 in his efforts to accelerate the goal of justice for the Rohingya. However, after his trip, at least six Rohingya were reportedly killed in the camp by the Arakan Rohingya Salvation Army (ARSA) men. One of the victims was Prothom Alo Said Ebadullah and he assisted in the prosecutor’s visit - organizing who would be interviewed. During those weeks, there was fighting between ARSA forces and the Rohingya Solidarity Organization (RSO).

Human Rights Watch (HRW) conducted research on the Rohingya situation ▶

▶ and made a report on July 13, entitled ‘Bangladesh: Spiraling Violence Against Rohingya Refugees’. Human Rights Watch documented 26 cases of violence against Rohingya, including murder, kidnapping, torture, rape, sexual assault, and forced marriage, drawing on interviews with 45 Rohingya refugees between January and April 2023. The HRW blamed the Bangladesh authorities for failing to adequately protect Rohingya refugees and providing effective policing of the camps, as well as legal and medical assistance. The report mentions the activities of armed groups and criminal gangs in the camps.

In a joint statement of the recent 56th ASEAN foreign ministerial meeting in Jakarta, ASEAN welcomed the pilot repatriation project, to facilitate the return of 7,000 Rohingya by the end of 2023. ASEAN leaders urged ensuring the Rohingya’s voluntary, safe, and dignified return. ■



Quotes of the week



“The first point of five future programs (Road map) during the state of Emergency is realizing the stability and rule of law (throughout the Union). After accomplishing the first point, we can go to the last point, ‘holding the election again’.”

Senior General Min Aung Hlaing

Excerpted from the RFA -Burmese’s news on July 13, 2023, “The coup leader said it is required to fulfill the rule of law”.

“The bank - what we can call a ‘digital bank’ – is not something many people are familiar with. The bank is based on Blockchain technology. The bank offers mostly online services. Based on these assumptions, we are preparing the people locally, and further afield, to access the bank at the time of revolution”.

Tin Htun Naing, NUG Minister of Planning, Finance and Investment
Excerpted from Mizzima's interview on June 22, 2023. “NUG founds a bank to provide four services”.

Trends to be watched

Challenges in the post-Cyclone Mocha relief effort

Cyclone Mocha, one of the strongest storms ever to hit the Bay of Bengal, wreaked havoc on Rakhine State and several towns on May 14, 2023. Two months have passed since the cyclone. The SAC counted 145 people killed by the cyclone and documented property damage worth 522 billion Kyats. (approximately 247 million USD). The UNOCHA is requesting USD 333 million for Cyclone Mocha Flash Appeal for vital supplies to address the needs of the 1.6 million people affected. However, according to the Financial Tracking Service, as of 16 June, only \$21.7 million in additional funds has been received. (UNOCHA Myanmar Cyclone Mocha, Situation Report June 15)

Two months after the cyclone, the SAC declared an extension of another two months for 17 townships in Rakhine State to be designated as ‘natural disaster-affected regions’ on July 14, in order to enhance rehabilitation work and facilitate a complete return to normality. But the situation on the ground is miserable. Cyclone Mocha is the worst disaster since the damage caused by Cyclone Nargis in 2008. The number of fatalities has, thankfully, been quite low, due largely to advance and education initiatives. However, the scale of the property damage is vast.

Reports on the ground confirm until very recently that only 20% of the population were receiving relief assistance. Cyclone Mocha Emergency Rescue and Rehabilitation for Arakan (Cyclone Mocha ERRA), which is close to the Arakan Army, stated on July 14, that only 75% of the affected population were located under shelters within two months after the disaster. (ERRCA, July 14). In UNOCHA's June 15 Situation report, the SAC had still not provided formal approval for distribution plans, transportation, and travel permits for the aid workers. It urged authorities at the Naypyitaw and regional level to try and expand access to people in need.

The SAC asked that international assistance be delivered to Yangon by plane or ship, stipulating that the international aid workers cannot go directly to the affected areas. The aid will be conveyed to Rakhine by local transport. The SAC has been promoting a 'self-reliance policy' in disaster relief. According to available data, through the Disaster Management Centre (DMC), from May 15 to June 13, the local donation from ministries, military commands, and direct donors amounted to 26.936 billion Kyats and USD 516,177. 96. The donation received from Myanmar Economic Bank (in the same period) was 30.021 billion Kyats. Donations were received through online payment systems such as Kpay, AYApay, other online payments (in the same period) amounted to 18.14 million Kyats. (In total 56.975 billion Kyats and USD 516,177. 96, which is approximately 19 million USD. (*Myanmar Ahlin's* article dated June 19, p. 11)

The local donation cannot equal to the amount of funding for Mocha's disaster, which the UNOCHA estimated as necessary for recovery - USD 333 million. The local efforts are valuable, but they cannot be enough even for relief, let alone reconstruction.

The SAC's Disaster Management Centre (DMC) is supposedly collaborating on the relief and rehabilitation efforts for cyclone-affected populations, but sources have reported its control-centric procedures and management problems. The choke point could be because of the security-minded consideration of the junta. In fact, the junta can outline an innovative idea of 'humanitarian diplomacy' based on the disaster. Secondly, there is perhaps an advantage in disguise – in the aftermath of a disaster - some countries may now find the path of collaboration for the sake of the affected population, leading to conflict resolution. The Aceh conflict of Indonesia is a good example. Thirdly, because of people's enthusiasm for volunteerism and charity for the welfare of the others, many civil society organizations are mushrooming after the disaster. (Myanmar's Nargis in 2008 and 2004 Asia ▶

- ▶ Tsunami are good examples.)

In conclusion, if better collaboration with international agencies can improve relief and rehabilitation efforts, it can be a blessing in disguise. Otherwise, rehabilitation of the affected cyclone victims can be ineffective, prolonged, and may never ever happen. All good opportunities can be lost, and moreover, the impact of extreme weather caused by the arrival of El Niño phenomena is a significant threat to Myanmar. ■

What ISP is reading?

Mong, Sai Kham. (2023).

Selected Writings of Sai Kham Mong Vol. I and II,

Yangon: Tri Awards Co., Ltd.

Sai Kham Mong's two books, published in 2023, look into the intricate, contemporary history of Shan State. The ISP introduced his Burmese book in previous weeks. The two books the ISP wants to introduce now are in English, 'The Selected Writings of Sai Kham Mong Vol I and II'. He is an Executive Director of the Shan Studies Center, based in Taung-Gyi and a former lecturer at Mandalay and Yangon Universities, first in the History Department, and later in the International Relations Department. He served as a research fellow at the Chulalongkorn University of Thailand, the National University of Singapore and the Australian National University.

When the ISP introduced his first Burmese book, it did not include the politics of the Shan State after independence and an appraisal of Shan resistance forces. However, in his English language books, he has discussed these topics in more detail. He mentions that the resources for this writing are based on the files of the Shan State Government (1945-1974), and he is grateful to U Toe Lone for assisting to access these files. The books include several interesting topics, such as Dai of Yunnan, the Burma- Thai wars, Colonial Shan State, Burma- China frontier relations (1945- 60), Kokang- a Chinese state within Shan State, Kachin sub-state in north of Hsenwi, Wa State (1945- 60), the politics of Shan State and the federal issue, Buddhism and the Shans, etc. The work comprises two volumes in English, 'Selected Writings of Sai Kham Mong Volume I and II,' each spanning 404 pages and 284 pages respectively. ■

ISP Publication

In the last week, ISP Explainer No. 4 and ISP On Point No. 16 has been issued. Download free PDFs on ISP Gabyin community.



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