

GROUP 9



# Effects of Myanmar's Military Coup on the Economy

2011

- Myanmar's political reforms were a series of political, economic, and administrative reforms undertaken by the military-backed government.

2015

- Myanmar's first democratic elections a moment in the country's history, creating a wave of hope.

2020

- Suu Kyi's NLD secured a landslide victory in Myanmar's general election on November 8,
- Even though The election commission confirmed that the NLD's landslide wins, the USDP and Myanmar's military continued to accuse the NLD of fraud, and the military threatened to take action. .

2021

- The current situation of the Myanmar military government affects both the domestic and international economies. The crisis is still ongoing and there is no sign of its ending, Myanmar offers several lessons and experiences.

# OVERVIEW

## EFFECTS OF MYANMAR'S MILITARY COUP ON THE ECONOMY



# KEY CHALLENGES

1. Higher risk of foreign investment
2. Western countries boycott Myanmar
3. The indirect impacts from the boycott of the United States.
4. Some companies were immediately affected.
5. For the long term investment, there is no any clear effect.
6. Thai border trade is closed to the checkpoint for a short time.
7. The coup is worsening the Myanmar economy from the COVID-19 pandemic.



# GOVERNMENT/STATE STRATEGIES, POLICIES AND LEGISLATION

## (I) GOVERNMENT

SINCE THE COUP ON FEBRUARY 1, THE MILITARY JUNTA HAS:

- 1.) arbitrarily suspended sections of the **Law Protecting the Privacy and Security of Citizens** (2017), removing basic protections, including the right to be free from arbitrary detention and the right to be free of warrantless surveillance and search and seizure.
- 2.) amended the **Penal Code** to create new offenses and expand existing offenses to target those speaking critically of the coup and the military, and those encouraging others to support the "Civil Disobedience Movement."
- 3.) amended the **Ward and Tract Administration Law** to reinstate the requirement to report overnight guests.
- 4.) amended the **Code of Criminal Procedure** to make the new and revised offenses non-bailable and subject to warrantless arrest.
- 5.) amended the **Electronic Transactions Law** to prevent the free flow of information and criminalize the dissemination of information through cyberspace, including expression critical of the coup or the acts of the junta.

All processes of the Myanmar economy are condemned to a **very high level of risk**. Therefore, the foreign countries are having lots of concerns towards **international trade and short term investment**.

## (II) PROTESTOR

Recently, the situation has escalated to the point that the number of deaths is increasing every single day. Nevertheless, the fight for what is right is not over and it will create huge impacts on many parts of the system, especially the economy of the country.

People in the recent ages are different from the older generation with the different experiences and paradigm.

Here are the main requirements that the protestors are asking for.

- the giving back of democracy to the people
- the releasing of Aung San Suu Kyi and her fellows





# THE ROLE OF VARIOUS DEVELOPMENT ACTORS

**AUNG SAN SUU KYI**  
( MYANMAR POLITICIAN  
& OPPOSITION LEADER )



- The daughter of the Burmese independence icon and was awarded the Nobel Peace Prize in 1991.
- She was sidelined in February of a coup d'état and martial law was proclaimed. In 2010, she pledged to continue the struggle against military rule and was allowed to complete her sentence.
- She has been criticized for the treatment of the Muslim Rohingya people of Myanmar's Rakhine state.
- Her party, the National League for Democracy, was shut out of power after her conviction. She has been kidnapped by a group that wants to gain some benefit from her. She has changed the regime in Myanmar and been the minister of energy, education, foreign minister, and minister in the president's office.

**THE US PRESIDENT JOE BIDEN**



- The president declared his administration to deal with the coup that attempted to drive out their leader Aung San Suu Kyi's elected government.
- Biden's executive constructed the first sanction which is the Treasury Department decision to suspend the holdings off a list of coup leaders and associates.
- Feb 11, 2021 – he authorized immediate sanctions against military leaders who led the coup or people who receive economic benefits, e.g., officials linked to the junta. The US government will also implement "tight export controls" and freeze the US assets that favour the military regime while retaining funding for health care, citizens' organizations, and other fields that directly benefit Myanmar's citizens.
- This new sanction measure tends to narrow down the size of policy which deals directly to the specific individuals group, not all Myanmar.

**MIN AUNG HLAING**  
( BURMESE ARMY GENERAL )



- He spent his entire career in the influential military.
- During the latest election, NLD led by Aung San Suu Kyi had a landslide win. The USDP led by Min Aung Hlaing who opposed democracy made allegations of widespread electoral fraud to the NLD and seized power. He assumed all state power for himself and his party.
- All of his actions during the coup, such as the military action to disperse the assembly, disabled all the economic and business activities in the country and created a huge amount of risk.

**OTHER COUNTRIES**



- In the recent UN Security Council meeting, there was condemnation from the UN stage for the right violation action of the Myanmar military. European Council President, Charles Michel, stated that the outcome of the election and human rights should be respected and asked for the reformation in Myanmar.
- The US president came out to protect the Myanmar citizens and stated that he and the United States stands with Burmese according to their aspiration to democracy. In contrast, some countries also have nuanced reactions towards the issue.
- India and China stated that they will keep supporting the country and hope that in the future the country will overcome the situation with the system that they used.



## LESSONS LEARNED

### Transparency

Min Aung Hlaing's corruption and non-transparency government make people of Myanmar protest against, since no one has authority over the coup, and would kill people who have different political views.

### Freedom of Speech

Myanmar government has restricted public speech or any online expressions, which limited the privacy rights of citizens, and would arrest or imprison them for up to three years anyone who criticized the government.

### Domino Effect

The Domino effect is the effect that if a sector collapses the other sectors in the same system will also collapse as in the situation that occurs in Myanmar. When the political sector in Myanmar collapses, all of the other sectors, like economics and education, also collapse. The lesson learned from this situation is that the Domino effect is extremely hazardous. All the sectors in the country should have a balance in power and support. There should be no sector that had overweight power as in Myanmar.

# Conclusion

- ▶ Disabling of the local business by distracting employees from their work and shifting their focus away from their jobs
- ▶ Global boycott could lead to higher risk in terms of foreign investment
- ▶ Good example for transparency of government problems







**THANK  
YOU**