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No. 090/2014 dated 15 May 2014

Myanmar's Rising Buddhist Nationalism: Impact on Foreign Investors

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Synopsis

Amidst rising Buddhist nationalism in Myanmar, domestic tension is beginning to affect foreign investment. The call to shun Qatar-based Ooredoo's telecommunication services in Myanmar displays economic nationalism that should worry risk analysts.

Commentary

MYANMAR'S RISING Buddhist nationalism is taking an economic turn. Qatar's Ooredoo, which is scheduled to start its telecommunications service in Myanmar this July, has been the subject of attacks in the Burmese social media in recent months. Ooredoo was eventually forced to issue a denial that it had been planning to train its all-female sales force in the Middle East, allegedly to Islamise them.

The campaign against Ooredoo, led by an extensive network of Buddhist monks known as Ma-Ba-Tha which has a Facebook presence, might pose a serious blow to the telecoms company when it starts its operations in two months' time. The attack on the Qatari company will be carefully watched by international investors for its implications on foreign investment in Myanmar.

Myanmar's telecommunications reforms

Reforms of the ASEAN member's antiquated and poorly functioning telecommunication sector followed political opening and economic liberalisation which began in 2011. Tenders were called from international and regional investors including Singapore-based SingTel. In April 2013, Ooredoo was chosen as the principal provider and Norwegian Telenor the secondary provider, both of which are scheduled to start their operations in July 2014.

A large section of Myanmar's 60 million population has been waiting for decades for reliable telecommunications services. Mobile phones were a luxury until a few years ago. A GSM mobile phone SIM card alone cost US\$5000 in the early 2000s. Until now, the market price of a GSM or CDMA mobile SIM card being sold by state-operated Myanmar Post and Telecommunications or military-owned Myanmar Economic Corporation is about US\$100, although it is officially set at US\$1.50 each.

For these reasons, the current mobile phone penetration rate in Myanmar is estimated at nine per cent of the population, which means there exist tremendous untapped potential in a hungry market for international telecommunication companies with promises of 3G networks and cheap SIM cards available to all.

At around the same time, rising Buddhist nationalism led to the emergence of the Organisation for Protection of Race and Religion (in Burmese *Amyo Batha Thathana Kakwe Saungshaukyay Apwe* abbreviated to *Ma-Ba-Tha*), an institutionalised nationwide movement headed by senior monks. Its younger monks include 969 leaders and the controversial Ashin Wirathu. Ma-Ba-Tha has extensive networks and chapters at state and township levels across the country.

In a land where Buddhist monks enjoy the highest social and moral authority and the majority of people still live in poor rural areas, it is not difficult to understand the powerful hold of the fiercely-agitating Ma-Ba-Tha and 969 movements which called for the shunning of Muslims in every possible area.

Most recently, Ma-Ba-Tha's chapters in Northern Shan State and Upper Myanmar released statements on social media asserting that their members and followers would not answer any calls made from phone numbers serviced by Muslim Ooredoo. They alleged that Ooredoo was being financially backed by the Organisation of Islamic Cooperation (OIC) and harboured secret aims to influence Buddhist Myanmar.

Rise of Buddhist Nationalism

Against the backdrop of sectarian conflict in Rakhine State in June and October 2012 and other parts of Myanmar in 2013, a new fundamentalist Buddhist movement has emerged in the country. Conflicts between Rakhine Buddhists and Muslims were interpreted as Buddhists versus Muslims in the international media whereas locally it was portrayed as local Buddhists versus illegal Muslims. With the growing intensity and spread of attacks to other parts of Myanmar, the increasingly precarious situation of Muslim IDPs in Rakhine has met with calls by the international community for protection of the Muslim minority. This was interpreted by the nationalist media, politicians and Sangha as pro-Muslim and anti-Buddhist.

The OIC, with 57 member states, was among the most outspoken international bodies over the treatment of Myanmar's Muslims. OIC's efforts to open an office in Myanmar to provide humanitarian aid to conflict-affected peoples - both Muslims and Buddhists - met a Buddhist backlash of nationwide anti-OIC protests led by Buddhist monks. They were joined by lay people in 2012 because OIC was viewed as trying to assert its Muslim influence in Buddhist Myanmar.

Aung San Suu Kyi herself once contended in her interview with the BBC in October 2013: "There's a perception that Muslim power, global Muslim power, is very great. And certainly that is the perception in many parts of the world, and in our country, too."

Two most important players in the current context of rising Buddhist nationalism in Myanmar are the 969 movement and its de facto leader Ashin Wirathu, and Ma-Ba-Tha. Institutionally, 969 is a loose movement with five Mawlamyine-based Buddhist monks – Myanan Sayadaw Ashin Thaddhamma, Hitadaya Sayadaw Ashin Wimalar Biwuntha, Ashin Wizza Nanda, Ashin Ganda Thara, Ashin Sada Ma and Ashin Pandita. They have been calling in nationwide tours for the shunning of Muslim-owned businesses in Myanmar.

Political and investment risks

Given this backdrop, the Thein Sein administration is increasingly populist as every party trains an eye on the 2015 elections which the extremely popular Aung San Suu Kyi and her National League for Democracy are highly likely to win. Recently, President Thein Sein himself formed a special commission to draft two bills to restrict religious conversion and population growth.

He suggested that the Supreme Court of the Union work on two other bills relating to interfaith marriage and monogamy. All four, known as Race Protection Bills, were demanded by *Ma-Ba-Tha* through the largest-ever campaign which collected millions of signatures of ardent supporters.

International telecommunications giants such as Ooredoo must have conducted market surveys and drawn on consultancies on Myanmar before they put in their tenders. But Ooredoo might not have taken Buddhist nationalism seriously then. Amidst rising Buddhist nationalist fervour, future market surveys and risk analyses must consider its significant impact on customers' spending decisions and patterns.

Moreover, surveys and consultancies on Myanmar must not forget that the majority of Myanmar's Buddhists still live in rural areas which are not easily reached. Market surveys must be complemented by well-informed political and financial risk analyses, including what rising Buddhist nationalism may mean for foreign investments.

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