

## Burma: sanctions are not the solution

Dafydd Hugh

Published 02 October 2007

NewStatesman.com's coverage of the Burma uprising continues. In this eyewitness report Dafydd Hugh argues that British businesses should not pull out



Should British businesses pull out of Burma, as George Monbiot argues? I don't think so.

Last Friday I sat with a Burmese woman in her office in Rangoon as she cried and told me about her young friend who had disappeared during the demonstrations. Her plea to me was to tell everyone at home not to forget the ordinary Burmese people and their suffering.

Having spent the last two weeks in Burma I was struck by the warmth of the welcome and the huge thirst of the local people to meet a Westerner and find out what is going on in the outside world. The isolation of the country comes not just from a paranoid government that literally employs people to cut out pages from the international papers so that no coverage is seen of any dissent in Burma. It also comes from the effectiveness of the West's sanctions that means that there are virtually no western companies present in the country.

But the sanctions are not having the desired effect. They are doing little to destabilise the Burmese government and they are without doubt increasing the severe poverty of the Burmese people. The sanctions are also not working because investment is still flowing into the country from Chinese, Thai, Singaporean, Korean and Japanese firms.

Burma has huge natural resources, entrepreneurial people and should be as rich as its neighbour Thailand, and growing just as fast. Instead, travelling outside Rangoon, it looks and feels as if time has stood still since the Second World War.

The government of Burma is as brutal and nasty as they come. In order to maintain power it has shot down its own people in the most callous way. The disregard for the life of the Burmese people defies belief. The standards of health-care for the population are pitiful.

Meanwhile, the government is investing in prestige projects like the construction of Nay Phi Taw - the new capital city. I travelled up deserted eight lane roads overtaking only the occasional ox cart. On the roadside, children as young as five can be seen hard at work on construction sites.

Our best hope of changing this government is to force China to change its stance on Burma. It can be done. China does not want instability on its door-step and is currently very sensitive to Western criticism of its 'development before democracy' line.

The Beijing Olympics for 2008 has four Western companies that are official partners. They are Adidas, Johnson & Johnson, Atos Origin and VW. If they were to threaten to withdraw their support from the Olympics this would be a serious blow to China.

Employees, customers, shareholders and governments should put all possible pressure on these companies to withdraw their support for the Beijing Olympics unless China changes its stance on Burma. This type of approach is much more likely to destabilise the Burmese government than further sanctions, and will not heap even more misery on the destitute Burmese people.