English Abstract

Topic of the Thesis	State building in Myanmar under military guidance and the dilemma of national security and social welfare: motivations behind state budgetary allocations
Name	PALACIO, Fernando Diego

Kind of research and topic:

This research assesses the impact of militarism on state provision of welfare services (basic education and public health). The analysis is done in the context of state building in Myanmar under military leadership. Since Myanmar achieved independence from Britain in 1948 all the governments have sought to consolidate the state. This goal has remained elusive; even after sixty years of impendence Myanmar is still a country with deep ethnic divisions.

Although the successive governments have succeeded in keeping the country united, this has only been possible thanks to the effort of Myanmar's National Army, the Tatmadaw. The study is done on the bases of the state understood as an organic system; the state is conformed of five basic elements (government, population, territory, laws and international recognition by others states) and the connections between these elements are what determine the identity of the state.

In the words of Hobbes, states are Leviathans that devour the individual rights of every person to make society work as a one body. So, the state exists to protect the people living in a territory, and in order to achieve its goal the state relies on the use of force. This force typically takes for the form of organized institutions: the police for domestic control, the army to protect the territory from external threats.

The national army is also among the key elements of the state –although not always present, for example Costa Rica does not have a national army-. The national army and the police incarnate the right of the state to defend itself and its population. In the words of Weber the army and the police materialize "the legitimate right of the state to the monopoly in the use of organized violence".

This research focuses on the role of the National Army because of the nature of the process of state building in Myanmar under the guidance of the Tatmadaw.

Goal of the study:

1. To elucidate why the national armed forces of Myanmar (the Tatmadaw) have remained such a central piece in the process of state building in the country;
2. To understand how the centrality of the army in the state has affected the capability of the government to provide for protection the citizens of the country in terms of basic education and health;
3. To counterbalance the importance given to security of the state in comparison to welfare by the different government of Myanmar since independence to date.
4. To explain why military elites have perceived so much danger to the state, and how that perception of threat has been used to justify the role of Tatmadaw as Myanmar's political heart.
5. To understand the logic of the governments of Myanmar in their management of the national budget as a political tool.
6. By looking at the budgets, to compare the priority the governments have given to current and capital expenses in different areas (defense, education and health).
7. By putting those decisions (budget management) in their historical context, to explain what motivated them.

Premise:

The study starts from the analysis of militarism (the ideology that subordinates civil society to military values and puts civil society under the direct control of the military) as the main driving force of the state building process of the country. The study describes how military priorities affect the capabilities of the governments of Myanmar to fulfill their responsibilities regarding the provision of basic education and public health.

Within the context of state building the study analyses the perceptions of the governments of Myanmar since independence about the dilemma *external security/national sovereignty* versus the capability of the state to protect its own people.

The study is based on the economic concept of resource scarcity, and assumes that the governments are aware of their financial limitations. This falls in the debate "governments should spend money on butter or should they spend it on weapons". With this in mind, the study unravels the logic behind of budget allocations to current and capital as strategic and rational decisions.

Main hypothesis:

Militarism determines the direction of state resources (budget) and as more allocations are given to Defense this reduces state capability to implement and develop and the social welfare system.

Allocations of budget for defense as compared to education and health remain higher in general for the whole period analyzed (from independence to date). However, when budgets are analyzed in detail important variations can be observed.

1. First period, right after independence (1948~1962): the government spends a great deal of money in defense in its initial stage in order to create and consolidate the national army. And to address domestic threat of ethnic insurgency and international colonialism.

Current expenses to defense are higher than capital expenses because:

    1. The army needs to increase the number of soldiers (current)
    2. Weapons, arms and military infrastructure (capital) are secondary at this point, but these expenses will follow soon after

2. Second period, the socialist era (1962~1988): the government perceives a safer international environment and ethnic insurgency appears, if not extinct, at least not a major threat. Both current and capital expenses for defense slowly decrease because the socialist government spends more in education and health.
    1. Current allocations for defense are higher than expenses of capital because the government needs an army strong enough to uphold the socialist system
    2. Expenses for capital in defense fall more rapidly because the government does not need sophisticated weapons because there are not external threats, and insurgency is quiet
3. Third period, the return to capitalism (1988~ to date): Myanmar's political instability becomes international (refugees, human rights, illegal migrants, the role of mass media, politicians in exile, underdevelopment, etc); the ethnic insurgency reactivates in boarder areas. These two aspects increase the government perception of threat and push for more military expenses.
    1. The leaders of the government start a rapid expansion and modernization of Tatmadaw: increase in the number of soldiers (current) and newly bought military supplies.
    2. Current expenses (salaries and rations for soldiers) are paid at local price and currency.
    3. Capital expenses (weapons and infrastructure for the army) are paid in foreign currency, hence the state needs to reactivate its economy (return to capitalism, and market oriented economy. Increasing importance of natural resources)

Defense expenses are higher in capital, while education and health current expenses are higher. This responds to the militaristic and populist characteristics of the governments and Myanmar's society.

Methodology:

In order to analyze the changes in the levels of militarism in the country and how it affects the capabilities of the government to provide for social welfare, the study makes a historical progression of the use of the government budgets.

The study analyses changes in the budgets both over time and in detail for each period (horizontal and vertically) for the categories of defense, public health and basic education. The study compares the changes in current and capital expenses according to historic contexts and explains those changes based on external and independent literature and previous research.

To counterbalance propagandistic information from official sources, the study contrasts official data with other sources that provide information on the accomplishments and failures of the state in terms of social weaknesses and access to health and education. This is done by comparing what external observers say regarding the situation of health and education at a certain time.

In order to observe the changes in budgetary usage and government motivations, the study divides contemporary history of Myanmar into three periods: 1948~1962; 1962~1988; 1988 to

The data is collected from available budget publications from official sources in major libraries in Japan and Thailand. Official statistical data from Myanmar is fragmented and inconsistent, which means that the collection and aggregation of data is done as a quilt that only gets a general sense of a complete picture through fragmented pieces of information.