

# ➤ Myanmar: Now a Site for Sino–US Geopolitical Competition?

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**A**fter the suppression of political protests in 1988, the United States' Burma policy was primarily focused on the restoration of democracy and support for Daw Aung San Suu Kyi and the National League for Democracy (NLD). The strong anti-regime thrust of this policy meant that until 2011, when the ruling military junta, the State Peace and Development Council (SPDC; previously known as the State Law and Order Restoration Council, or SLORC) handed over power to a nominally civilian government, Washington consistently ostracised Myanmar in international society. Moreover, the US systematically applied unilateral, broad-based sanctions, and persistently called for a genuine dialogue with the political opposition that would ultimately lead to a transfer of power. Very much influenced and buttressed by a network of exiled Burmese dissidents and solidarity organisations, various human rights and pro-democracy groups, as well as overwhelming support in both houses of Congress, US policy nevertheless failed to force Myanmar's leadership to compromise, let alone abandon their own political roadmap, as initiated in 2003. In the face of considerable US pressure, Naypyidaw relied above all on China for diplomatic protection at the UN Security Council, as well as financial assistance and expertise for limited economic development.

In 2009, the incoming Obama administration initiated a comprehensive policy review of US Burma policy that led to the adoption of a more pragmatic, yet still 'principled' policy of engagement vis-à-vis Naypyidaw. The principal policy change concerned the adoption of a senior-level dialogue alongside existing sanctions. For almost two years though the policy shift failed to produce major results, notwithstanding Daw Aung San Suu Kyi's release from house arrest during this time. However, within months of former Prime Minister U Thein Sein becoming the first President under the 2008 Constitution in late March 2011, the careful rapprochement between Washington and Naypyidaw, started two years earlier, soon paved the way for warmer bilateral relations. This happened when, from mid-2011 onwards, the new nominally civilian government opted to embark on a process of national reconciliation that in many ways satisfied American demands and hopes for such a process.

Interestingly, at a time when US policy toward Southeast Asia is widely seen to be underpinned by concerns regarding the People's Republic of China, the Obama administration suggested that its more pragmatic policy toward Myanmar was fundamentally about supporting democracy and human rights as well as stability and greater prosperity in Burma, rather than being about China. As Secretary of State Hillary Clinton put it:

'... we are not about opposing any other country; we're about supporting this country [Myanmar]... as I specifically told the president and the two speakers, we welcome positive, constructive relations between China and her neighbours... So from our perspective, we are not viewing this in light of any competition with China.'<sup>1</sup>

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1 Hillary Rodham Clinton, Press Availability in Nay Pyi Taw, 1 December 2011, [www.state.gov/secretary/rm/2011/12/177994.htm](http://www.state.gov/secretary/rm/2011/12/177994.htm)

While taking seriously the declaratory objectives of US Burma policy, this short paper will examine in what ways Myanmar nevertheless is already becoming a potentially significant site for Sino-US geopolitical competition in Southeast Asia. It will do this in three steps. First, it will assess whether it is plausible that the declared goals fully capture the rationale underpinning US Burma policy, given its broader regional policy and strategy. Second, the paper will briefly explore China's ambitions in Myanmar, as well as Beijing's reaction to Washington's efforts to normalise and deepen relations with Naypyidaw. Finally, the paper discusses both in what ways Naypyidaw's rapprochement with Washington fits the historical pattern of Myanmar foreign policy, and what this means for Myanmar's management of Sino-US competition.

## **THE OBJECTIVES OF THE OBAMA ADMINISTRATION'S BURMA POLICY**

The democratisation of Myanmar has constituted an important US policy objective for all recent U.S administrations. However, the embrace of pragmatic engagement in 2009 was an acknowledgement by the Obama administration that relying solely on sanctions in pursuit of political reforms and change in Myanmar made for a poor and failed strategy, and that better foreign policy instruments were available to the US to achieve this goal. Under Obama, dialogue thus became an important complement to sanctions. State Department officials in particular have played an important role both in the lead up to and since the initiation of the political process involving the new Myanmar government and Aung San Suu Kyi. These officials have communicated to Naypyidaw US expectations of the necessary steps and reform measures to advance the bilateral relationship. They have also closely interacted with Suu Kyi regarding political developments and her possible options in the context of political transition and the generational change at the top of Myanmar's (ex)-military leadership. US officials as such also seem to have played a key part in Suu Kyi's reassessment of how to approach those former military leaders now at the helm of the new civilian government. Similarly, US officials have discussed both with the government and ethnic groups the issue of national reconciliation.

Beyond the goal of promoting political freedoms and democratic governance in Myanmar, the adoption of a more pragmatic Burma policy also served other objectives. One was the strengthening of US relations with ASEAN. Although the George W. Bush administration had not overlooked Southeast Asia, Washington was soon primarily preoccupied with operations in Iraq and Afghanistan to the perceived detriment of its ASEAN ties. Bush's critics within the US had pointed to significant long-term policy drift that put at risk American economic, political and security interests, and called for a comprehensive ASEAN strategy that recognised both Southeast Asia's interest in global free trade and its important role in structuring regional security dialogues. The Obama policy team had also appreciated that President Bush's hard-edged Burma policy had to some degree complicated relations with the Association as a whole because Washington had applied pressure on ASEAN countries to advance political change in Myanmar. Though promoting such change was to some extent shared by regional countries, ASEAN governments generally thought that a policy focused on sanctions and ostracism was counterproductive. They preferred economic and diplomatic engagement. Worrying though from a Southeast Asia perspective was that Washington seemed prepared to hold the further development of ties with ASEAN hostage to the situation in Myanmar. Such perceptions and assessments, not least those from within ASEAN, required a response. The review of US Burma policy and Washington's decision to embark on a more pragmatic approach can thus be seen as part of an attempt not only to be effective in bilateral relations with Myanmar, but also to refashion US ties with ASEAN. When the policy adaption was announced, ASEAN countries welcomed it.

The Obama administration's focus on strengthening ties with ASEAN as an organisation, as well as with its member-states cannot, however, really be considered outside the context of China's rise as a great power and its deepening ties with Southeast Asia. China's relations with the ASEAN states had greatly improved on the back of the China-ASEAN free-trade agreement and Beijing's offer of Chinese aid, especially to countries in continental Southeast Asia, not least Myanmar.<sup>2</sup> It seemed that even countries such as the Philippines and Indonesia were susceptible to China's charm offensive and associated economic carrots. When the East Asia Summit, organised and nominally led by ASEAN, held its inaugural leaders' meeting in 2005, Washington was excluded, much to its concern.

To be sure, the United States has for some time generally welcomed China's growing stature and weight. However, Washington has also been concerned about China's growing military capabilities and it has sought to influence China's foreign policy choices by shaping the latter's regional environment, not least by revitalising relations with alliance partners and friendly states. The Bush administration suggested in 2005 that China should become a 'responsible stakeholder' in regional and international society, while simultaneously hedging against the possibility that Beijing would not. The Obama administration advanced a similar official position vis-a-vis China by emphasising the need for 'strategic reassurance', while continuing a dual strategy of engagement and balancing.<sup>3</sup>

The Obama administration has not only been prepared to counter and offset China's earlier charm offensive in Southeast Asia, but also to confront, for instance, what has been perceived as renewed Chinese assertiveness in the South China Sea. This has involved emphasising the importance of the freedom of navigation and diplomatically challenging Beijing regarding its actions and claims in the South China Sea. In November 2011, for instance, Hillary Clinton made clear that while Washington did not take a position on any territorial claim, the claimants should not resort to intimidation or coercion to pursue the latter.<sup>4</sup> That month, the United States also announced the deployment of a rotating contingent of 2,500 troops to Darwin, Australia.

Notably, the Obama administration continues to argue that it wants a 'strong progressive partnership' with Beijing, while asserting that the US is 'destined to play a strong critical, primary role in the Asia Pacific region for decades to come'.<sup>5</sup> To secure America's leadership role in the Asia-Pacific, the administration has identified six lines of action:

1. Strengthening bilateral security alliances;
2. Deepening US working relationships with emerging powers;
3. Engaging with regional multilateral institutions;
4. Expanding trade and investment;
5. Forging a broad-based military presence;
6. Advancing democracy and human rights.

These lines of action all form part of what has been referred to as Obama's 'pivot' towards the Asia-Pacific. In substantive terms, this involves, for instance, promoting the Trans-Pacific Partnership and joining the East Asia Summit. However, what Hillary Clinton called 'forward-deployed diplomacy' aims to make use of the full range of US diplomatic resources to 'every country and corner of the region'.<sup>6</sup> These diplomatic efforts to advance the security and prosperity of the region are underpinned by the US military's 'rebalancing'

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<sup>2</sup> See Bronson Percival, *The Dragon Looks South: China and Southeast Asia in the New Century* (Westport, CONN: Praeger Security International, 2007), Robert G. Sutter, *China's Rise in Asia: Promises and Perils* (Lanham, MD: Rowman & Littlefield, 2005).

<sup>3</sup> As Deputy Secretary of State James Steinberg put it in October 2009, 'China must reassure the rest of the world that its development and growing global role will not come at the expense of the security and well-being of others.'

<sup>4</sup> Paul Eckert and Manuel Mogato, 'Clinton warns against intimidation in South China Sea', Reuters, 16 November 2011, [www.reuters.com/article/2011/11/16/us-philippines-clinton-idUSTR7AF0JZ20111116](http://www.reuters.com/article/2011/11/16/us-philippines-clinton-idUSTR7AF0JZ20111116)

<sup>5</sup> Kurt M. Campbell, 'US Engagement in Asia', Remarks at the Institute of Security and International Studies, Chulalongkorn University, Bangkok, 10 October 2011.

<sup>6</sup> Hillary Rodham Clinton, 'America's Pacific Century', Remarks at the East-West Center, Honolulu, 10 November 2011.

towards the region.<sup>7</sup> Put differently, the US military is tasked to back principles of open and free commerce, the rule of law, open access by all to their shared domains of sea, air, space, and cyberspace, and resolving disputes without coercion or the use of force. To achieve this task Secretary of Defense Leon Panetta has announced 'a sustained series of investments and strategic decisions to strengthen our military capabilities in the Asia Pacific region'.<sup>8</sup>

Obama administration officials may insist that their goal is to improve 'strategic trust' between China and the United States. However, it is difficult to conclude that there is not a significant lack of trust that is very difficult for both sides to overcome. Chinese analysts increasingly see Washington moving beyond strategic ambiguity to embracing a containment strategy.<sup>9</sup>

Given this broader context of US-China relations, the United States' new Burma policy remains geared to the promotion of democratic governance and national reconciliation, but under President Obama it has arguably from the start also been made with China very much in mind. Statements regarding Myanmar initially made by administration officials may not always fully acknowledge this, given the significant and longstanding bipartisan support for regime change in Burma. However, the larger strategy outlined by the Obama administration supports this assessment. Also, it is useful to recall, for instance, that Assistant Secretary of State Kurt Campbell, who has been personally very much involved in leading the shift in Washington's approach toward Myanmar, not only focused extensively on China's rise and the balance of power in Asia before joining the administration, but has also been at the very heart of recalibrating US strategy toward the region. Similarly Ambassador Derek Mitchell, who in 2011 became the special representative and policy coordinator for Burma and then took up the long vacant post of US ambassador to Burma, may have had a longstanding interest in Myanmar, but he also remains known for his very significant expertise and contributions on developing strategy toward Southeast Asia and the wider East Asia-Pacific.

## CHINA'S MYANMAR POLICY

In the context of Deng Xiaoping's twin policies of reform and opening up to the outside world, Chinese policy advisors were emphasising the significance of Myanmar's geographical position by the early to mid-1980s. However, it was not until the beginning of this century that major infrastructure projects, such as the future oil and gas pipelines traversing Myanmar, were agreed. Today, Chinese SOEs are heavily invested in Myanmar's natural resource sector. Politically, China's government continues to celebrate its longstanding 'paukphaw' (kinship) relationship with Myanmar that was first formed in the 1950s, while Chinese leaders have generally appreciated the entrenched sense of nationalism among Myanmar's military leadership and its preference for foreign policy diversification.

Anecdotal evidence suggests that Chinese analysts working on Southeast Asia and Myanmar thus immediately understood that the 2009 US Burma policy review alone might be understood in Naypyidaw as an opportunity to open up new diplomatic space for decision-makers. China's government actually welcomed the Obama administration's pragmatic engagement policy; earlier, China had itself facilitated an unsuccessful dialogue meeting between Myanmar and US officials in 2007. However, more recent developments, not least the US' role in Myanmar's dramatic embrace of political and economic reforms, and the Thein Sein government's rapidly improving ties with the Obama administration, would seem to have left Beijing both startled and concerned.

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7 See US Department of Defense, *Sustaining US Global Leadership: Priorities for 21st Century Defense*, January 2012.

8 Leon Panetta, 'The US Rebalance Towards the Asia-Pacific', 11th IISS Asian Security Summit (Shangri-La Dialogue), 2 June 2012.

9 Lanxian Xiang, 'China and the 'Pivot'', *Survival* 54 (5) 2012, p.117.

During the decades in which various US administrations sought to break the military regime's political will, China had emerged as Myanmar's largest foreign investor, a key trading partner, and a very significant source of finance and expertise. The outcome of the US Burma policy review in September 2009 did not immediately threaten to alter the contours of this structural position, just as it did not immediately engender a fundamentally different relationship between Naypyidaw and Washington. Arguably, Chinese decision-makers were content to see that while the SPDC was in power the new US Burma policy had little effect on either Myanmar's relations with Washington or the domestic politics of Myanmar itself.

China's government apparently expected this state of affairs to continue even after the transition in late March 2011 to a nominally civilian government, despite Suu Kyi's release the previous November and ongoing international clamour for political change. Indeed, the overwhelming victory of the USDP in the problematic and much criticised 2010 elections followed by the transfer of power to a younger generation of former military leaders, which saw long-serving Prime Minister Thein Sein become Myanmar's new President, seem to have led China's government to initially believe that the new government in Naypyidaw would not significantly deviate from longstanding SPDC positions, not least on national reconciliation and political reforms. With an elected and hence arguably more legitimate government in place, China itself pushed for a comprehensive strategic cooperative partnership, which was formally agreed during U Thein Sein's first visit as President to Beijing in May 2011.

From Beijing's perspective, such a partnership would build on and reinforce its existing economic and political relationship with Naypyidaw. In 2006-7 China provided Naypyidaw with important diplomatic protection, as Washington and London claimed that Myanmar posed a threat to regional peace and stability. This culminated in the China-Russia double veto in January 2007 of a draft resolution introduced by Washington and London at the UN Security Council. China itself became subject to considerable US diplomatic pressure following the veto. Yet rather than acquiesce to American calls for sanctions or add to international pressure for regime change, Beijing went no further than favouring an acceleration of the military's own political roadmap to democracy. This support for the military government reflected China's abiding interest in Myanmar's political stability. There were also specific interests, both for Yunnan – China's southern province that borders Myanmar – and Beijing, including border security, the safety of Chinese investments, and the construction and future operation of dual gas and oil pipelines from the Bay of Bengal to Yunnan.

Moreover, at one level, China's push for a comprehensive strategic partnership was not that remarkable because Beijing had already agreed similar partnerships with numerous other countries both within Southeast Asia and beyond. However, active bilateral diplomacy conducted in this context revealed a significant interest among Chinese political and military leaders in expanding the limited military cooperation that has characterised Sino-Myanmar relations to date. China's desire for greater military cooperation seemingly was rooted in its strategic interest in access to the Bay of Bengal, in the context of Beijing's apparent longer-term objective to develop a naval presence in the Indian Ocean. A plan of action to implement the partnership was endorsed by foreign ministers Jian Jiechi and U Wunna Maung Lwin in July 2011. What specific new forms of military cooperation, if any, have been agreed is not clear.

Indeed, following President U Thein Sein's visit to Beijing in May 2011, Chinese decision-makers soon enough found bilateral ties exposed to new political currents within Myanmar as President U Thein Sein suspended the massive Myitsone hydropower project in Kachin State in late September, which the China Power Investment Corporation had been constructing since late 2009. This decision was ostensibly taken in response to widespread domestic opposition reportedly also supported by Aung San Suu Kyi. In Western countries the suspension was mostly understood as a symbolic move against overbearing Chinese influence. For Beijing the

decision arguably raised questions about its relations with Myanmar more generally and the implications for this and other Chinese investments in Myanmar more specifically.

The pace of improvements in US-Myanmar relations since August 2011 has exceeded most expectations, and both Washington and Naypyidaw were moved to reassure Chinese officials when Secretary Clinton visited Myanmar in December that year. Since then, however, US-Myanmar ties have continued on their upward trajectory as highlighted by President U Thein Sein's visit to the US in September 2012.

The Chinese government may voice understanding for Myanmar's efforts to diversify its international partners, but nevertheless will find any move towards possible alignment between Washington and Naypyidaw difficult to accept in practice. Yet over time limited alignment is likely to be sought by the United States; certainly the Obama administration's aim is for Washington to forge a better relationship with Myanmar than it currently enjoys with Vietnam. Many in China thus see the change in US Burma policy as part of a larger effort to encircle and contain China. From Beijing's point of view, the changes in bilateral relations to date probably already imply that the scope of China's future cooperative relationship with Myanmar could be more limited than previously expected: political-military cooperation represents the area most likely affected, but normalised relations with Washington will of course also allow Myanmar to seek alternative sources of capital and expertise from international financial institutions, Japan and Western countries.

With America keen to deepen its warming ties with Myanmar, China's government has openly stated its expectations pertaining to Naypyidaw's future foreign policy orientation. For instance, in talks with former Vice President U Tin Aung Myint Oo, State Councillor Dai Bingguo declared China's interest in a 'peaceful, stable, independent and prosperous Myanmar'. Chinese leaders have also called for strengthening strategic trust between the two countries, as well as improved coordination and cooperation. Some have even proposed the consolidation of ties between the Communist Party of China and Myanmar's Union Solidarity and Development Party.

Beyond such rhetoric, China has also sought to take concrete steps to rebuild confidence and reinforce its relations with Naypyidaw. For instance, Chinese interlocutors have continued to facilitate dialogue between the government and some armed ethnic groups. China's recent response to Kachin refugees seeking refuge along and across its border was also more measured than some might have expected given its previous reaction to the military and political decapitation of former Kokang leader Peng Jiasheng in 2009. Not surprisingly, China's government has unambiguously voiced support for Myanmar's economic reforms and development goals. When the United States and Europe were debating how and when to dismantle sanctions imposed against the SPDC, Beijing pointedly reiterated its call on Western countries to lift sanctions to promote stability and development in Myanmar. Also around this time, in New York, Beijing proposed that the Myanmar 'Group of Friends' at the UN assume a more practical role to bolster the country's economic development. These positions and initiatives suggest that PRC decision-makers are loathe to cede political ground to Washington,, attesting to a competitive dynamic at play. How is this competition likely to affect Myanmar's foreign policy?

## **MYANMAR FOREIGN POLICY**

Historically, Myanmar's political leaders have pursued a nonaligned foreign policy to manage the complex mix of external and internal political-security pressures that the country has confronted since independence. Despite this nonalignment, China has always had a special place in Myanmar foreign policy, which to some extent has found expression in emphasis on the kinship or 'paukphaw' character of their relationship, and the Five Principles of Peaceful Coexistence. While China presented a multifaceted challenge for Burma during the SLORC/SPDC years, Naypyidaw was able to rely on the People's Republic for diplomatic support and protection, especially when the United States sought to exert concerted multilateral pressure at the UNSC. Yet even during this period, however, Myanmar formally pursued a nonaligned foreign policy, and at most entertained with Beijing what might be called limited alignment in practice.

While taking advantage of Beijing's diplomatic cover, the increasing economic dependence on China in the face of Western sanctions was becoming a major concern for Myanmar's nationalist military leaders. Veteran Burma analyst Bertil Lintner has repeatedly stressed that an internal study of Myanmar-US relations calling for improvements in bilateral relations to alleviate the potential costs of Myanmar's reliance on China conducted by Naypyidaw as early as 2004.<sup>10</sup> In the event, the top military leadership clearly found it difficult to balance ties with China by building a better relationship with the United States for as long as the George W. Bush administration was in power, although the SPDC's interest in a dialogue with Washington was communicated both before and after the completion of its political roadmap in September 2007. Only with the Obama administration undertaking a review of Burma policy did a promising opportunity for a constructive new relationship with the US emerge.

Warmer ties with the United States are bound to yield many positives. American investments in Myanmar are now again possible, which should contribute at minimum to the creation of some new jobs; important in this regard is also the opportunity for Myanmar-based producers to export again to the US. Moreover, Myanmar's evolving relationship with Washington is bound to result in the renewal of educational and institutional capacities, as well as social capital. Bilateral and wider international assistance to deal with urgent humanitarian and development issues within the country will also become available. This, in turn, should make it more likely, for instance, for the Thein Sein government to successfully address not least the complex emergency that has characterised the country for long.

The new relationship with Washington has not only served to help legitimise the incumbent government, but also allowed Myanmar leaders to cast aside representations of the country as a pariah state in regional and international society. It has also made possible the wider rebalancing of Myanmar's external relations. Countries that were erstwhile persuaded or pressured by Washington to play hardball with the military government have been able to reconsider their position toward Naypyidaw. Quite striking, for instance, is Japan's planned level of future economic engagement, which would have been impossible during SPDC rule, but which the Thein Sein government has successfully encouraged. Meanwhile, Myanmar's fellow members in ASEAN are keen for Naypyidaw to reinforce Southeast Asian regionalism, whereas before Myanmar was collectively criticised and at times isolated. Clearly, Myanmar sees ASEAN as having a very important political function, underlined by its application to assume the Association's chairmanship in 2014. Regarding new avenues of military cooperation, Myanmar seems destined to attend as an observer the forthcoming Cobra Gold exercise, the largest multilateral exercise the United States conducts in the Asia-Pacific region. Organised in Thailand on an annual basis, Cobra Gold involves several other participating countries from Southeast and East Asia, such as Indonesia, Malaysia, Singapore, South Korea and Japan.

Notwithstanding these developments, it is difficult to envisage Myanmar breaking anytime soon with a key pillar of its foreign policy, namely the principle of nonalignment. The rebalancing of Myanmar's foreign relationships to date seems entirely compatible with contemporary practices of nonalignment. The reform policies enacted hence are unlikely to mean that China will no longer have a special place in Myanmar diplomacy. After all, China is an established cooperative partner and a direct neighbour. Burning bridges with China is thus not in Naypyidaw's interest.

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<sup>10</sup> See, for instance, Bertil Lintner, 'Realpolitik and the Myanmar Spring', *Foreign Policy*, 30 November 2011, [www.foreignpolicy.com/articles/2011/11/30/democracy\\_myanmar](http://www.foreignpolicy.com/articles/2011/11/30/democracy_myanmar) [accessed 2 December 2011]. The study was authored by Lt Col Aung Kyaw Hla at the Myanmar Defense Services Academy.



Also, it seems likely that at least the government of President U Thein Sein will not want to be too beholden to Washington, just as it does not want to be too beholden to Beijing. Indeed, the opening to America is not devoid of its own challenges. The odd piece of anecdotal evidence suggests that some of Myanmar's officials feel that Washington is pushing rather hard even at this stage for new forms of bilateral cooperation. What remains to be seen is whether long-held memories and suspicions of the United States have already dissipated across the political and military leadership.

So far, warmer ties with the US have hinged on President Thein Sein following through not only with the necessary steps and concessions that have allowed Daw Aung San Suu Kyi to rejoin and legitimise the political process started under the SLORC/SPDC, but also a series of other important steps, such as the release from prison of critics of the former military regime. Given the results of the 2012 by-elections, in which the NLD thrashed all other political parties, there remain questions about the political future of those who won office on the back of the problematic 2010 elections. It is also far from clear whether the constitutional changes to which Daw Suu Kyi aspires will be achievable before the 2015 elections. While the Obama administration has offered backing to President U Thein Sein's government in support of his willingness to engage in reforms, American policy makers are bound to watch closely how Myanmar's former generals will manage the process of political change over the next few years.

## **CONCLUSION**

As the Obama administration is keen to support Thein Sein's dual project of political reconciliation and economic reforms, with China's rise clearly in mind, the geopolitical competition over Myanmar between Washington and Beijing is set to intensify. The present US role in Myanmar's political and economic reforms will in all likelihood lead in the future to a greatly expanded presence in the country. By comparison, China's often much exaggerated political hold over Naypyidaw has taken a knock with US-Myanmar rapprochement. Its significant economic presence in Myanmar will continue, however. Significantly, far from pulling back, the Chinese leadership also seems eager to continue to boost the bilateral relationship with Naypyidaw, which will probably prompt more rounds of competition for greater influence between Beijing and Washington concerning Myanmar.

By normalising relations with Washington, Naypyidaw will have gone some way to restoring the balance historically favoured in Myanmar's external relations. To progress with its domestic reform agenda, the Thein Sein government seems committed both to warmer relations with Washington as well as pursuing the comprehensive strategic cooperative partnership it agreed with China. However, evidence suggests that the Thein Sein government knows it will need to carefully manage the attention and interest from both Beijing and Washington.

Finally, one should not assume that developments in Myanmar over the next three years will necessarily amount to an entirely smooth political transition. So far the NLD has been the major beneficiary in party political terms from the present process of reconciliation long urged by Washington. With the political future of representatives and officials of the previous regime possibly in doubt, there is at least the question over how much internal pressure the President will yet face and be able to resist regarding a possible recalibration of the current political course and concessions in the name of national reconciliation. In turn, the resulting decisions of this process are likely to affect Naypyidaw's relationship with Washington and Beijing. ■