

CHAPTER I

INTRODUCTION

A. Background

Myanmar (a.k.a Burma) has been in a state of constant civil war since independence in 1948 (Stuff, 2011). Myanmar is one of the most ethnically diverse countries in mainland Southeast Asia with some ethnic groups demanding equality with the Burmans in the three public realms, specifically the protection of ethnic culture, language, and religion, the devolution of tangible executive, legislative, and judicial power to the ethnic states within a true federal union, and a democratic form of government (Minority Rights Group International, 2011).

In western Myanmar, precisely in Arakan, there are two major ethnic races, Rohingya (Muslims) and Rakhine (Buddhist). Rohingya is a muslim minority in predominantly Buddhist Myanmar. They are considered as a stateless nation since they are not recognized by the national law so they have limited access to education, health care, etc. On June 8th 2012, violence between the Rakhine Buddhist majority and Rohingya Muslim minority broke out. According to Human Rights Watch, the violence quickly evolved into large-scale, state-sponsored violence against the Rohingya Muslim minority (Smith M. F., 2012). A number of conflicts with armed groups persist, and have resulted in almost 100,000 internally displaced people (Smith M. , 2013). The victims are homeless and lacking the most basics of human rights (Life, Freedom, Food, Medicine, etc.).

Some of them have fled to neighboring nations. Thousands of Rohingya ethnic are fleeing from persecution. Boarding overcrowded boats (and often enduring horrific condition) they are going to countries scarcely able to help them — or in some cases, frankly, not interested in helping them. The obvious candidates to house displaced Rohingya have appeared unwilling or unable to provide permanent homes for them. For example, Malaysia and Indonesia have turned away Rohingya because the countries claim they are financially unable to accept them. The Thai navy has similarly rebuffed the refugees. Bangladesh, a Muslim majority nation, had informally harbored the Rohingya for years only to order them out of border camps (Tennery, 2015).

Commonly, the mainstream concern was the role of the government and the human rights violations resulted by the conflict. However, the potential possibility of threat to regional economic security issues in Southeast Asia cannot be taken for granted. That is why, the hypothesis of the research is conducted on one particular regional issue, regional economic security threat created due to the conflict, especially in the *Strait of Malacca* and the surrounding countries.

Straits of Malacca is situated in the bulk of Myanmar. It is one of the most important shipping lanes in terms of strategic and economic perspective. This lane is extremely important for the region because major Asian economies like India, Japan, China, Indonesia and Korea are linked via the Strait of Malacca (Lotha G, 2013). Direct trade from many countries to Southeast Asia has been transported also through this route everyday and vice versa. Therefore, any kind of threat to that particular zone could bring massive problem for trade

and business transportations to the strait, thus it creates economic imbalance over the surrounding countries.

Figure 1.1 – Trade route via Strait of Malacca



(Lotha G, 2013)

Mr. Marten Bosker who is an associate professor of University of Rotterdam along with Mr. Joppe de Ree on their research entitled *Localizing Conflict Spillovers: Introducing Regional Heterogeneity in Conflict Studies* discuss about the spillover effects of conflicts on respective regions. They examine the cases of the Burundi crisis and the Balkan conflict on their work to understand conflict spillover. Burundi civil war spread to Rwanda and subsequently to the Democratic Republic of Congo (also directly involving Uganda and Tanzania among others) and the conflict in the Balkan first involved mainly Serbia and Croatia but it spread from there to Bosnia and Kosovo. According to them, these conflicts spread due to the spillover effect of the conflict. The cases of Balkan and Rwanda were discussed because both of the cases have similarities with the conflict in Myanmar. This research assumes that if spillover could happen in Balkan and Rwanda, it can occur in Myanmar case as well (Marten Bosker, 2009).

B. Research Question

How does the ethnic violence in Arakan state of Myanmar affect the Southeast Asia economic security?

C. Theoretical Framework

Internal issues of Myanmar crisis are mostly domestic and so, the scope of topic making in International Relations (IR) issue is limited, even though the potential impact on regional economic security clearly brings this topic into the field of IR. Moreover, the research will be connected to International Relations issue using Regional Security Complex Theory (RSCT) and Spillover Effect.

1. Regional Security Complex Theory (RSCT)

Barry Buzan, a professor of International Relations at the London School of Economics, advances the Regional Security Complex Theory (RSCT). The central idea of RSCT is how security is clustered in geographically shaped areas. Security of each actor in a region interacts with the security of other actors. Regions and their security are now more self-directed and more influential. The countries which lie in a conflicting region which are not directly involved in conflict or war would also be considered as under the threat of it just because of the correlation of anarchy and geography (Stone, 2009).

Buzan argues *“The formative dynamics and structure of the security complex are normally generated by the units within it – by their security perceptions of, and interactions with each other”*. The basic concept

underpinning Buzan's regional economic security complex is that a group of states whose primary security (trade, economy, environment, military) concerns link together sufficiently closely that their national securities cannot realistically be considered apart from one another. He also states "*Regional security is a relational phenomenon. Because security is relational, one cannot understand the national security of any given state without understanding the transnational pattern of security interdependence in which it is embedded*".

Another key concept of RSCT is most political and security threats travel more easily over short distances than over long distances, meaning that security threats will travel faster on regions than the entire globe.

In the Regional Security Complex Theory, there is concept known as security arrangements, which is defined as the way a country strives for order and security in the region by way of cooperation with neighboring countries in the region. The variables in the theory of Regional Security Complex can be divided into two variables, namely:

1. Internal Variables

The internal variables can be measured using several indicators, such as; geographical location, and the interaction between countries, and similarity in some aspects.

2. External Variables

External variables can be measured using two indicators, such as: current issues and the international situation.

The first variable, internal variables, measured using some types of indicators: geographical location, interaction, and the similarity in culture

systems, economy, social life, and politics. In geography, it is seen how big the role in defining the geographical location of a country as a region, because not all countries are adjacent to establish a collective security arrangement. The second indicator, the interaction between countries, it will show how often and how closely the interaction between countries in the region's. Does the interaction between countries so deeply that they feel as a whole, or just the little interaction to make them feel like doesn't know their own neighbors? Meanwhile, the third indicator system will see similarities in culture, economy, social life, and politics in the countries of the region. Most of these countries have something in common, so the sense of solidarity is also getting stronger.

For the second variable, external variable, are the things coming from outside the region that influence the formation of the security settings in a region. The first indicator in the external variables is the condition/state of the international environment, whether a state of the current international environment supports the establishment of security arrangements. The second indicator is the issues that developed at that time, whether or not it was in the developing world issues that require the cooperation of countries in the region, especially in terms of security settings such as the issue of ethnic conflict emerging in recent years, or even the issues raised turns out to have no effect on the establishment of security arrangements between countries in the region. Those indicators are then used to see whether or not the countries of the region will form a regional security complex which leads to the establishment of security arrangements (Angelika, 2015).

Since the author focuses on the economic security especially in the straits of Malacca, the author analyzes the internal variables using indicators of geographical location and interaction among states. Geographical position of Myanmar ties closely with the Straits of Malacca. Therefore, the violence in Myanmar has the potential to threaten the stability of the Straits.

2. Spillover Effect Theory

Moreover, the societal means such as trade, economy and security are correlated to each other. On the other hand, Marteen Bosker who is an associate professor of University of Rotterdam and Mr. Joppe de Ree state that:

“Regional integration may result in a spillover effect where one incident in one nation may spillover to the surrounding nations, even though the surrounding nations are not directly involved with the internal happenings” (Marten Bosker, 2009).

In the cases of ethnic conflict, the spillover effect can be very evident. Therefore conflict spillovers are important showing that- the fate of individual countries does not only depend on their own actions to prevent civil conflict, but also on what is happening in neighboring states around them. Therefore if the stability of the Strait is hampered, it can have negative impacts on strategy and economic security of the entire region.

Relating the Regional Security Complex Theory and Spillover Effect to the research topic; the sectarian violence in Myanmar can be seen as internal problem of Myanmar but the effects of the problem can have far reaching consequences to the regional economic security including the Straits of

Malacca which is the main route of trade in South East Asia thus affecting the whole region economically (Stone, 2009).

D. Hypothesis

Based on explanation above, it can be drawn hypotheses that the ethnic violence in Arakan state of Myanmar could effect Southeast Asia economic security due to: *First*, the geographical position that ties closely with the Malacca Straits, so the violence has the potential to threaten the stability of the Straits. *Second*, the spillover effect which can destabilize the entire economic security of the regional.

E. Purpose of Writing

The purpose of the research is to analyze whether the sectarian violence will have potential to threaten the stability of Straits, so it will have spillover effect on the entire Southeast Asia economic security, likewise defining regional security in connection with trade and economy. Using the Regional Security Complex Theory and Spillover Effect, the issue has been described within the lens of International Relations.

F. Research Methods

In this research, both quantitative and qualitative analytical method would be adopted in researching the question. Qualitative analysis like books, journals, the statements made by the director of ASEAN, Human rights reports, Journals, or written documents would be used in getting a general overview of the Arakan conflicts and its connection on the straits of Malacca. Meanwhile, the quantitative data, such as the trade volumes of Malacca ports

would help us to get more mathematical knowledge of trade in the region. Connecting both methods will give a clear answer to the research question since quantitative analysis is widely used in understanding the effect of ethnic conflict on economy.

G. Scope of Research

In this research, based on the theme, the author will limit the scope of research to avoid the discussion irrelevant and the evidence of hypothesis as well as research question that has been proposed. The author will look at the data from 2012 until 2016 to analyze the Rohingya Conflict and the impacted countries. Since the crisis erupted in 2012 until the latest conditions of Rohingya conflict. The author will also looked at the data on Malacca Port to analyze the trade and business transportations system in the Straits of Malacca.

H. System of Writing

CHAPTER I This chapter explains the background, theoretical framework, purpose of writing, hypothesis, scope of research, research methods, and the system of writing.

CHAPTER II This chapter explains about Southeast Asia situation and economic security before conflict erupted in 2012, as well as the potential and condition of the Strait of Malacca.

CHAPTER III This chapter explains the history of Rohingya and analysis of Rohingya Conflict in 2012.

CHAPTER IV This chapter explains the analysis on how Rohingya Conflict affected the most important trade zone: The Straits of Malacca, as well as the economic security of Southeast Asia countries.

CHAPTER V This chapter contains of the conclusion of research on Rohingya Conflict and Its Impact in Southeast Asia Economic Security.