

Last month I returned to Australia after living in Myanmar for two years, working in microfinance and economic development. (I also lived in Myanmar in 2012-13 when I was a senior executive at LIFT, which was partly funded by AusAID, and then worked as a Senior Sector Specialist at DFAT from June 2013 to October 2015).

I am interested to contribute on at least two topics:

*Why did the military coup in Myanmar occur?*

The military complained continuously of voting irregularities when its total was less in the November 2020 election than in 2015, leaving it further from controlling the parliament and being able to appoint the President, most likely General Min Aung Hlaing, who was due to retire as Commander-in-Chief this year. However, these claims were not taken seriously by Aung San Suu Kyi and her party, the National League for Democracy. I am reliably informed that the Army and the NLD were close to agreeing a joint audit of voting and electoral rolls in 10 seats but, over the weekend immediately before the coup, negotiations were abruptly cut off by Aung San Suu Kyi.

*What can or should Australia do to support the return to stability and democracy?*

Sanctions from developed countries, whilst increasing and having some effect, and UN resolutions (which need to pass the 'veto' test of China and Russia) are unlikely to resolve the crisis. ASEAN is also generally reluctant to take strong action against its members. Whilst as many as 80,000 Buddhist monks were behind the Saffron revolution of 2007, since then they have been somewhat discredited by extreme pro-Army and nationalist elements. (On the day before I left, I saw a group of monks smashing the 'broken down' cars of protesters creating deliberate traffic jams in Yangon.)

I am afraid that leaves China. As is well known, it has massive economic and geo-political interests in Myanmar. (President Xi chose to travel to Myanmar, to execute 33 separate Belt and Road infrastructure agreements, on the same day in January 2020 that the Trade Agreement was signed with the US.) China may well be supporting the junta now, but it could push for a compromise before its business interests are badly affected, some signs of which occurred with arson at Chinese-owned factories in Yangon a few weeks ago. Whilst Australia's relationship with China is at a low ebb, there may be other channels of communication. The interesting counterpoint is that the junta itself may seek to retain some respectability in the eyes of the rest of the world, given that the opening up of Myanmar a decade ago was largely a reaction by the Thein Sein government to its over-dependence on China.

In the meantime, Australia should ensure that its aid to Myanmar: continues to flow to those opposing the junta; serves the resulting need for humanitarian services; and protects the economic advances made over the last decade or so. Close to my heart is the microfinance sector, which has grown to serve over 5 million poor and mainly women clients. The 190 or so Microfinance Institutions are facing a "perfect storm" of: clients unable to repay loans; staff who feel duty bound to participate in the Civil Disobedience Movement; and a banking system, which the MFIs need for their day to day operations, that has not functioned properly for nearly two months now!