Myanmar's Long Road to Democracy

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The democratisation process being pushed by President Thein Sein's quasi-civilian government in Myanmar is facing a lot of difficulties - and it's not hard to work out why.

Huge changes are underway: economic liberalisation, developing a banking system in line with international standards (in a society that has not had this for more than 60 years), imposing the rule of law, trying to get armed ethnic resistance groups to enter a peace process, operating a parliament despite little or no experience on how to draw up laws and improve or repeal existing laws. But the worst problems are corruption and misuse of power by government administrators.

When mobile phones were introduced to the country, the first users had to pay 1.5 million kyat (US$1,700) for one handset - among the highest prices in the world. With gross domestic product at only $1,400 per capita and earnings ranked among the lowest worldwide, many still dream of getting one. The telecommunications department controlled the mobile phone business and made them expensive for two reasons.

One, they were allowed only for the wealthy, most of whom were government cronies, because mobile phones were seen as dangerous - a way to reveal news about what was really happening in the country.

With a relatively small number of mobile phones, this was a way for the military to retain control of information. Second, doing this made a lot of money for the elite and helped well-connected individuals become very wealthy.

However, demand for reasonable prices forced the telecommunications department to reduce the price of phones to a third of the original price. This is still much higher than international prices.

In the United States, phone companies gave free basic phones to customers. When people in Myanmar heard about this, they demanded low-price phones for everybody. This demand echoed around the country, and telecom officials lowered the price to 250,000 kyat. Yet this is still higher than other countries.

In a poor country like Myanmar, it is hard for grassroots people to get a cell phone. The price has dropped to 150,000 kyat but there are just 1.24 million mobile phones in a country with a population of over 60 million. Myanmar has a phone ownership ranking of 148, below its neighbour Laos, where nearly 5.5 million people have a mobile phone (world ranking 100), and Thailand, ranked at 18 with about 70 million mobiles. The fact a small country like Laos is ahead of Myanmar on this standard indicates that prices need to be cut further immediately. But catching up to Thailand will take one or two decades.



Aung San Suu Kyi.

Recently, Telecommunications Minister Thein