The Future of Labor Relations in Myanmar: after the Coup d’etat

In the past decade, Myanmar has experienced a dramatic growth within its labor movement, promoting social activism, worker rights, and worker solidarity in garment factories. Recently, the military seized power and arrested dozens of civil leaders. With events unfolding daily, this dispatch intends to offer a brief perspective on the situation and comment on the implications for labor relations and worker rights.

History of labor relations
During the military era, the State administered labor relations in an authoritarian manner. Labor unions were unlawful. Labor leaders were sent to prison or exiled themselves to Thailand. Starting in 2011, the military provided a semi-democratic veneer to the government. Today, the structure of labor relations is conceptually tri-partite, although unions observe that the interests of government and business are always aligned. The labor movement and legal structure in Myanmar is still in an evolving stage without the strict rule of law. The country’s economic and social liberalization has brought significant political rights and economic opportunities to society.

Since 2012, workers have protested military influence and voiced dissatisfaction with their wage and benefits in the garment and footwear industry, which has led to numerous strikes. Many of these strikes are in non-union factories. A successful strike is often the impetus to build a factory union.

Concerning labor policy, the National League for Democracy (NLD) has not focused on worker rights as a priority. The Labor Minister had not been replaced from the military era. All progress in worker wages and work conditions have been forced by strikes. The legislature generally ignores union proposals for statutory changes. In addition, COVID-19 has given employers significant leverage in dismissing workers and targeting union leader with overt animus. Thousands of jobs have been lost due to decreased demand for garments by western brands. Since the pandemic, the labor movement has been institutionally weakened.

The coup
Before dawn on February 1, 2021, the military overthrew the government. The military has arrested NLD leader Aung San Suu Kyi, President U Win Myint, and cabinet ministers. The new military leader is General Min Aung Hlaing, who has declared a state of emergency and promised to restore democracy after one year. The prevailing assumption is that the coup was promoted to protect the vast patronage
network managed by the military and business leaders. Some 696 people, including monks, writers, activists, and politicians had been arrested in relation to the coup, according to the Assistance Association for Political Prisoners. Many of the repressive laws used against dissidents date back to the country’s colonial era.

Despite misgivings concerning the NLD, ethnic groups have bonded to save national democracy. A youth leader from the Chin minority has announced four demands: getting rid of the military imposed constitution, ending dictatorship, building a federal system, and the release of all political leaders.

**Current civil resistance**
There is now a clear civil disobedience movement (called CDM) throughout the country, including students. Many bankers, railroad workers, and doctors have joined the movement. In the beginning, the people joined in a celebratory atmosphere. Even police officers have joined the chant of “get out dictators.” Some protestors hold up the three finger salute, taken from the Hunger Games movie. Others bang on pots, to drive out the evil spirits. The protests have been peaceful, although the military has recently killed people. A domestic boycott movement called the "Stop Buying Junta Business" campaign also emerged. Even truck drivers have joined the protest and slowed delivery of imports, trapping cargo containers to 30 percent of volume. Only essential food, medicine, and fabrics for garment factories are being delivered without interruption.

**What we do know concerning labor relations, after the coup**
Trade unions and worker activists have condemned the coup and joined national protests to restore their semi-democratic government. International unions have joined in solidarity. The joint statement of the labor federation on the current state of the country expresses:

“We, as workers, have already voted for the party representatives that we believe in during the 2020 multi-party democratic elections. We, as workers, trustfully expect and support the new government, new Parliament that are born in accordance with the 2020 election results. We strongly oppose and condemn the coup that brings the democratic system backwards.”

The Confederation of Trade Unions of Myanmar (CTUM) is calling on global companies operating in Myanmar to a) issue a public condemnation, b) express that continuation of the coup will have a negative effect on future international investments, c) end transactions with military-owned businesses, d) pledge to not aggravate human rights.

At this time, no union leaders are publicly known to have been arrested, but such leaders are presumably hiding out of caution, some in safe houses. Older union leaders lived in the prior military era, so are aware
of the risks. The current President of CTUM was exiled to Thailand for a decade, and still uses a nom de guerre. The military has begun to impose restrictions against public gatherings, including curfews and limits to gatherings.

*What we do not know concerning labor relations, after the coup*

Local media has not yet focused on the effect of the coup on trade unions. The immediate question concerns the scope of the arrests. Will the military designate union leaders as a threat, and arrest or detain them?

The next question concerns restrictions on freedom of association (FOA). Will trade unions be tightly controlled, or actually become unlawful? Will future labor strikes be suppressed, or become unlawful, subject to military violence. Will restrictions and surveillance of cell phones and internet prevent further communication among union leaders? Another question concerns the role of labor NGOs, of which there are many supporting the labor movement. Will labor NGOs be subjected to intense scrutiny, or have their licenses revoked.

The final question concerns labor policy and structure. Will labor law be suspended? Will the current tripartite structure of labor relations be abolished? Will the role of the ILO be minimized?

*Will labor relations in Myanmar be modeled after China?*

The military might look to China as the template for controlling worker rights and suppressing labor disputes. Under the China model, independent unions are forbidden in favor of one national union totally controlled by the government. The role of the single trade union is consigned to propaganda and promoting employer interests. Worker strikes are suppressed, often with violence. Union leaders disappear for months. Labor NGOs have moved to Hong Kong. In China, even the so-called labor arbitration process is managed and controlled by the government.

*Conclusion*

Events are unfolding each day. At least in the short-run, the military coup is a disaster for institutional worker rights, the rule of law, and the economy. Due to the pandemic, the fledging labor movement was already damaged by the loss of jobs in the local supply chain, and the overt animus demonstrated by employers toward union leaders during the pandemic. Independent labor unions cannot effectively exist during authoritarian rule. Unions depend on freedom of expression to promote worker rights and build solidarity. Military rule chills worker activism or prohibits activism all together. Employers may even report “troublemakers” to the military for intimidation or arrest.
On the other hand, the coup may have the opposite effect, in building national solidarity against a common enemy. This unexpected reaction may energize the labor movement in the long run, and elevate their role in the national memory.

In conclusion, the military's game plan is not clear. Their exact motives for the coup remain unknown, but were certainly not election fraud. What does the military intend to achieve in the limited time they have given themselves? Beyond doubt, the military coup has not swayed the population with its explanation or it arresting NLD leaders. The “genie of democracy” is out of the bottle and not going back.

The author
Richard D. Fincher is an Instructor of Asian Studies and Dispute Resolution with the Scheinman Institute on Conflict Resolution, Cornell University, School of Industrial and Labor Relations. Fincher has studied and taught dispute resolution in Myanmar, including at Yangon University Law School. The author commends the research contribution of Ms. Jassa Weinberg of Cornell ILR, and editing contribution of Ms. Jini Park, PhD, of Penn State University.