

# THE WALL STREET JOURNAL

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## INSIDE TODAY'S JOURNAL

### Corporate Resistance

We must take lessons from the defeat of South Africa's apartheid and stop doing business with Burma's brutal junta, says Reebok CEO Paul Fireman. **MANAGER'S JOURNAL, B2**

### MANAGER'S JOURNAL / By Paul Fireman

**D**EFEATING APARTHEID would have been impossible without corporations world-wide mounting economic pressure to help release South Africa from the grip of a criminal regime. Archbishop Desmond Tutu, a leading voice in that fight for freedom, declared, "Tough sanctions, not constructive engagement, finally brought the release of Nelson Mandela and the dawn of a new era in my country." In 1993, when Archbishop Tutu looked to the brutality of the junta controlling Burma, he called it "the South Africa of the '90s." More than a decade has passed, but Western corporations are still playing key roles in boosting the Burmese economy that finances the junta's rule.

In the past few months, a 23-year-old refugee from Burma has documented reports in horrifying detail that demand our attention. She described an incident in which 10 Burmese soldiers stormed a farm and raped a young woman in her hut for eight hours straight. The woman was seven months pregnant at the time. Her husband was tied to a nearby tree and forced to hear the entire assault. The soldiers then dragged him away, and the woman never saw him again. A few days later she gave birth alone in the jungle.

The most shocking thing about this story is how commonplace it has become in Burma. For years now Burmese soldiers have been attacking women and even children in fields as they plant sugar cane, on riverbanks as they wash clothes, along roadsides

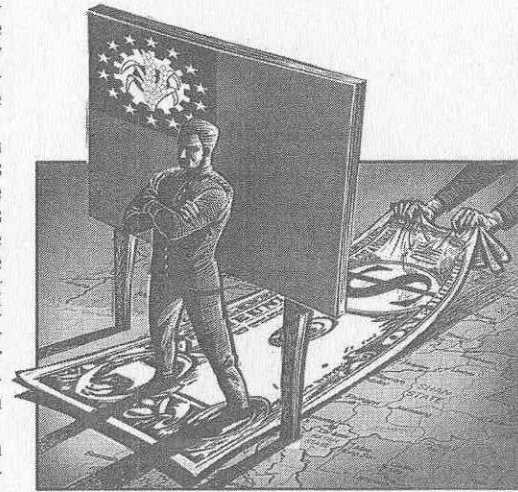
as they forage for wild vegetables. But these rapes are not random crimes. They are part of the Burmese military's strategy to intimidate and control ethnic groups.

The brave young woman who reported these stories was Charm Tong, a refugee who works on the dangerous frontlines in the fight for the rights of oppressed Burmese nationalities. For exposing the military violence against women and children and courageously advocating for their rights, Charm Tong received the Reebok Human Rights Award last month.

As I listened to Charm Tong's stories, I felt reassured that Reebok's 1996 decision to refuse to do business in Burma was the right one. But her reports of these recent atrocities are evidence that not enough companies have joined us in creating economic pressure to fight the systematic, deliberate cruelty of the junta. We need many more corporations around the world to join us in defending human rights in Burma.

Why focus on this regime? Despite a lack of enemies outside its borders, Burma has one of the largest armies in Asia. It spends nearly half its budget on the military. At the same time, the United Nations reports that Burma—once one of Asia's healthiest economies—is now home to one of the world's poorest populations. It has also become one of the worst providers of health care, with one in 10 children dying before turning five.

## What We Can Do About Burma



David G. Klein

But the junta's human-rights record provides an even more urgent reason. The regime has renamed itself the State Peace and Development Council in an attempt to mask its appalling record. That record includes the massacre of thousands of civilians, the widespread use of slave labor, the routine torture of 1,300 political prisoners, the forced removal of 1.5 million people from their homelands, and, as now documented, rape as a weapon of war against ethnic minority women and children.

It's impossible to conduct business in Burma without supporting this regime. In fact, the junta's core funding derives from foreign investment and trade. But foreign investment and aid yield little benefit to the nearly 50 million citizens who live un-

der the military's ruthless campaign of intimidation. Nobel Peace Laureate Aung San Suu Kyi, the democratically elected leader now under house arrest, has pleaded with the world to apply economic sanctions against Burma until democracy can free the country from the military's brutal grip.

Over the years many foreign companies in a wide range of industries have responded to those pleas by withdrawing their business. These include adidas-Salomon, H&M, IKEA, Newmont and British Petroleum. But some of the regime's principal business partners continue to be multinationals, many based in Europe. Those lifelines must be cut to weaken the regime's hold on the people of Burma.

Governments can, and should, do much more to enact humane responses to this crisis. But the experience of apartheid demonstrates a powerful role for businesses to play. I urge corporations around the world to work together once more, this time to help restore human rights and democracy to Burma.

*Mr. Fireman is chairman and CEO of Reebok International Ltd. The 16th Reebok Human Rights Awards were presented on May 11 in Los Angeles.*

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