

CHINA'S MYANMAR DILEMMA

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SUMMARY

The brief takes a closer look at Myanmar's recent coup d'état from the Chinese perspective. The situation is more complex than general public opinion believes and should be discussed in at least three particular contexts: historical experiences with Maoist guerrillas in Myanmar, anti-Chinese sentiments, and the problems in managing the cross-border governance in Upper Myanmar. By discussing the aforementioned dimensions, the author explains the complexity of China's policy towards its southern neighbour, a country ranked as the 22nd most fragile state in the world by the Fragile States Index.

KEY FINDINGS

1. The history of post-Maoist mistrust still plays an important role in shaping Sino-Myanmar relations, especially from the perspective of the military personnel in Myanmar.
2. Local Myanmar politics is partly driven by anti-Muslim or anti-Chinese sentiments and, from the Chinese perspective, support for the government does not reflect its nature: democratic or authoritarian.
3. From China's perspective, the interactions with local warlords living across the border and the careful incentivising of different parties are as important as the relations with the central government.
4. Any vertical tensions between Tatmadaw and the Upper Myanmar military groups result in the humanitarian crisis in Southern Yunnan and create challenges for effective cross border governance and China's energy security.
5. China needs to manage the international NGO working in Myanmar, which is mainly supported by the United States and Japan, as well as Taiwan's growing presence, which is sponsored by native Myanmar people and the New Southbound Policy.

INTRODUCTION

According to popular belief, China "won" Myanmar and will cooperate with the military junta better and more effectively than with the quasi-democratic government of Aung San Suu Kyi. However, this view is challenged from at least three dimensions: the historical memory of struggle with Maoist groups during the Cultural Revolution, anti-Chinese feelings among the public, and finally problems with the growing resistance in Upper Myanmar supported by the local warlords. As such, the critical issue is to address the following questions: to what extent should Sino-Myanmar relations be seen as the continuation of historical interactions; what are the roots of the negative feeling towards China; and finally how can China manage ties with the turbulent local areas?

MAOISM AND MYANMAR DURING THE CULTURAL REVOLUTION

Myanmar's attitude towards the United States during the Vietnam War did not follow China's expectations, and Ne Win's government refused to attack the American policies in the way that the Chinese government did. Even the friendly visits of Zhou Enlai (July 1964) and Li Shaoqi and Chen Yi in April 1966 did not change much. Soon after the Cultural Revolution was launched the Burmese government was named a "fascist gangster" and only the people of Burma, armed with Mao Zedong's thought, could overcome difficulties. The more turbulent the situation inside China was, the more unpredictable China's diplomacy became. In March 1967, while the ambassador and twenty-one of his staff were withdrawn for consultations, the Red Guards took control over the Embassy in Myanmar. The major task was to distribute "Little Red Books" and encourage revolutionary activities in schools across the country. The Chinese side tried to spark a Cultural Revolution-esque movement, and when in June, students in Chinese schools imprisoned the staff the government needed to take a more active stance against the "China model". In July 1967, the period named the "hot summer",

the Red Guards in Myanmar called on the society to revolt, seize power from the government and conduct own Cultural Revolution.

Moreover, the actions taken by the Red Guards inflamed anti-Chinese sentiments among the wider public, and the crowd set fire to the Overseas Chinese Teachers' Federation building and attacked the gates of the Chinese Embassy. The situation became even tenser when the Chinese officials and the Burmese government called for an 'immediate end to the Fascist atrocities against Overseas Chinese'. There were similar stories in Beijing. While this situation was not a threat to Burma's territorial integrity, the movement supported by the Communist Party of Burma in Upper Myanmar should be seen as such. On January 11, 1968, the Burmese Communist Party took advantage of the momentum and established the Northeast Military Region at the border of China and Myanmar. From then, the Communist Party of Burma, which had disappeared for more than ten years due to the failure of the revolution in the early 1950s, was reestablished. More to the point the Red Guards flocked to Myanmar and attacked civil and military installations. The Chinese University of Hong Kong recalls the history of Wang Weiguo, a 19-year-old soldier of Unit 3033, an educated youth from Kunming, who attacked the Lashio Railway Station with a bazooka but was too close to the target (a locomotive). The flying debris cut his throat, and he died. Many young Chinese lost their lives, and no one knows their names.

ANTI-CHINESE FEELINGS IN MYANMAR

According to surveys conducted in Myanmar by Chinese scholars (2016), the general public has a negative view of China. Firstly, the Burmese preferred to do business with Americans (approx. 87% in cities, and 83% in the countryside), while only 43% of people in cities, and 40% in the countryside, wanted to do business with China. Moreover, a majority in Myanmar regarded relations with the United States as more critical than those with China. The importance of relations with China failed to exceed 15%, while relations with the United States was close to 60%. Interestingly, the Kachin people and Shan people (two states bordering China), with 35% and 27% respectively, perceived the United States' role as being significant. In contrast, only 8% and 15% respectively saw China's role as being significant.

This popular perspective of preferring the US over China is based on the fact that American aid programs go directly to the society and distribute funds at the grassroots

levels. In contrast, China, with limited access to society, talks with the central government. Moreover, the anti-Chinese sentiment is also a product of poor management skills by Chinese companies investing in Myanmar. The lack of social responsibility is a critical factor.

People in Myanmar complain about "only governmental deals", "under the table" agreements, investments that failed to help the ordinary people, corruption involving Chinese companies, land exploitation and job placements only for Chinese workers.

Other negative images include wealthy Chinese people with their occasionally ostentatious behaviour, the aggressive business practices of wealthy Chinese investors, ethnic Chinese Kokang and Wa drug warlords, and military robber barons who have made wholesale acquisitions of real estate and other property. The Chinese behaviour of being superior to the other is a widely held opinion in some quarters of Myanmar: "We are the Chinese kitchen, they take away what they like and leave us with the rubbish". The Chinese have even been accused of following Great Britain's colonial model. As the Chinese assessments go this perception crystallised after the political transformation in Myanmar when anti-Chinese sentiment became part of the democratic change and political discourse in the battle for votes.

UPPER MYANMAR RIOTS AND INTERNATIONAL INFLUENCES

For the future success of China's investment and political influence in Myanmar the Chinese governments, both at central and local levels, need to manoeuvre between different interest groups in Upper Myanmar. The key issue of governance in the area is that there are 16 minorities of the same origin living on both sides of the border with different legal statuses. This fact indicates the relatively low effectiveness of implementing central or provincial government regulations and laws. The diversity of minorities has created a zone of perpetual conflict and humanitarian crises: in 2015 an armed conflict in the Kokang Special Zone created more than 60,000 refugees, and in 2017 fighting between Kokang rebels and Myanmar troops in Laukkai in northern Shan forced 20,000 refugees to cross the border into China, with roughly 1,600 residents seeking refuge in the town of Lashio. For the time being, the Yunnan government creates

safe areas, 20 km away from the border and provides medicine, food and emergency tents. Apart from managing the humanitarian crisis on a national and prefectural level, governments need to combat rising inflation and real estate prices. In 2015, after the conflict in Kokang, the town of Nansan experienced food price increases of over 500%, and the local community needed to manage the hyperinflation. As 25 cross border counties are mainly inhabited by minorities, they are targeted for recruitment by external forces. Kachin, for example, called for a national liberation war under the slogan "Kachin is one family under heaven". Another illustration of this issue is Wa state, which borders the cities of Langcang and Pu'er, and mobilised Chinese citizens to create an independent "Big Wa state". In other words, the situation across Sino-Myanmar border provides a platform for a three-level competition: a vertical contest between China and militant groups along the border, between these militant groups and the central government in Myanmar whose intent is to build the nation-state, and a horizontal competition between competing militant groups in Upper Myanmar.

Although Beijing might not wish to be involved in what it perceives to be local issues, relations with the local states in Upper Myanmar have been exposed to international influences.

This is especially visible when it comes to the promotion of democratic values. The United States and Japanese non-governmental organisations are incredibly active in the border areas. In Kachin, American non-governmental organisations, predominantly Christian organisations, provide financial help to militant groups across the border while Japanese NGOs, by promoting and supporting Buddhism, limit Chinese soft-power. The situation is even more complex when we include the post-GMD legacy, the history of the Yunnan Anti-communist National Salvation Army, and Taiwanese activities in Upper Myanmar. Taiwan is operating in the areas of education and military training, for example, in Wa state, providing financial aid and arming the region with military facilities. Of particular concern to Beijing is the possibility of militant groups joining Taiwanese political organisations which compete with incentives given by the People's Republic of China. As Myanmar become an important part of Taiwan's New Southbound Policy the Taiwanese businesspeople invested more in the country and by supporting the 100 thousand

Myanmar native reside in Taiwan provide the business opportunities for merchants from Burma.

CONCLUSIONS

Along with the military coup in Myanmar, the biggest problem that China faces is mainly driven by three factors: the military mistrust towards the communist regimes, anti-Chinese feelings among the wider public, and, finally, the relations between Tatmadaw and the local states in Upper Myanmar. The first is mainly rooted in past Cultural Revolution experiences when Chinese Red Guards hoped to export China's model, while the second is mainly due to negative feelings towards Chinese business people and their behaviour. Finally, China's complex relations with Myanmar are based on the issue of cross border governance. When central military forces make attempts to bring a more centralised and coordinated government closer to the China border, these attempts will be made by military coercion. As a result, this produces a massive migration crisis in Southern Yunnan province and makes possible threats to China's energy security policy. This challenge is viewed as the biggest threat to China's effective policy in Myanmar.

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