Pacific Forum CSIS Honolulu, Hawaii

July 8, 2011



**The Kachin Conflict: Are Chinese Dams to Blame?** by Yun Sun

Yun Sun [eve\_sun79@hotmail.com] is foreign policy analyst in Washington DC and will be a visiting fellow at the Center for Northeast Asia Policy Studies at the Brookings Institution. She was a Beijing-based China analyst for the International Crisis Group from 2008-2011.

More than 10 days have passed since the breakout of armed conflict between the Burmese military (tatmadaw) and the Kachin rebel group – the Kachin Independence Army (KIA). Many believe the fighting directly resulted from their struggle over the area where the Dapein dam is built, and blame the Chinese project for triggering the fight. Some speculate that Beijing's pressure pushed Naypyidaw to use force against the KIA. This analysis is oversimplified, ignores the longstanding hostility and complicated relations between Naypyidaw and the KIA, and will mislead key parties as they work toward a solution to the current quagmire.

The conflict officially ended the 17-year truce between the group and the government and started after the expiry of a June 11 deadline set by Naypyidaw for the KIA to withdraw from camps near the Dapein hydropower project. According to Burmese state media, the Burmese Army was protecting the project from KIA intimidation. The dam, constructed by China's state-owned Datang Company, aims to export electricity to China. In 10 days, thousands of civilians fled their homes and villages; there is fear that the situation is sliding toward all-out civil war.

Some identify Chinese dams, including Dapein, as the catalyst of the conflict. They are located in areas of strategic importance for both sides. Approved by Naypyidaw without local consultation, they exacerbate hostility between the government and the Kachin. The latter opposes the dams, condemning them for destroying the local environment, economy, and culture. This resentment is believed to have led to the 2010 bombing of the Myitsone dam, a Chinese megahydropower project in upper Kachin State.

However, this simplistic perspective misses a key fact in the Kachin situation: even without Chinese dams, conflict between KIA and tatmadaw was inevitable. Tension had been building before the 2010 elections. Last year, the KIA ignored several deadlines set by Naypydiaw to transform into Border Guard Forces under the tatmadaw; the government responded by labeling them "insurgents." There has been widespread fear that Naypyidaw would use force against ethnic groups before the elections. This was avoided largely because China convinced Naypyidaw that a few ethnic groups should not be its top priority during a critical political transition. As a result, the issue was shelved and their status remained undetermined.

Meanwhile, both sides began preparing for war. They have been mobilizing troops and deploying them in/near the Kachin state. The KIA has sought to strengthen its alliance with other groups. Harsh rhetoric and offensive gestures were frequently traded; Naypyidaw's June 11 deadline came as a response to an earlier May 25 KIA deadline for withdrawal of all tatmadaw troops near KIA posts in the Kachin State and Northern Shan State. In this sense, the conflict is the consequence of the unsettled ethnic minority issue and the undetermined status of the KIA. Chinese dams might have aggravated the situation, but they are not the root cause.

They contributed, however. Under strict requirements from Naypyidaw, Chinese companies negotiated these deals with the central government and almost no consultation with the local Kachin population. They lack transparency, neglect local needs, and have negative environmental, economic, and social impacts. More importantly, they are viewed by the KIA as strategic maneuvers by Naypyidaw to exploit the Kachin's natural resources and expand its control under Chinese protection. Locals see nothing to gain and everything to lose.

Today, both Naypyidaw and the KIA are using Chinese dams and the conflict to advance strategic goals. By using the protection of the dams to justify military actions, Naypyidaw tries to cover up its intention to eliminate the KIA and enlist Chinese support to squeeze the armed group out of its traditional territory. The KIA sees China's desire for border stability and dam safety, and uses the conflict to force China into mediating a settlement. Indeed, after rejecting the government's call for a ceasefire a week after the fighting started, the KIA made an official appeal for China to be a "referee" in potential negotiations.

Such a strategy is risky for both sides. Given Kachin opposition to the dams, it is reasonable for Naypyidaw to expect Chinese support for its military actions. But China understands well that once the KIA resorts to guerrilla warfare, Chinese dams, roads, and pipelines will become targets of retaliation. By jeopardizing China's border stability and vested interests, Naypyidaw may invite pressure from and intervention by China in its ethnic affairs, which may not work in Naypyidaw's interest.

The KIA has even more at stake. It might be able to use the conflict to force China to step in, but this approach generates negative feelings. China has accused Kachin groups of harassing and blackmailing Chinese hydropower companies. Now, the KIA is seen as deliberately breaking the status quo and rejecting Naypyidaw's offer of a ceasefire. Unlike the United Wa State Army, which has refrained from colliding with the tatmadaw despite several skirmishes, the KIA is openly challenging China's bottom-line interests.

These factors feed into China's long-term distrust of the Kachin and doubt about its relations with the West. The KIA

takes pride in Kachin's historic affinity with the West, dating back to the Kachin rangers during World War II. Their leaders have traveled to Washington several times to solicit US assistance, a move that greatly annoys China. Further, China suspects that the Christian Kachin population represents certain Western interests. Since the beginning of the fighting, Chinese reports have claimed that Western organizations operating in Kachin State have "instigated anti-China sentiment to disturb Chinese projects." China might be drawn in by the KIA out of practical calculations, but these moves simultaneously alienate China.

Chinese dams in Kachin state are not the reason the truce fell apart. Although they have aggravated hostility between Naypyidaw and the KIA, they have mostly been used for strategic leverage by both sides to advance their positions. China is being forced to step into the conflict to protect its interests. Mediating is not a problem for China, but Naypyidaw and the KIA must both understand that their strategies risk unexpected consequences and costs.

The Pacific Forum is accepting applications for the 2011 SPF Fellowship position. Details, including an application form, can be found at the Pacific Forum web site [http://csis.org/program/spf-fellowship].