Pacific Forum CSIS Honolulu, Hawaii



PacNet

China to enhance its role in Myanmar's peace process by Yun Sun

Yun Sun (<u>ysun@stimson.org</u>) is a fellow with the East Asia program at the Stimson Center with expertise in China foreign policy, US-China relations, and China's relations with neighboring countries and authoritarian regimes.

Five days after the inauguration of the National League of Democracy (NLD) government, Chinese Foreign Minister Wang Yi visited Myanmar at the invitation of party head Aung San Suu Kyi. Knowing that the peace process will be a top priority for the new government, China is assumed to have put forth proposals on how Beijing can play a larger, more positive role in ethnic reconciliation. These offers reflect China's desire to maintain influence over developments in Myanmar as the country appears to be moving away from Beijing. Myanmar should take full advantage of these opportunities and make full use of China's aid, while guarding against China's potentially overwhelming influence.

During the previous Thein Sein government, China's role in the peace process was best characterized as "controversial." Although China insisted that it had promoted dialogues and peace, its opaque relations with armed ethnic groups on the Sino-Myanmar border raised broad suspicion in Myanmar that China was undermining the process. Now that China is determined to improve relations with the new Myanmar government, it has demonstrated a heightened interest in enhancing its involvement in the peace process.

This interest has manifested in different ways. The most straightforward reference came from China's ambassador to Myanmar in a public speech on March 4, when he announced that China will "actively work with the NLD government and promote the peace process, including providing material and financial support" Chinese diplomats are reported to have reached out to Yangon-based organizations in charge of the peace process to do so. The Chinese special envoy for Asian affairs Sun Guoxiang has been meeting with ethnic groups and Myanmar peace negotiators since assuming office last summer. Wang Yi's vow to "play a positive [role] in the ethnic reconciliation of Myanmar" during his trip this week was the latest commitment from China to work on the peace issue.

Despite China's efforts to paint a positive picture of its role in the peace process under President Thein Sein, its real role remains "controversial." China insists that it follows the principle of non-interference and does not interfere with ethnic reconciliation in Myanmar. The complicated security reality along the border and tangled historical, ethnic, emotional, and commercial factors render China's involvement far less clearcut: for accepting ethnic refugees during the conflicts, China was accused of providing sanctuary to Burmese rebels. Chinese business engagements in mining and logging, in

cooperation with ethnic groups in ethnic states, were criticized for looting resources and financing war. When Chinese officials meet with ethnic groups, regardless of their intentions, they are suspected of undermining the peace process. Last October, Myanmar officials accused China of instructing ethnic groups to reject the national ceasefire agreement, Thein Sein's cornerstone achievement.

Beijing understands that it has no choice but to take part in Mvanmar's peace process. The ethnic conflict threatens China's border security, civilian safety, and commercial projects. The instability and turbulence blocks China's southward march to the Indian Ocean and its initiatives such as the One Belt, One Road. China is also enmeshed in Myanmar's ethnic conflict because of cross-border historical and ethnic ties. China used to provide assistance to the Burmese Communist Party during the Cultural Revolution. Although support ceased in the 1990s, it has been replaced by a combination of ethnic solidarity and cross-border economic activities on the local level. These ties can hardly be severed by political orders or legal decrees. Therefore, when ethnic groups fight the Myanmar central government, their ethnic brothers and business partners in China are not only sympathetic but also supportive.

China's debate about the ethnic issue essentially focuses on the best strategy to advance China's national interests in Myanmar. China's priorities, such as Indian Ocean access, connectivity projects, and economic investments all depend on the support and cooperation of the Myanmar central government. However, Myanmar's changing attitude toward China and rapprochement with the U.S. since 2011 have pushed China to seek leverage to counter-balance the asymmetric strategic demands. The continued presence of ethnic rebels could remind Myanmar of its geopolitical reality and shape its preferences – or so many Chinese would like to believe.

The specifics of China's enhanced involvement remain to be seen. There are increasing signals from Beijing that China is ready to enhance the substance and scale of its involvement. Knowing that the peace process is the NLD government's priority, China does not wish to be left out or behind. China's contribution will sweeten relations with the new government, and Beijing's lack of participation could result in Western influence in what China perceives to be its own border region and backyard.

For the foreseeable future, China is likely to organize and host talks between the ethnic leaders in northern Myanmar and government negotiators and play a more assertive role in setting the tone and applying pressure on both parties for the ceasefire. There is talk in China about how Beijing could play the role of a "guarantor" for the national ceasefire: since fundamental distrust between ethnic groups and the central government is the key obstacle to the ceasefire, some Chinese and ethnic groups believe that an international guarantor is necessary to monitor and enforce the ceasefire. How the UN will be involved remains to be seen, but given China's aversion to the US role in the process, the arrangement is most likely to be bilateral with the UN as witness, rather than multilateral with the UN as platform.

Another possible avenue for China's intervention lies in the United Wa State Army (UWSA). In May and November 2015, UWSA organized two summits among ethnic leaders in Panghsang to strengthen coordination and team building. As recently as two weeks ago, UWSA hosted another coordination meeting between the Ta'ang National Liberation Army (TNLA) and Shan State Army-South (SSA-S) over their territorial dispute. China backs UWSA efforts to enhance its leadership role among ethnic groups, hoping that the group could emerge as a centripetal force to rein in and manage various ethnic minorities. As one of the largest and strongest ethnic groups, UWSA has more capacity and appeal to rally ethnic groups together. Although its reputation is tainted by its involvement in the narcotics trade and self-interest in independent statehood, these positions are negotiable, especially if China provides sufficient incentives.

Despite the setbacks, China's influence in Myanmar remains significant. The peace process is only one case where China holds its southwestern neighbor by its throat. Regardless of the new government's preferences, China will be an integral participant in Myanmar's peace process. Myanmar should take full advantage of the opportunity, but also be aware of the need to calibrate options to balance China's potentially overwhelming influence and to shape China's behavior.

PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed and encouraged.