



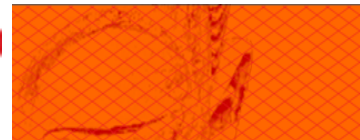
The People's Republic of China and Burma

Not Only Pauk-Phaw

Bertil Lintner

May 9, 2017

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About the Project 2049 Institute

The Project 2049 Institute seeks to guide decision makers toward a more secure Asia by the century's mid-point. Located in Arlington, Virginia, the organization fills a gap in the public policy realm through forward-looking, region-specific research on alternative security and policy solutions. Its interdisciplinary approach draws on rigorous analysis of socioeconomic, governance, military, environmental, technological and political trends, and input from key players in the region, with an eye toward educating the public and informing policy debate.

About the Author

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Cover Image: A CPB meeting at Panghsang in 1987, under portraits of old communist icons.
(Photo: Hseng NOUNG Lintner)

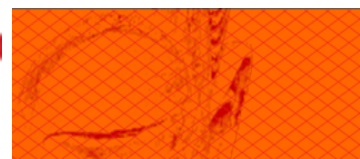
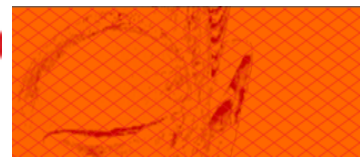


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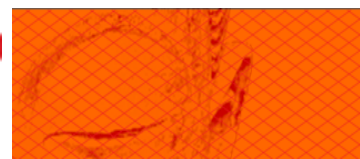
Introduction: Pauk-Phaw and its Evolution

Pauk-Phaw was a term coined in the 1950s to describe the supposedly friendly and close relationship between China and Burma. It may be translated as “fraternal” but, according to Burma expert David Steinberg, it “has a closer Chinese connotation of siblings from the same womb [and] was used uniquely for Burma.”¹ A memorial to honor the *Pauk-Phaw* relationship was erected in Mangshi in China’s Yunnan province in 1956 and the term was invoked as recently as September 2010, when Burmese junta leader General (Gen.) Than Shwe paid an official visit to China.

But despite such diplomatic niceties, relations between China and Burma have not always been especially cordial. China, a vast, mainly inland, empire, has always looked for outlets to the sea for its land-locked western and southwestern provinces. That policy began as far back as the 18th century and manifests itself today in the “One Belt, One Road” development strategy proposed by Chinese leader Xi Jinping to open new trade routes between China and Eurasia. The Burma corridor gives China access to South- and Southeast Asia as well as the entire Indian Ocean region, and has, therefore, always been of utmost strategic importance to whoever is in power in China.

In the 1760s, the Chinese Qing Dynasty launched four military expeditions against Burma in order to occupy the country. The Chinese were driven back after suffering extremely heavy casualties and the successful defense of the Burmese kingdom laid the foundations for today’s boundary between the two countries. Burma survived as an independent nation until the arrival of the British in the 19th century. British colonization kept the Chinese even more firmly at bay, however, a new era in bilateral relations was ushered in after Burma became an independent republic on January 4, 1948 and Mao Zedong’s communists proclaimed the People’s Republic of China (PRC) on October 1, 1949.

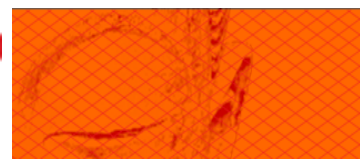
After that, relations between China and Burma may be divided into five periods. In the first from 1949 to 1962, Beijing maintained a cautiously cordial but basically friendly relationship with the non-aligned, democratic government of



Prime Minister U Nu, which ruled Burma from independence until Gen. Ne Win and the army seized power in a *coup d'état* on March 2, 1962. In the second period, during the first sixteen years of Ne Win's rule, Beijing actively supported the armed struggle of the insurgent Communist Party of Burma (CPB). China poured more arms and ammunition into the CPB than to any other communist movement in Asia outside Indochina. Following policy changes in China after the death of Mao in 1976, and the return to power of Deng Xiaoping in 1978, the third period began as Beijing sought rapprochement with the government in Rangoon. At the same time, however, support for the CPB continued albeit on a much reduced scale. The fourth period of relations came after the Burmese military's suppression of a nationwide pro-democracy uprising in Burma in September 1988 and the formation of a junta initially called the State Law and Order Restoration Council (SLORC) and then the State Peace and Development Council (SPDC). When Western nations imposed sanctions on Burma, the relationship with China began to be characterized by genuine cooperation as China ramped up economic ties and politically shielded the rights-abusing military regime from international criticism. This arrangement allowed Beijing to make deeper economic and political inroads into Burma than at any previous time.

The fifth period began in 2011, when a new, quasi-civilian government led by former general Thein Sein took over and began to steer the country away from its heavy dependence on China, which had begun to alarm many fiercely nationalistic Burmese army officers. Relations with the West improved — and China's response to this new and unexpected situation came in two different forms: 1) continued support for the Burmese government, and 2) support to certain insurgent groups fighting the regime. This strategy may appear superficially contradictory, but it is a system that, under examination, has its own logic.

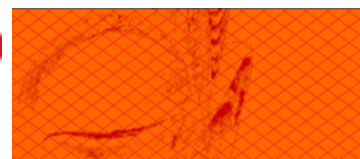
China may have transformed its economic system from rigid socialism to free-wheeling capitalism, but politically, it remains an authoritarian one-party state where the Communist Party of China (CPC) is above the government and military. The old policy of maintaining “government-to-government” as well as “party-to-



party” relations has not changed. Even while trade with China continues to boom and the Chinese are selling fighters-jets and other military hardware to Burma, “party-to-party” relations continue to be maintained with the United Wa State Army (UWSA), the successor to the CPB. The UWSA today is better equipped, with Chinese-supplied weaponry, than the old CPB army ever was. The UWSA serves as a “stick” in China’s relationship with Burma while diplomacy and promises of aid, trade, and investment are the “carrot.” As China sees it, it cannot simply “hand over” Burma to the West. The country is far too important strategically and economically to the PRC for that to happen.

1949-1962: The “Pauk-Phaw” Years

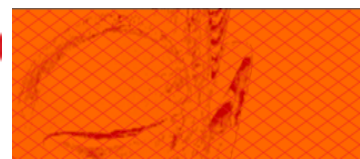
The relations between China and Burma in the late forties were troubled by a disputed and largely un-demarcated border, illegal immigration into Burma by vast numbers of Chinese laborers, businessmen and even farmers in search of greener pastures, and smuggling. Relations became even more uncertain when large numbers of Nationalist Chinese Kuomintang (KMT) troops of the Republic of China (ROC) retreated into Burma’s north-eastern hill areas following their defeat in the Chinese civil war. From clandestine bases in remote border mountains that were not under the control of the central Burmese government, these Kuomintang forces launched a secret war against China’s new Communist government, supported by the ROC government on Taiwan, the U.S. Central Intelligence Agency (CIA), and Thailand. There was a definite possibility of a war between the PRC and the unwilling host to these forces. However, the Sino-Burmese relations that developed from this initial possibility of conflict provides a good example of how a small, comparatively weak country worked to preserve its independence and neutrality in dealing with the largest and then most powerful nation in Asia. Burma’s independent foreign policy vis-à-vis China was all the more remarkable considering that successive Chinese governments, regardless of their political nature, always considered Burma to be a vassal state and the pre-colonial Burmese kings often had to send tribute missions to the Chinese Emperor.²



A breakthrough came in early 1953 when Burma decided to take the matter of the Kuomintang presence on its soil to the United Nations. Prior to that, the fledgling Burmese army had fought several decisive battles against the Kuomintang, which clearly demonstrated that these guests were not camping on Burmese territory with the consent of the government in Rangoon. On April 22, 1953 the UN adopted a resolution demanding that the Kuomintang lay down their arms and leave Burma. Although thousands of Nationalist Chinese soldiers were evacuated to Taiwan, the UN resolution was thwarted as Rangoon was unable to stop the provision of reinforcements to remaining forces via secret airstrips in north-eastern Burma in aircraft provided by the CIA.

Regardless, the U Nu government had made its point, and on April 22, 1954, the PRC and Burma for the first time signed a bilateral trade agreement. On June 28-29, Chinese Premier Zhou Enlai visited Burma at the invitation of the Burmese government and held talks with U Nu. A joint Sino-Burmese declaration was signed by the two leaders on June 29, endorsing the “Five Principles of Peaceful Co-existence”: Mutual respect for each other’s territorial integrity and sovereignty, non-aggression, non-interference in each other’s internal affairs, equal and mutual benefits, and peaceful coexistence.³ Even though this policy was labeled *Pauk-Phaw*, in reality, Burma adopted a neutral stand on foreign policy, with the ultimate aim of preventing China from interfering in its internal affairs. The concept *Pauk-Phaw* relied on a deeply asymmetrical “friendship” between China—a huge and often threatening regional superpower—and Burma, a much smaller country on its periphery. The first years of Burmese independence were marked by widespread insurgencies, and the Communist Party of Burma (CPB) was one of the major rebel forces. Although the CPB had strong Maoist tendencies as early as the fifties, Beijing refrained from supporting it.⁴

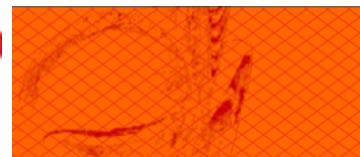
The next issue to settle was the disputed Sino-Burmese border, which U Nu discussed in detail during a September 1956 visit to China. He returned with a tentative plan for a settlement that called for Chinese recognition of Burmese sovereignty over the so-called Namwan Assigned Tract in exchange for ceding to



China three villages in Kachin State: Hpimaw, Gawlum and Kangfang.⁵ China also pledged to recognize Burmese claims on the remainder of the 1,357-mile frontier.⁶

U Nu's concessions provoked protests from both Burmese politicians and ethnic groups such as the Kachin, who rose up in rebellion in 1961 as a direct result of the border talks with China. However, negotiations continued for nearly four years until an agreement was eventually signed on January 28, 1960. In 1958, U Nu was forced to hand over power to a military caretaker government, headed by army chief General Ne Win, who concluded the border agreement and signed a treaty of friendship and mutual non-aggression with China. In addition to the three Kachin villages (59 square miles), Ne Win also ceded the Panhung- Panglao area of the northern Wa Hills (173 square miles). In return, the Namwan area (85 square miles), which for all practical purposes was part of Burma anyway, formally became Burmese territory. More importantly, though, China did renounce all its claims to areas in northern Kachin State. Until that time, Chinese maps had shown the border to be just north of the Kachin State capital of Myitkyina and Taiwanese (ROC) maps still show the border at that point, since Taipei has never recognized any agreements signed between the communist government in Beijing and other nations.⁷

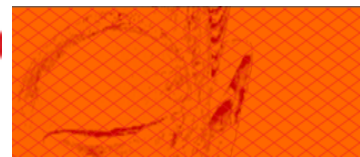
Following a general election in February-March 1960, U Nu returned to power. With the border now demarcated, Burma launched a new offensive against the Kuomintang forces in north-eastern Burma the following year. This time, thousands of Chinese troops of the Chinese Communist Party's People's Liberation Army (PLA) also crossed the border into Burma near the town of Mong Yang north of Kengtung in eastern Shan state, where the Kuomintang maintained a major base. Mong Pa Liao, another Kuomintang base near Burma's border with Laos, was also attacked in a campaign that was clearly coordinated with the Burmese military. It is reasonable to assume that this was part of the new "friendship agreement" between the PRC and Burma as well, although it has never been admitted officially.⁸



(source: CartoGIS, College of Asia and the Pacific, The Australian National University)

1962 to 1978: Brothers No More

It is generally assumed that Sino-Burmese relations took a turn for the worse in 1967, when anti-Chinese riots broke out in Rangoon. The fervor of the Cultural Revolution influenced the Chinese community in the Burmese capital and many young Sino-Burmese began wearing red Mao badges. This violated an official Burmese regulation banning the display of such political symbols in public, and the young “Red Guards” were ordered to take off their badges. When some of them resisted, anti-Chinese riots broke out in June and July that year. Chinese shops and homes were ransacked and looted, and many Sino-Burmese were



killed. A mob even attacked the Chinese embassy in Rangoon before the situation was brought under control. However, the role of the authorities in this affair was a matter of dispute: the Chinatown riots in Rangoon came at a time when there were acute shortages of rice and basic food supplies in Rangoon. According to eyewitnesses, the police did not interfere with the killings and the looting until the Chinese embassy was attacked. It is widely believed that Burma's military government encouraged the riots in order to deflect attention from the country's internal problems at that time.⁹

The incident was followed by the withdrawal of ambassadors from both capitals and the expulsion of the *Xinhua* (New China News Agency) correspondent in Rangoon. Beijing also suspended its aid programme to Burma, granted under the 1960 friendship treaty. Radio Beijing began broadcasting fierce attacks on the Ne Win government branding it "fascist." On January 1968, heavily armed CPB units crossed from China into northeast Burma. The Chinese Communist Party decided to lend all-out support to its fellow communist Burmese-sister party.

However, more thorough research into Sino-Burmese relations indicates that the 1967 incident was little more than a convenient excuse for the Chinese to intervene directly in Burma's internal affairs. In reality, the new era in Sino-Burmese relations began in 1962 when General Ne Win seized power. The military takeover had upset the regional stability that existed by virtue of Burma's weak but neutral democratic government. Furthermore, China had long been wary of the ambitious and unpredictable general in Rangoon. Six important events took place immediately after the coup in Rangoon:

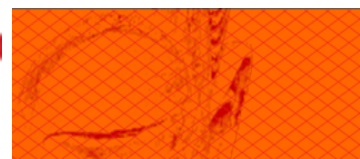
1.) In the early fifties, several groups of CPB cadres had trekked to China to request assistance for their armed insurrection in Burma. However, as long as U Nu was in power, these Burmese

communists — in all 143 people — were housed in Sichuan Province. There they



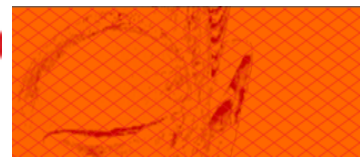
Mao Zedong (C) talked with the visiting Vice-Chairman of the Communist Party of Burma Thakin Ba Thein Tin (L) while taking a walk in the Zhongnanhai courtyard in August 1963.

Source: www.sdcpc.org.cn



attended communist party schools, but received no other support, and certainly not arms and military training. The leader of these CPB exiles in China was Thakin Ba Thein Tin, who later became the chairman of the CPB. He resided mostly in Beijing where he became close to Mao Zedong, and the two developed a long-lasting, personal relationship. Following Ne Win's takeover in Rangoon, the CPB was for the first time allowed to print propaganda leaflets and other material in Beijing. On August 1, 1962, Beijing- and Sichuan-based exiles published a document titled "Some Facts about Ne Win's Military Government," denouncing the new regime.

2.) The most urgent task for the CPB exiles in Beijing was to find a way to contact the CPB units in the old base area located in the Pegu Yoma mountains of central Burma, north of Rangoon, where the once strong communist army was crumbling. There had been no links between the CPB units in Burma and the CPB exiles in China since the latter had trekked to Yunnan in the early fifties. By a strange twist of historical events, it was the new military regime in Rangoon that unwittingly provided an opportunity for the CPB exiles in China to re-establish these links. Probably hoping that the insurgents would give up when faced with the massive force of the military government, the Ne Win regime called for peace talks after about a year in power. On July 14, 1963, the CPB, Thakin Soe's much smaller "Red Flag" communist party, the Karen, Mon, Shan, Kachin ethnic rebel armies, and some smaller groups attended the negotiations in Rangoon with guarantees of free and safe passage to and from the peace parley, regardless of the outcome. The colorful Thakin Soe probably attracted the most attention when he arrived accompanied by a team of attractive young girls in khaki uniforms. He placed a portrait of Stalin in front of him on the negotiating table and then began attacking the "revisionism" of Soviet leader Khrushchev and the "opportunism" of Mao Zedong's China (Thakin Soe was soon excluded from the talks). However, 29 veterans from the main CPB exiles in China also arrived in Rangoon, purportedly to participate in the peace talks. Among the "Beijing Returnees," as they came to be known, were *yebaw* ("Comrade") Aung Gyi, Thakin Bo, Bo Zeya — and Thakin Ba Thein Tin who did not actually participate in the talks but seized the



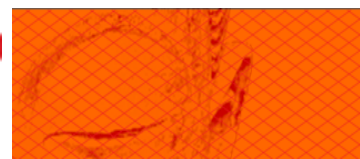
opportunity to visit the CPB's headquarters in the Pegu Yoma, bringing with him radio transmitters and other aid from China.¹⁰

According to CPB documents, the Burmese government demanded that the communists should concentrate all their troops and party members inside an area stipulated by the authorities, inform the government if there were any remaining guerrillas or cadres elsewhere, stop all organizational activities of the party and cease fund-raising. The intransigence of the military regime was a blessing in disguise for the CPB. The talks broke down in November and the various insurgents returned to their respective jungle camps. Thakin Ba Thein Tin and another CPB cadre returned to Beijing, while the other 27 returnees stayed in the Pegu Yoma where they assumed *de facto* leadership of the party at home.

3.) In November 1963, shortly after the Sino-Soviet split in the international communist movement, some CPB cadres who had been studying in the Soviet Union — Khin Maung Gyi, San Thu and Thein Aung — returned to Beijing. To direct the work in China, a “leading group of five” was set up in Beijing shortly after Thakin Ba Thein Tin's return from the peace talks in Rangoon. This group, which became the nucleus of the new leadership of the CPB that emerged during the sixties, consisted of Thakin Ba Thein Tin as “leader,” with Khin Maung Gyi as his personal secretary and Khin Maung Gyi as the CPB's main theoretician.

4.) In late 1963, San Thu, one of the Moscow returnees, was put in charge of a team that began surveying possible infiltration routes from Yunnan into northeastern Burma. During this period, China built a network of asphalted highways, leading from Kunming to various points along the borders with Burma and with Laos, where another communist movement was active.

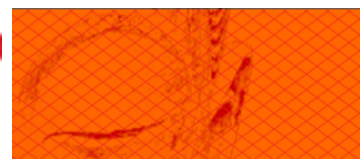
5.) Nearly all the CPB cadres in China were well-read Marxist intellectuals with little or no experience in military matters. But in 1950, an ethnic Kachin rebel leader, Naw Seng and 200 to 300 of his followers, had retreated to China where they resettled in Guizhou province as ordinary citizens. Naw Seng was a decorated World War II hero — he had fought brilliantly against the Japanese —



and he was exactly the kind of military commander that the CPB intellectuals needed. In early 1963 — even before the peace talks in Rangoon — Naw Seng was brought to Sichuan. He was introduced to Thakin Ba Thein Tin and told that the time had come to go back to Burma and fight. Naw Seng, eager to leave his people's commune in Guizhou, readily agreed. He assembled his men and they began military training in Yunnan in 1965. On January 1, 1968, Naw Seng's Kachin warriors at last entered northeastern Burma from the Chinese side, accompanied by Khin Maung Gyi and other political commissars from the CPB.

6.) Since the thirties, small cells of ethnic Chinese communists had been active in towns in central Burma, completely separate from the mainstream Burmese communist movement.¹¹ In the early sixties these entities were put in touch with the CPB for the first time. They were few in number, but the Chinese embassy in Rangoon arranged for ethnic Chinese from the capital and some small towns in the Irrawaddy delta to visit the CPB's then-base area along the Shweli River (and later to travel to the northeastern base area set up after 1968). The CPB's numbers increased after anti-Chinese communal riots in Rangoon in 1967; these riots may have provided the catalyst for the already planned China-sponsored CPB thrust into Shan State, but they were not the reason for China's support for the Burmese communists.

During the decade that followed, China provided the CPB with assault rifles, machine-guns, rocket launchers, anti-aircraft guns, radio equipment, jeeps, trucks and petrol. Even rice, other food supplies, cooking oil and kitchen utensils were sent across the frontier into the new revolutionary base area that the CPB was establishing along the Sino-Burmese frontier in northeastern Burma. The Chinese also built hydroelectric power stations inside this area, and a clandestine radio station. The *People's Voice of Burma*, began transmitting from the Yunnan side of the frontier in April 1971. Thousands of Chinese “volunteers” — mostly youthful Red Guards from China but also regular soldiers from the People's Liberation Army — also streamed across the border to fight alongside their Burmese comrades. Within four years of the first thrust into northeastern Burma



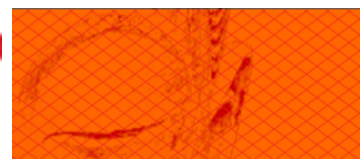
on New Year Day 1968, the CPB had wrested control over a 9,000 square mile area along the Sino-Burmese frontier.¹²

During the Cultural Revolution, the Chinese saw themselves as the leaders of the “World Proletarian Revolution” and the massive support they lent to the CPB was only one of several powerful expressions of this policy; however, it was the main element of China’s Burma policy until the late seventies. The change towards a less militant foreign policy began when an internal power struggle broke out within the Communist Party of China (CPC) after Mao Zedong’s death in 1976. In April of that year, when China’s radical Left reasserted itself and ousted Deng Xiaoping, the CPB — unlike other communist parties in the region — spoke out loudly in favor of the hardline Maoists. On the 55th anniversary of the CPC in June 1976, the CPB offered the following congratulatory message:

“The revisionist clique with which Deng was linked headed by Liu Shaoqi has been defeated ... The movement to repulse the Right deviationist attempt at reversing correct verdicts, and the decision of the Central Committee of the CPC on measures taken against rightist chieftain Deng Xiaoping, are in full accord with Marxism-Leninism, Mao Zedong thought.”¹³

In a second message mourning the death of Mao in September 1976, the CPB stated:

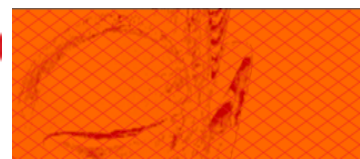
“Guided by Chairman Mao Zedong’s proletarian revolutionary line, the Chinese people seized great victories in the socialist revolution and socialist construction in the Great Proletarian Cultural Revolution, in criticizing Liu Shaoqi’s counter-revolutionary revisionist line, in criticizing Lin Biao and Confucius and in criticizing Deng Xiaoping and repulsing the Right deviationist attempt at reversing correct verdicts and consolidating the dictatorship of the proletariat, thus, consolidating the People’s Republic of China — the reliable bulwark of the world proletarian revolution.”¹⁴



The CPB had reason to re-evaluate the reliability of that bulwark the following year when Deng began to return to power in Beijing. The CPB, which once had branded its own “revisionists” *Yebaw* (“Comrade”) Htay and Hamendranath Ghoshal as “Burma’s Deng Xiaoping” and “Burma’s Liu Shaoqi” respectively, became silent. Htay and Ghoshal were two of the founders of the CPB and they had been executed during a series of bloody internal purges in the late sixties. The *Beijing Review* and other official Chinese publications, which had previously published battle views and CPB documents, stopped printing anything about the “revolutionary struggle in Burma.” The CPB was mentioned for the last time in November 1976 when Thakin Ba Thein Tin and his Vice Chairman Thakin Pe Tint, were received by the new Chinese Chairman Hua Guofeng in Beijing, who was soon to fall into disgrace.¹⁵ No details about the meeting were disclosed, but it is plausible to assume that the two Burmese communist leaders wanted to ensure continued Chinese support for the CPB in the post-Mao era.

The Burmese military quickly and shrewdly exploited the CPB’s rift with Beijing by lending its good offices to China in Cambodia as China shifted its focus to Vietnam’s designs on its Indo-Chinese neighbor. In November 1977, Ne Win became the first foreign head of state to visit Phnom Penh after the Khmer Rouge takeover. The Chinese were no doubt behind the unusual visit, hoping to draw the Khmer Rouge out of its diplomatic isolation. Ne Win played along, for his part hoping that Beijing would further reduce its support for the CPB. He was not disappointed. In 1978, the CPB’s entire China-based central office, including the *Peoples Voice of Burma* broadcasting station, was forced to move to Panghsang on the Yunnan frontier.¹⁶ The Chinese “volunteers,” who had fought alongside the CPB since 1968, were also recalled.

In September 1979, Burma left the Non-Aligned Movement — which it had helped form in the fifties — at its Havana summit to protest against Cuba assuming the chairmanship and its decision not to let the Khmer Rouge represent Cambodia. Burma's delegate San Yu said in a report to parliament after the Havana meeting: “Every nation has the inalienable right to freely choose its political, economic, social and cultural system without interference in any form



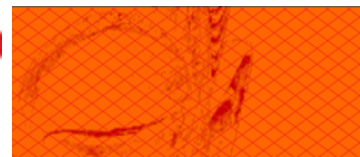
by another state...Burma strictly stands for the solution of problems by peaceful means rather than resorting to threats or use of force.”¹⁷ San Yu’s remarks were made with a vague reference to Vietnam’s December 25, 1978 invasion of Cambodia, but they were also interpreted as a signal to Beijing that Rangoon disapproved of its continued support for the CPB — however limited it had become.

1978 to 1988: Rapprochement and Stalemate

This decade was a period of gradual rapprochement between Burma and China — and a virtual standstill in the previously extremely heavy fighting between Burmese government forces and the CPB. Following Ne Win’s trips to China and Cambodia in 1977, Deng Xiaoping paid a politically important visit to Rangoon on January 26-31, 1978. Diplomatic relations on the ambassadorial level between China and Rangoon had been restored in 1970, but it was not until Deng’s visit that the hitherto strained relationship between the two countries could be described as reasonably normal. Aid to the CPB was downgraded, but not completely cut off. The official Chinese policy from 1979-88 was also characterized by the rather contradictory Chinese concept of differentiating between “party-to- party” relations and “government-to government” ties — a meaningless distinction in the Chinese context since the party in any case formed the government in Beijing.

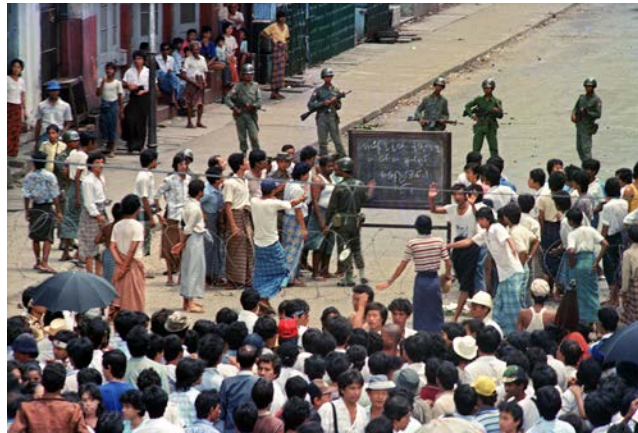
Relations between Rangoon and Beijing were nevertheless improving noticeably. On July 9-13, 1979, Burmese Prime Minister Maung Maung Kha visited China and signed an agreement on economic and technical cooperation. Ne Win returned to China in October 1980 and again in May 1985. China’s President Li Xiannian visited Rangoon in March 1985. Meanwhile, the CPB forces in Burma’s northeast were becoming increasingly irrelevant and anachronistic. They neither advanced, nor were they defeated by the Burmese army.

A new facet of the CPB was also becoming important for the group. In their base area, a lucrative, cross-border contraband trade was beginning to become economically significant. When the Chinese in 1978-79 decided that the CPB had



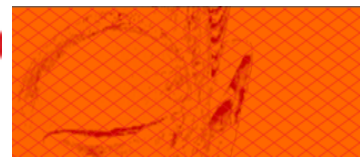
to become “self-sufficient,” illicit cross-border trade became its main source of income and the orthodox Burmese Maoists suddenly became freewheeling capitalists. Chinese consumer goods — textiles, plastic products, cigarettes, beer, bicycles, petrol and household utensils — were exchanged for Burmese timber, minerals, precious stones, and jade. The CPB survived by taxing this increasingly lucrative, but still illegal, cross-border trade. This became the foundation for an entirely new kind of relationship between China and Burma, both at the central level and along the border.

1988 to 2011: Pauk-Phaw or Patron-Client?



Troops order a crowd in downtown Rangoon (Yangon) to disperse in front of Sule pagoda sealed off by barbed wires on August 26, 1988. (source: Public Radio International)

A seemingly insignificant event in the midst of the political turmoil that engulfed Burma during the summer of 1988 turned out to be an extremely important watershed in Sino-Burmese relations. On August 6, 1988, as mass demonstrations shook Rangoon almost daily and only two days before a general strike crippled the entire country, most observers were probably amused to read in the official media in Rangoon that China and Burma had signed an agreement, allowing official cross-border trade to take place between the two countries. While the rest of the world was watching what they thought were the last days of the old regime, Beijing was betting on its continued ability to play a double game that leveraged both its historic and cultural ties to cross-border ethnic rebels and



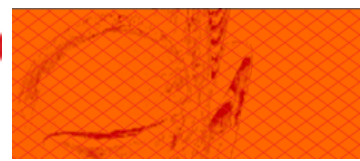
its neutral approach to engagement with whatever government was in power in Rangoon.

The Chinese had expressed their intentions, almost unnoticed, in an article in the *Beijing Review* as early as September 2, 1985. Titled “Opening to the Southwest: An Expert Opinion,” this article by the former Vice Minister of Communications Pan Qi outlined the possibilities of finding an outlet for trade from China, through Burma, to the Indian Ocean. Pan mentioned the Burmese railheads of Myitkyina and Lashio in northeastern Burma as possible conduits for the export of Chinese goods but refrained from mentioning that all relevant border areas were not under central Burmese government control.

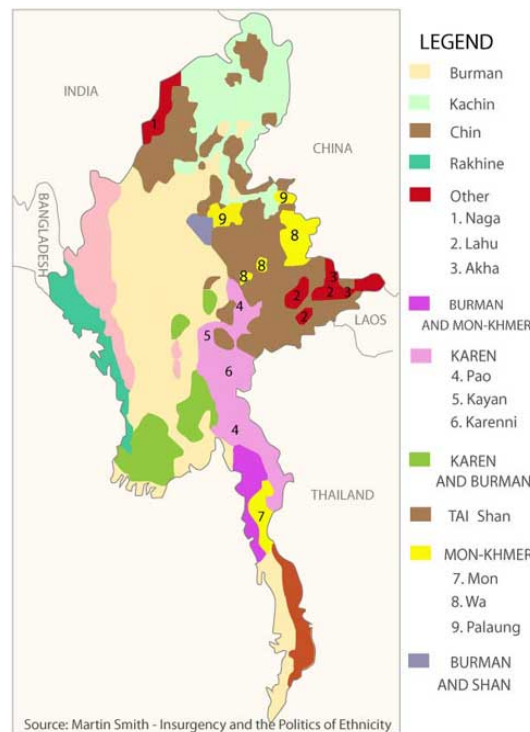
At that time, nearly the entire, 1,357-mile Sino-Burmese frontier was actually controlled by the CPB and other non-state armed groups who had ties—political, ethnic or both—to China. Following the 1960 border agreement, a joint Sino-Burmese team had marked the frontier with border stones that literally covered the full length of the common border. When these had crumbled more than two decades later, new stones were erected in 1985 in accordance with a new agreement. But this time, the Burmese border stones, the location of which the Chinese had decided, were conveniently located in open paddy fields and glades in the jungle, far from major rebel bases along the frontier.



The Burma Road (source: www.dangerousroads.org)

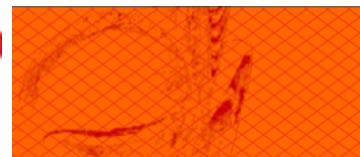


By early 1987, the Burmese government had managed to recapture a few CPB strongholds along the frontier, including the booming border town of Panghsai, where the fabled Burma Road crosses into China. At the same time, the Chinese, whose policies had changed dramatically since the Cultural Revolution, began to penetrate the Burmese market through an extensive economic intelligence reporting system within Burma. This network monitored the availability of domestically manufactured Burmese products, as well as the nature and volume of illegal trade from other neighboring countries such as Thailand, Malaysia, Singapore and India. China could then respond to the market conditions by producing goods in its state sector factories. More than 2,000 carefully selected items were reported to be flooding the Burmese market. Chinese-made consumer goods were not only made deliberately cheaper than those from other neighboring countries, but were also less expensive than local Burmese products.¹⁸



(Map showing ethnic minorities in Burma. Credit: RFA RFA)

In March-April 1989, to the surprise of many, the hill tribe rank and file of the CPB's army mutinied and drove the party's Maoist leadership into exile in China.



The mutiny came after years of simmering discontent between the hill tribe cannon fodder, who had been forcibly recruited into the CPB's army, and the ageing Burman intellectuals who were still clinging to their old ideals. The government in Rangoon quickly and shrewdly exploited the mutiny: the leaders of the new forces who emerged from the ashes of the old CPB were promised that they could engage in any kind of business, if they agreed to a ceasefire with the government and refrained from sharing their vast quantity of weaponry (acquired from the Chinese from 1968 to 1978) with other rebel groups. The most potent military threat to Rangoon was neutralized, at a time when the military government was facing a serious threat within the Burman heartlands. As a result the cross-border trade flourished.

However, diminution of the importance of the CPB would not irrevocably damage China's influence in Burma. In the wake of the Rangoon massacre of 1988, and the Tiananmen Square massacre the following year, it was hardly surprising that the two isolated, internationally condemned neighbors would move closer to each other in the following years. This

new, very special relationship between Burma and China was first articulated by Burma's powerful intelligence chief, Lieutenant General (Lt.Gen.) Khin Nyunt, a leading member of the State Law and Order Restoration Council (SLORC),

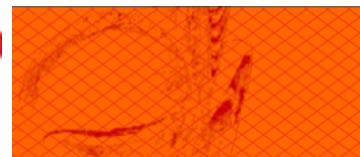


(Lt.Gen. Khin Nyunt, source: BBC)

in an address to a group of Chinese engineers working on a project in Rangoon:

“We sympathize with the People’s Republic of China as disturbances similar to those in Burma last year [i.e. 1988] broke out in the People’s Republic of China [in May-June 1989].”¹⁹

The importance of relations between these two bloodstained authoritarian regimes increased following a twelve-day visit to China in October 1989 by a twenty-four member military team from Burma. Gen. Than Shwe led the team,

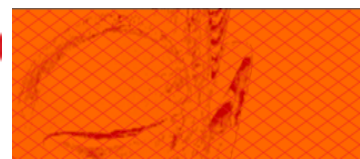


which also included Lt. Gen. Khin Nyunt, the director of procurement Brigadier Gen. David Abel, and the chiefs of the air force and navy. The visit resulted in a massive arms deal: China pledged to deliver US\$1.4 billion worth of military hardware to Burma, including a squadron of F-7 jet fighters (the Chinese version of the Soviet MiG-21), at least four Hainan-class naval patrol boats, about 100 light tanks and armored personnel carriers, anti-aircraft guns, rockets, a substantial quantity of small arms and ammunition, and radio equipment for military use.²⁰

By 1990, Burma had become China's principal political and military ally in Southeast Asia. Chinese arms pouring across the border into Burma were crucial to the survival of the extremely unpopular military regime in Rangoon. After the signing of the border-trade agreement in August 1988, Burma became China's chief foreign market for cheap consumer goods, and China became the major importer of Burmese timber, forestry products, minerals, seafood and agricultural produce. At the time, World Bank analysts estimated that nearly US\$1.5 billion worth of goods were exchanged along the Burma-China frontier, not including a flourishing trade in narcotics from the Burmese sector of the Golden Triangle.

In addition to trade, China soon became involved with upgrading Burma's badly maintained roads and railways. By late 1991, Chinese experts were working on a series of infrastructure projects in Burma. That same year, Chinese military advisers arrived and were the first foreign military personnel to be stationed in Burma since the fifties.²¹ Burma, in effect, became a Chinese client state. What the CPB failed to achieve for the Chinese on the battlefield was accomplished by shrewd diplomacy and flourishing bilateral trade amidst a politically weak government.

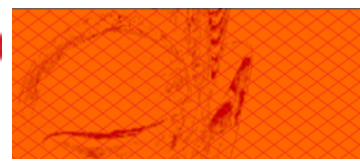
Though there was Chinese interest and acquisition of Burmese resources, the real resource play came later, and in spades. In April 2007, China's National Development and Resource Commission approved a plan to build oil and gas pipelines connecting China's interior to Burma's vast untapped on- and offshore



petroleum resources. In Nov. 2008, China and Burma agreed to build a US\$1.5 billion oil pipeline and US\$1.04 billion natural gas pipeline. In March 2009, China and Burma finally signed an agreement to build that natural gas pipeline, and in June 2009 an agreement to build the crude oil pipeline. The inauguration ceremony marking the start of construction was held on October 31, 2009, on Madaya Island on Burma's western coast. The gas pipeline from the Bay of Bengal to Kunming, in China's Yunnan province, would be supplemented by an oil pipeline with a terminus in Kyaukphyu in Rakhine State, designed to allow Chinese ships carrying fuel imports from the Middle East to skirt the congested Malacca Strait. And in September 2010, China agreed to provide Burma with US\$4.2 billion worth of interest-free loans over a 30-year period to help fund hydropower projects, road and railway construction, and information technology development.

This growing cooperation masked a deeper sense of unease within Burma's nationalistic senior officer corps, many of who had fresh memories of fighting CPB troops armed by Beijing. These tensions often came to the surface in ways that looked like internal power struggles but in reality were often spurred by disputes over China's influence. The first blow against China came in October 2004, when the then-prime minister and former intelligence chief Lt.-Gen. Khin Nyunt was ousted in an internal putsch. The Chinese at first refused to believe that their man in Burma had been pushed out—how dare Than Shwe and the other generals move against a figure so key to the relationship?

Nevertheless, both sides managed to smooth over the incident, and bilateral relations appeared to return to normal. Then, in 2009 without advanced warning to Beijing, Burmese troops moved against a non-state armed group in the Kokang area in the northeast, dislocating more than 30,000 people on both sides of the border, all of whom ended up seeking temporary shelter in China. Beijing expressed its unhappiness with the Burmese military's tactics, but ultimately took no steps beyond demarches. China's leaders were again unpleasantly surprised when the new Thein Sein government announced on September 30, 2011, that a China-sponsored, hydroelectric power mega-project at Myitsone, in the far north



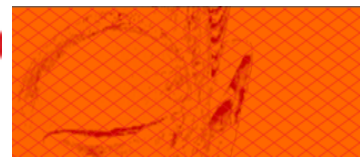
of the country, had been suspended. By this time, there were other signals that Beijing could no longer ignore regarding its loss of influence, including a budding relationship between Burma and the United States.

2011-to present: Burma-U.S. Relations, Its Complicated

Western sanctions did not cause Burma's economic — and strategic — fall into the hands of the Chinese, as many foreign observers have argued. But Western policies certainly made it easier for China to implement its designs for Burma. This, in return, caused some in the West to criticize a policy of isolating Burma and “handing it over to China.” These concerns were outlined as early as June 1997 in a *Los Angeles Times* article by Marvin Ott an American security expert and former CIA analyst. “Washington can and should remain outspokenly critical of abuses in [Burma]. But there are security and other national interests to be served...it is time to think seriously about alternatives,” Ott concluded.²²

But the turn took some doing. Between 2000-2008, the George W. Bush administration's bipartisan Burma policy not only maintained sanctions put in place by Congress during the Clinton administration but added new ones in an attempt to support Burma's democratic forces. In the wake of the 2007 Saffron Revolution's popular uprising and the regime's disastrous response to Cyclone Nargis in 2008, the Bush administration did seek to take advantage of additional space to support civil society on the ground by expanding humanitarian assistance and other programs inside the country, but overall it maintained a hard line against the regime's leadership.

The revelation in the early 2000s that Burma and North Korea had established a strategic partnership helped to tip the balance in Washington. North Korea reportedly was providing Burma with tunneling expertise, heavy weapons, radar and air defense systems, and — it is alleged by Western and Asian intelligence agencies — even missile-related technology. Some leading foreign policy voices, such as then-Senator Jim Webb, began arguing that it was high time to shift tracks and start to engage the Burmese leadership, which seemed bent on clinging on to power no matter the consequences. When the Obama



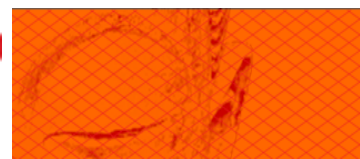
administration came into office on a platform of reversing Bush-era foreign policy, many saw an opening for a change on Burma as well.

The November 2010 election in Burma, which formally ended junta rule by Senior General Than Shwe and brought the Thein Sein government to power, was blatantly rigged and fraudulent. Nonetheless, it was seen as an opportunity that the West needed to mend fences with the Burmese leadership. Burma suddenly had a new face and a country ostensibly run by a constitution, not a junta. With a new administration in Washington, it was also the perfect time for Burma's former generals to launch a charm offensive in the West, and for the United States and other Western countries to begin the process of détente. Both the U.S. and Burmese leadership viewed pulling Burma from its uncomfortable Chinese embrace and close relationship with North Korea as a key element of this new era.



(source: Carolyn Kaster / AP)

In early December 2011, U.S. Secretary of State Hillary Clinton paid a high-profile visit to Burma, the first such trip by a top-ranking Washington official in more than 50 years. Clinton's visit to Burma was followed by a visit by President Obama in November 2012, who returned to Yangon two years later as the country finally took its turn as chair of ASEAN. In May 2013, Thein Sein became the first Burmese head of state to visit the United States since Gen. Ne Win was there in 1966. By the time Aung San Suu Kyi arrived in Washington for a September 2016



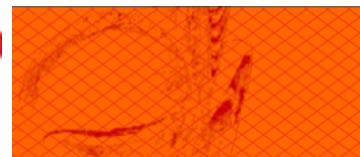
visit as State Counselor, U.S.-Burma relations had been almost completely normalized. On the occasion of her visit, she and President Obama announced the lifting of all remaining economic sanctions.

In order to understand Burma's rather dramatic policy shift, it is instructive to look deeper into what was discussed in inner circles of the military in the early 2000s. Then condemned and isolated by the international community, the ruling military junta announced in August 2003 a seven-step "Roadmap to Discipline-Flourishing Democracy." That plan called for the drafting of a new constitution, general elections, and convention of a new parliament that would "elect state leaders" charged with building "a modern, developed, and democratic nation".²³

The "roadmap" was made public, but at the same time a confidential "master plan" that outlined ways and means to deal with both the international community, especially the U.S., and domestic opposition was also drawn up. The authors of that plan are not known; however, an internal military document written by Lt.Colonel Aung Kyaw Hla, who is identified as a researcher at the country's prestigious Defense Services Academy, was completed and circulated as early as August 2004, less than two months before Lt.-Gen. Khin Nyunt, "China's man", was ousted.

The Burmese-language document, received and reviewed by this author, outlines the thinking and strategy behind the master plan. It is, however, unclear whether "Aung Kyaw Hla" is a particular person, or a codename used by a military think-tank. Anecdotal evidence suggests the latter.

Entitled "A Study of Myanmar [Burma]-U.S. Relations", the main thesis of the 346-page dossier is that Burma's recent reliance on China as a diplomatic ally and economic patron has created a "national emergency" that threatens the country's independence. According to the dossier, Burma must normalize relations with the West after implementing the roadmap and electing a government so that the regime can deal with the outside world on more acceptable terms.



Aung Kyaw Hla goes on to argue that although human rights are a concern in the West, the U.S. would be willing to modify its policy to suit “strategic interests.” Although the author does not specify those interests, it is clear from the thesis that he is thinking of common ground with the U.S. vis-à-vis China. The author cites Vietnam and Indonesia under former dictator Suharto as examples of U.S. foreign policy flexibility in weighing strategic interests against democratization.

If bilateral relations with the U.S. were improved, the master plan suggests, Burma would also get access to badly needed funds from the World Bank, the International Monetary Fund and other global financial institutions. The country could then emerge from “regionalism”, where it depended on the goodwill and trade of its immediate neighbors, including China, and enter a new era of “globalization.”

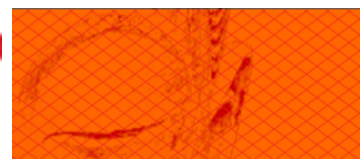
The master plan clearly articulated the problems that must be addressed before Burma could lessen its reliance on China and become a trusted partner with the West. The main issue at the time of writing was the detention of pro-democracy icon Aung San Suu Kyi, who Aung Kyaw Hla wrote was a key “focal point”:

“Whenever she is under detention pressure increases, but when she is not, there is less pressure.”



(Aung San Suu Kyi addresses her supporters from the gates of her house in July 1996. Photo: Reuters)

While the report implies Suu Kyi’s release would improve ties with the West, the plan’s ultimate aim — which it spells out clearly — is to “crush” the opposition.

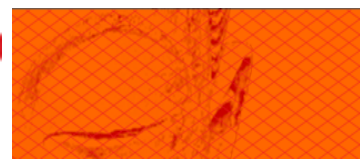


The dossier concluded that the regime could not compete with the media and non-governmental organizations run by Burmese exiles, but if U.S. politicians and lawmakers were invited to visit the country they could help to sway international opinion in the regime's favor. In the years leading up to the recent policy shifts, many Americans, including some congressmen, did visit Burma and often proved less critical of the regime than they previously had been. In the end, it seems that Burma's military leaders successfully managed to engage the U.S. rather than vice versa. As a result, relations with the United States have improved rapidly, exactly along the lines suggested by Aung Kyaw Hla in 2004. Both China and North Korea were high on the agenda when Clinton visited Burma in December 2011. Subsequently, strategic and economic concerns have risen up the bilateral agenda even as human rights and democratization have been steadily de-emphasized.

Today, the two old adversaries, Burma and the United States, increasingly end up on the same side of the fence in the struggle for power and influence in Southeast Asia. Frictions, and perhaps even hostility, can certainly be expected in future relations between China and Burma — but barring some unforeseen event, Burma will no longer be seen by the United States and elsewhere in the West as a pariah state that has to be condemned and isolated.

Recovering Influence and Checking Rivals

The developing friendship between Burma and the United States prompted China to start searching for new ways to shore up the relationship. In 2012, academic-style journals in China ran several articles analyzing what went wrong with Beijing's Burma policy and what could and should be done to rectify it. One proposed measure was to launch a public relations campaign in Burma aimed at overhauling China's current negative image in the country. Beijing also began furiously reaching out to other elements of Burmese society—including the NLD and other democrats—utilizing the CPC's "government-to-government," "party-to-party," and "people-to-people" strategy that lies beyond the CPC's previous limited circle of regime leaders and their business cronies. In addition to these

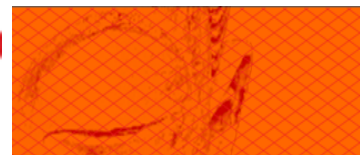


'soft power' tools, Beijing also has access to a range of more kinetic options as well as an ability to either facilitate or frustrate any efforts by Burmese leaders to assert control over and establish a durable peace in the totality of Burmese territory. Since 2011, China has been carefully implementing this mix of hard and soft power tools to regain a position of leverage with both the Thein Sein and Aung San Suu Kyi governments.

To strengthen its position vis-à-vis China, Burma has also turned to its partners in the Association of Southeast Asian Nations (ASEAN), which it chaired in 2014. Even more significantly, when Gen. Min Aung Hlaing, who was appointed commander-in-chief of Burma's military in March 2011, went on his first foreign trip in mid-November, he did not go to China — but instead to China's traditional enemy, Vietnam. Burma and Vietnam share the same fear of their common, powerful northern neighbor, so it is reasonable to assume that Min Aung Hlaing had a lot to discuss with his Vietnamese hosts.

While the Burmese government seeks to build deeper relations with other nations in the region, stark domestic challenges continue to hinder meaningful economic or political developments at home. As history has shown, China's dual-track policy has maintained distinct leverage and influence over Burma's rebel groups and government, further complicating Burma's peace process, an initiative taken by Thein Sein shortly after he assumed the presidency in early 2011. The Chinese government consistently denies reports of interfering in the peace process but Beijing's tacit support for the largest non-state armed group in Burma tells a different story.²⁴

In May 1989, the CPB's successor, the United Wa State Army (UWSA), entered into a ceasefire agreement with the Burmese government, which suited China's new commercial interests. But it was also imperative for Beijing to find ways to strengthen the UWSA, and by extension its leverage over the Burmese government. After all, the Chinese had had a long-standing relationship with most of the leaders of the UWSA, dating back to their CPB days. Thus, the UWSA was able to purchase vast quantities of weapons from China and, according to the



April 26, 2013 issue of the prestigious military affairs journal *Jane's Defense Weekly* these purchases included armed transport helicopters which: “[The acquisition of helicopters] marks the latest step in a significant upgrade for the UWSA, which has emerged as the largest and best-equipped non-state military force in Asia and, arguably, the world,” the journal wrote.

In the second half of 2012, the UWSA had acquired armored vehicles for the first time. These included both Chinese PTL-02 6×6 wheeled “tank destroyers” and an armored combat vehicle that IHS Jane’s identified as

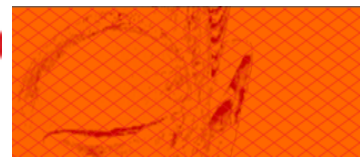


Chinese-supplied APCs at the UWSA's Panghsang headquarters
(Source: Myawaddy, a Burma Army website)

the Chinese 4×4 ZFB-05. Furthermore, the UWSA has obtained from China huge quantities of small-arms and ammunition—and around 100 HN-5 series man-portable air defense systems (MANPADS), a Chinese version of the first-generation Russian Strela-2 (SA-7 “Grail”) system.²⁵

Thus, today the UWSA has become better armed than the CPB ever was. It can field at least 20,000 well-equipped troops apart from thousands of village militiamen and other supportive forces. Moreover, the top leaders of the UWSA are usually accompanied by Chinese intelligence officers who provide advice and guidance. So what is China up to? Why the arming and continued support of a non-state military force, while at the same time, Beijing has had cordial relations with the Burmese government since it abandoned its policy of supporting communist insurrections in the region?

Beijing's policies are no doubt a way of putting pressure on Burma at a time when its relations with the United States are improving. China feels it cannot afford to “lose” Burma to the West, and seems to define Burma’s foreign relations with

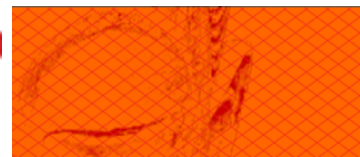


other regional actors in zero-sum terms. A strong UWSA provides China with a strategic advantage and is also a bargaining chip in negotiations with Naypyidaw. Significantly, when the President's Office Minister U Aung Min visited Monywa in November 2012 to meet local people protesting a controversial Chinese-backed copper mining project, he openly admitted: "We are afraid of China... we don't dare to have a row with [them]. If they feel annoyed with the shutdown of their projects and resume their support to the communists, the economy in border areas would backslide."²⁶

By "the communists" he clearly meant the UWSA and its allies, among them the Myanmar National Democratic Alliance Army (MNDAA) in Kokang, another former CPB force, which returned to armed struggle in February 2015. China, predictably, has denied any involvement in that conflict, but the fact remains that most of the MNDAA's weaponry and vast quantities of ammunition have been supplied by the UWSA. The Chinese have always denied giving any material support to the UWSA. But recent arms shipments to the UWSA that have included man-portable air-defense systems, armored fighting vehicles, heavy artillery and other sophisticated military equipment, which are not the kind of equipment that "falls off the back of a truck", or could be sent to the UWSA by some local officials in Yunnan. The deliveries were almost certainly directed from the highest level of China's intelligence and military authorities in Beijing.



(map of Shan State depicting UWSA, MNDAA and NDA controlled areas Source: RFA)

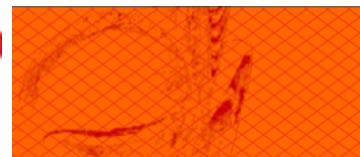


According to one well-placed source, China is indirectly “teaching the Burmese government a lesson in Kokang: move too much to the West, and this can happen.” At the same time, Beijing is playing another “softer” card by inviting Burmese politicians and journalists on all-paid for “study trips” to China and being actively involved in so-called “peace talks” between the Burmese government and the country’s multitude of ethnic rebel armies. Whether China wants to export revolution or expand and protect commercial interests, it apparently feels the need to have a solid foothold inside Burma. There is no better and more loyal ally in this regard than the UWSA and its affiliates.

Sun Guoxiang, China’s special envoy for Asian affairs (Foreign Ministry), has repeatedly expressed public support for Burma’s peace process. According to the transcript of a meeting Sun held in February 2017 with representatives from two of Burma’s ethnic armed ceasefire groups, Sun said: “China has a unique foreign policy towards Myanmar [Burma] and respects the sovereignty of Myanmar...we are only doing our duty as a friendly neighbor.”²⁷ Sun’s cordial tone cuts a sharp contrast with the China-backed UWSA’s militant message delivered with seven ethnic armed groups around the same time against the Burmese government’s “national ceasefire agreement” – a joint salvo which caught many observers off-guard raised new questions about China’s true position towards Aung San Suu Kyi’s peace initiative, which she inherited from Thein Sein. The seven groups rejected the government’s “national ceasefire agreement” and called for a more direct, political approach to solving Burma’s decades-long civil war.²⁸



(Myanmar ethnic rebel leader General Gun Maw from the Kachin Independence Army walks with Chinese Special Envoy Sun Guoxiang at the opening of a four-day conference in Mai Ja Yang. Source: AFP 2016)



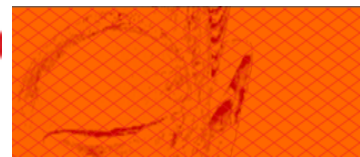
Sun is right in stating that China's multi-layered policies towards Burma are indeed "unique" — and, to many outsiders, they often seem contradictory. But under examination, China's foreign policies have their own logic. Envoy Sun's positive message is the first surface layer of China's diplomacy, which is almost always publicly characterized as "amicable" and "friendly" with regional countries it engages.

The second layer consists of the International Liaison Department of the Central Committee of the Communist Party of China (ILD/CPC). The body was originally set up in the 1950s to develop contacts with other communist parties and support revolutionary movements across the globe. These days, however, ILD/CPC representatives are often seen at conferences and for hob-knobbing with political parties of all ideological stripes. The ILD/CPC also supports various non-state groups, including armed resistance organizations, like the UWSA, which serve China's long-term strategic and economic interests.

The third layer is the People's Liberation Army (PLA), which maintains links with other militaries across the world. Along with selling weapons to foreign governmental and nongovernmental clients, directly or through front companies, it has provided beneficiaries such as the UWSA with a wide variety of weaponry. Some of those armaments are then shared with other ethnic armed groups actively fighting against the government.

China may have transformed its economic system from rigid socialism to free-wheeling capitalism, but politically it remains an authoritarian one-party state where the CPC is above the government with the PLA serving as the armed-wing of the Party. The old policy of maintaining "government-to-government" as well as "party-to-party" relations has not changed.

Consequently, China's main man in dealing with Burma's many political actors is not Sun but rather Song Tao, head of the ILD/CPC. Song, a senior politician and

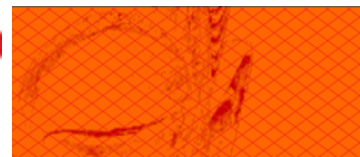


diplomat, was educated at Monash University in Australia and served as an assistant to the Chinese ambassador to India in the early 2000s before becoming ambassador to Guyana and the Philippines.



(Visiting Minister of the International Department of the Central Committee of the Communist Party of China (CPC) Song Tao (L) shakes hands with Myanmar State Counselor and Foreign Minister Aung San Suu Kyi during their meeting in Nay Pyi Taw, Myanmar, on Aug. 11, 2016. Source: Xinhua/U Aung)

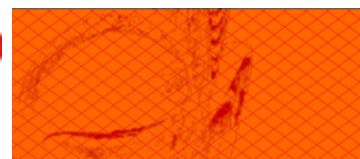
In October 2015, Song took part in a high-profile visit to North Korea and the following month took over the post as ILD/CPC chief from Wang Jiarui, a CPC veteran who was in charge of maintaining contacts with communist members in countries like North Korea, Cuba and Vietnam. While Song is not a high-profile figure like Sun, he is known to work actively in the background and apparently prefers to meeting with Burmese politicians and top soldiers in Beijing rather than Naypyidaw. Song did meet with Suu Kyi in Naypyidaw August 2016, just weeks before the launch of her peace process. The differentiation between “government-to-government” relations maintained by China’s foreign ministry and the CPC’s “party-to-party” links with groups such as the UWSA — and with the CPC’s positioned above the government in Beijing — explains why China can publicly praise Burma’s peace process while quietly providing the UWSA with heavy weaponry.²⁹



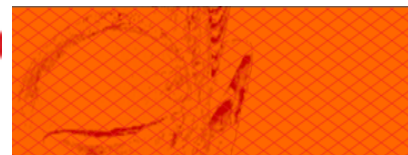
Unlike Western democracies, China's foreign ministry is not necessarily the lead actor in shaping policy, rather the Party is ever-present within the three different levels of engagement. The foreign ministry is the public face and its policies are always characterized as "amicable" and "friendly" with regional countries it engages with. However, to paint a more comprehensive picture of the PRC's relations with the Burmese government and ethnic rebel groups, the other two levels of Chinese engagement (dominated by the CPC) must also be examined. The massive upsurge in outreach to Aung San Suu Kyi, pro-democracy activists, and even journalists – including innumerable "study trips" to China since 2012 -- as well as Chinese support for the UWSA essentially serves the same strategic purpose: Put pressure on the military, who really pulls the strings in Naypyidaw, and force it to keep its options open for the future, with the aim of securing the vital "Burma corridor."

Conclusion

Seen from this perspective, *Pauk-Phaw* is little more than empty rhetoric. Beijing is not going to give up the secure position it has cultivated inside Burma since the late 1960s. Likewise, China will not easily give up its hard-won access to the Indian Ocean and Burma's strategic importance to Beijing cannot be overestimated. More than 60 per cent of the world's oil shipments pass through the Indian Ocean, from the Middle East's oil fields to China, Japan and other strong economies in the region, as does 70 per cent of all container traffic to and from the Asian industrial countries and the rest of the world. While traffic across the Atlantic has diminished and that which crosses the Pacific is static, trade across the Indian Ocean is increasing. Parts of the ocean, especially in the west around the Horn of Africa and next to the Strait of Malacca in the east, are areas where pirates are active and terrorists have been shipping arms to various conflict zones in the region. This has prompted tighter regional cooperation between the United States, Australia, India and Japan. Burma is in the middle of this imbroglio — and China is attempting its utmost to preserve its influence over the country.

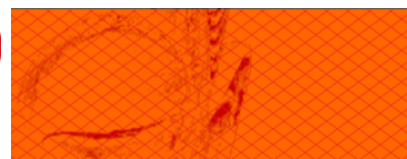


Realities on the ground will not change. China is there, just across the northeastern border. Western countries, with which Burma would prefer to deal, are far away, lack the depth and subtlety of China's relationships inside Burma, and have their own relationships and equities with Beijing. The West may be able to counter China's influence in Burma, which would be welcome by most domestic stakeholders in the country — but that would require a sophisticated approach based on a better understanding of how China exerts its influence in the region as well as a willingness to devote real resources to a serious strategy toward that end. Given this mismatch in both interests and capabilities, it seems likely that China's long-game will continue to be the more persistent challenge for Burma and its neighbors.



Endnotes

- ¹ Steinberg, David and Hongwei Fan. *Modern China-Myanmar Relations: Dilemmas of Mutual Dependence*. Copenhagen: NIAS Press, 2012. pp. 7-8.
- ² For a discussion about Burma's China policy during these years, see Josef Silverstein, *Burma: Military Rule and the Politics of Stagnation*. Ithaca and London: Cornell University Press, 1977, pp. 170-180. For the Burmese government's account of the Kuomintang invasion of north-eastern Burma, see *The Kuomintang Aggression against Burma*. Rangoon: Ministry of Information, 1953.
- ³ For a chronology of Sino-Burmese relations, see *China's Foreign Relations — a Chronology of Events 1949-1988*. Beijing: Foreign languages Press, 1989. pp. 207-215.
- ⁴ Sino-Burmese relations are described in detail in ChOshad Liang, *Burma's Relationship with the People's Republic of China — From Delicate Friendship to Genuine Cooperation*, unpublished paper presented at a Burma conference in Oxford, England, December 13-15, 1991.
- ⁵ The Namwan Assigned Track refers to a border area between Bhamo in Burma's Kachin State and Namkham in Shan State, that the British had leased from China in 1897.
- ⁶ Silverstein, pp. 172-175.
- ⁷ For an overview of the border dispute and its solution, see Lintner, Bertil, *Cross-Border Drug Trade in the Golden Triangle*. Durham, England: Durham University, International Boundaries Research Unit, 1991. pp. 5-14.
- ⁸ The Burmese authorities have always denied that regular Chinese troops took part in the operation, but it is described in detail in this unusually informative Wikipedia entry: https://en.wikipedia.org/wiki/Campaign_at_the_China%E2%80%93Burma_border. See further works cited: Richard M. Gibson with Wenhua Chen, *The Secret Army: Chiang Kai-shek and the Drug Lords of the Golden Triangle*, John Wiley & Sons, 2011, pp. 171-172.
- ⁹ Silverstein, pp. 161-162.
- ¹⁰ Interview with CPB Chairman Thakin Ba Thein Tin, Panghsang, December 24, 1986.
- ¹¹ See *Communism in India — Unpublished Documents 11925-1934*. Calcutta: National Book Agency, 1980. p. 170.
- ¹² For a discussion of these events, see Lintner, Bertil. *The Rise and Fall of the Communist Party of Burma*. Ithaca: Cornell University Southeast Asia Program, 1990.
- ¹³ *Beijing Review*, Vol.19, No. 31, July 30, 1976, pp. 20.
- ¹⁴ *Beijing Review*, Vol. 19, No. 40, September 30, 1976, pp. 59.
- ¹⁵ *Beijing Review*, Vol. 19, No. 48, November 26, 1976, pp.3.
- ¹⁶ Panghsang, which is today in the Wa Self-Administered Region of Shan State, had been the CPB's official headquarters since the Burmese army had captured Pegu Yoma in 1975.
- ¹⁷ Lintner, Bertil, "The Rise and Fall of the Communists", *Far Eastern Economic Review*, June 4, 1987.
- ¹⁸ Lintner, Bertil. "The Busy Border", *Far Eastern Economic Review*, June 8, 1989.
- ¹⁹ For full quote, see Burma Press Summary, *Working People's Daily* (Rangoon), Vol. III, No, 10, October 1989, pp. 17
- ²⁰ For a list of Chinese weaponry delivered to Burma, see Lintner, Bertil: "Lock and Load", *Far Eastern Economic Review*, September 13, 1990, "Oiling the Iron Fist", *Far Eastern Economic Review*, December 6, 1990, and "Hidden Reserves", *Far Eastern Economic Review*, June 6, 1991.
- ²¹ Ibid.
- ²² Ott, Marvin, " Don't Push Myanmar Into China's Orbit", *The Los Angeles Times*, June 09, 1997, at http://articles.latimes.com/1997-06-09/local/me-1645_1_southeast-asia
- ²³ For an overview of the "roadmap", see Arnott, David, *Burma/Myanmar: How to Read the Generals "Roadmap — A Brief Guide With Links to the Literature*, at <http://www.ibiblio.org/obl/docs/how10.htm> and Khin Maung Win, address at a Myanmar Institute of Strategic and International Studies seminar in Rangoon, January 27-28, 2004, at http://burmatoday.net/burmatoday2003/2004/02/040218_khinmgwin.htm
- ²⁴ Wee, Sui-lee, " Myanmar official accuses China of meddling in rebel peace talks", *Reuters*, October 8, 2015, at <http://www.reuters.com/article/us-myanmar-china-idUSKCN0S22VT20151008>
- ²⁵ Quoted in Lintner, Bertil. "Same Game, Different Tactics", *The Irrawaddy*, July 2015. The original *Jane's* report is available only to subscribers.



²⁶ See Kyaw Phyo Tha, “Fear of China Keeps Copper Mine Open: Aung Min’, *The Irrawaddy*, November 26, 2012, at <http://www.irrawaddy.com/news/burma/fear-of-china-keeps-copper-mine-open-aung-min.html>

²⁷ Quoted in Kyaw Kha, “Meeting Minutes Reveal Insight into Chinese approach to Burma’s Peace Process”, *The Irrawaddy*, February 22, 2017, at <https://www.irrawaddy.com/news/burma/meeting-minutes-reveal-insights-chinese-approach-burmas-peace-process.html>

²⁸ Lintner, Bertil, “Wa rebel groups torpedoed Suu Kyi’s peace drive, *Asia Times*, February 28, 2017, at <http://www.atimes.com/article/wa-rebel-group-torpedoes-suu-kyis-peace-drive/>

²⁹ See also Lintner, Bertil, “China uses carrot and stick in Myanmar’, *Asia Times*, February 28, 2017, at <http://www.atimes.com/article/china-uses-carrot-stick-myanmar/>