

Military Confrontation or Political Dialogue: Consequences of the Kokang Crisis for Peace and Democracy in Myanmar

The renewed violence in the Kokang region of the northern Shan state in February 2015 has had serious repercussions for efforts to solve ethnic conflict in Burma/Myanmar¹ and end the decades-old civil war. The fighting started when troops led by the veteran Kokang leader Pheung Kya-shin (Peng Jiasheng) resurfaced in the Kokang region and attacked government and army positions after an interval of nearly six years. Pheung Kya-shin's Myanmar National Democratic Alliance Army (MNDAA), a former ceasefire group and government ally, was ousted from the Kokang region in 2009 by a rival Kokang leader with the help of the Tatmadaw (national armed forces). This coup happened

after Pheung's MNDAA had refused to accept the demand of the previous military government to transform into a Border Guard Force (BGF).²

The outbreak of renewed conflict in the Kokang region has, in turn, clouded the prospects of achieving a nationwide ceasefire agreement (NCA) in Myanmar. Battles broke out while negotiations were ongoing in Yangon. For while other ethnic armed organisations have called for peace talks and a halt to the renewed fighting, the quasi-civilian government under President Thein Sein has so far refused to address the Kokang crisis by political means. The

Recommendations

The renewed violence in the Kokang region has serious repercussions for efforts to solve ethnic conflict in Myanmar and clouded the prospects for achieving a nationwide ceasefire agreement. Fighting has spilled across the Yunnan province border and strained relations with China, Myanmar's largest foreign investor.

The return of conflict to the Kokang region follows an unaddressed pattern of increased military operations and instability in the Kachin and northern Shan states since President Thein Sein assumed office in 2011. It is vital that peace is achieved and all nationality peoples, including the Kachin, Kokang, Shan and Ta-ang, are included in nationwide ceasefire talks and political dialogue. Conflict in any part of the country can quickly lead to national instability.

The humanitarian consequences of the renewed fighting in northeast Myanmar are profound. Since 2011, around 200,000 civilians have been displaced in the Kachin and northern Shan states, many of whom have fled towards the China border. Amidst rising Buddhist nationalism in Myanmar, the Kokang conflict also raises the risk of anti-Chinese sentiment in the country.

Failure to address the root causes of armed conflict and to create an inclusive political process will have a detrimental impact on the prospects for peace, democracy and development. Military solutions to ethnic conflict must no longer be pursued, and an inclusive political dialogue should start as soon as possible. Peace in Myanmar needs to move from arguments about process to agreements about delivery. It is time to end military confrontation and to start political dialogue.

Tatmadaw has responded with a large military offensive, supported by air strikes, in an all-out effort to drive out the MNDAA from the Kokang region. Although the MNDAA declared a unilateral ceasefire in June, the conflict continues and the MNDAA is still holding ground, with the Tatmadaw making rare public admissions of taking casualties.³

Fighting has also spilled across the border into China, killing five Chinese citizens in a mis-targeted airstrike by the Myanmar air force. Such loss of life has put a severe strain on relations with China, Myanmar's largest foreign investor, which has stepped up security, calling on the government of President Thein Sein to solve the crisis through negotiations.⁴ The Kokang are ethnic Chinese and enjoy good relations with their cross-border cousins. In response, the Thein Sein government has publicly apologized. But amidst rising Buddhist nationalism in Myanmar, there are concerns that government officials are seeking to capitalize on anti-Chinese sentiment among the general population. The Tatmadaw has portrayed the fighting as a defence against foreign intruders and mercenaries in the protection of national soil,⁵ even though the Kokang are officially recognized as one of Myanmar's "135 national races".⁶

The resumption of fighting has already had grave humanitarian consequences. Over 80,000 people have been displaced by the Kokang conflict, most of whom fled across the border to China. Equally serious, the renewed combat in the Kokang region has caused fighting to escalate in adjoining Kachin, Shan and Ta-ang (Palaung) areas of the northern Shan state where other ethnic armed organisations are in conflict with the central government. For reasons never properly explained by the Nay Pyi Taw authorities, fighting has reignited across northeast Myanmar since President Thein Sein assumed office in March 2011. In contrast to peace initiatives in other parts of the country,⁷ the Tatmadaw has broken old and violated new ceasefires in both the Kachin and northern Shan states. Military security rather than political dialogue appears

to be the Tatmadaw's default strategy in Myanmar's resource-rich northeast.

As a result, some 200,000 civilians have now been displaced from their homes in the China borderlands during the four years since President Thein Sein assumed office.⁸ At a time of much-hoped for reform in the country, such suffering is furthering mistrust about the government's intentions and its willingness to settle Myanmar's long-standing ethnic challenges through political negotiations rather than battle-field means. A blame game is now underway as to who is responsible for the latest spread in fighting. But as another general election approaches later this year, it is vital to recognize that the present conflict in the Kokang region is not unique or new. Rather, it is symptomatic of the failed policies of the past and the need to find inclusive political solutions in what remains one of the most militarized and ethnically-divided countries in Asia.

In a speech in London in July 2013 President Thein Sein promised to bring a just and sustainable peace in the country: "Very possibly, over the coming weeks, we will have a nationwide ceasefire and the guns will go silent everywhere in Myanmar for the first time in over sixty years."⁹ As clashes continue in northeast Myanmar, such words have a very hollow ring. It is time for all parties to redouble efforts to halt the fighting and seek genuine national peace together. The need has long been urgent to end Myanmar's cycle of conflict by political dialogue that will address ethnic aspirations and grievances, bringing equality, peace and justice to all peoples.

The Present Conflict

On 9 February MNDAA troops, after several months of preparation,¹⁰ re-surfaced in the Kokang region with a claimed 1,000-strong force and attacked Tatmadaw bases and police stations in and around the regional capital Laukkai. Pheung Kya-shin's son, Pheung Daxun (Peng Deren) is leading the MNDAA's military operations. Since its ousting from the Kokang region in 2009, Pheung Daxun

has been in charge of regrouping and reorganising the MNDAA, ostensibly with support from other organisations.¹¹

Taken by surprise, the Tatmadaw sent in a large number of reinforcements to the northern Shan state and launched airstrikes by helicopters and fighter jets against MNDAA positions. Unlike in 2009, however, when MNDAA forces were defeated within a few days, protracted fighting has continued across the Kokang region ever since.

A week after the fighting erupted, state media reported that “sporadic fighting continued all day long” in Laukkai.¹² On 17 February, President Thein Sein declared a state of emergency and martial law in the Kokang region, thereby ceding all administrative and judicial powers to the Tatmadaw for the first time in any part of the country since the 2008 constitution had been introduced.¹³ Nevertheless in early March the state media acknowledged that “fierce fighting” was still taking place in the Kokang region,¹⁴ and, in an unusual admission, reported that the Tatmadaw had suffered 73 fatal casualties and 189 wounded, claiming that 86 MNDAA soldiers had also died.¹⁵ A few days later, the Chinese state media reported that “unconfirmed compiled statistics show that, as of now, the government side suffered 100 deaths with 246 wounded, while 104 bodies were seized from the MNDAA with 30 being arrested.”¹⁶

As the fighting raged, the Myanmar state media featured reports of President Thein Sein, Tatmadaw Commander-in-Chief Snr-Gen. Min Aung Hlaing and other high-ranking government members visiting injured soldiers in hospitals. In a carefully-orchestrated public relations campaign, a foreign threat to national sovereignty was implied, gaining the Tatmadaw some rare public support for military operations among Myanmar’s majority Burman (Bamar) population.¹⁷ For Kokang inhabitants, there was further resonance: as a special operations commander, Min Aung Hlaing had led the 2009 operation that had ousted the MNDAA from regional control.¹⁸ The patriotic tone, however, was generally lowered after five Chinese civilians were killed in a cross-

border airstrike, prompting Beijing to warn of retaliation.

Despite overwhelming military advantage, Tatmadaw progress has continued to be slow. During May, fierce fighting was still reported to be taking place some 40 kilometres north of Laukkai,¹⁹ while a month later the government declared that it had gained control of Laukkai and the surrounding area. Since this time, fighting has moved into the mountains in the northern Kokang region and, although the MNDAA announced a unilateral ceasefire on 11 June after coming under Chinese pressure, Tatmadaw commanders still appear to be striving for military solutions. At the present time, attacks on MNDAA positions are still continuing.²⁰

The renewed fighting has also escalated broader ethnic conflict across the northern Shan state, hindering the Tatmadaw’s advance in the rugged terrain. In its initial attack, the MNDAA was supported by the Ta-ang National Liberation Army (TNLA: Palaung State Liberation Front) and the Arakan Army (AA) which agreed to join the operation.²¹ In a joint statement released in early March, the three organisations stated: “Using fighter planes, tanks and armored cars, Myanmar Tatmadaw (Army) has launched offensives against our ethnic armed resistance organisations in Kokang, Ta’ang etc. regions, which are regions of the indigenous nationalities in Northern Shan State, as if it were against a foreign aggression.”²² Other ethnic armed organisations are also active in the surrounding territories, including the non-ceasefire Kachin Independence Organisation (KIO), ceasefire Shan State Army-North/Shan State Progress Party (SSA/SSPP) and ceasefire United Wa State Army (UWSA). While the degree of military cooperation between the different forces is disputed, leaders of all these nationality groups presently have close relations. Indeed government officials accused several of these organisations of supporting the MNDAA in its revival, even though they are currently involved in joint negotiations with the Thein Sein government for the agreement of a nationwide ceasefire (see “Towards a Nationwide Ceasefire?” below).

The spread of fighting in the Kokang region has also displaced a large number of people, inflicting humanitarian suffering and causing a further deterioration in community relations with the government. According to UNOCHA, over 13,000 people initially fled from the Kokang region to the town of Lashio in the northern Shan state, most of whom were migrant workers from other parts of Myanmar who could return to their places of origin.²³ However, the majority of people affected by the conflict fled to neighbouring China, an estimated 70,000 people in total, including Chinese nationals residing in the Kokang region for work or business. Since this time, the Chinese government has been providing assistance to them but, to date, has prevented access to international non-governmental organisations (NGOs).

Meanwhile, humanitarian access inside the Kokang region itself has been restricted. As UNOCHA warned: "Limited information is available on the humanitarian situation and on people displaced or affected by the fighting in this area. The number of civilians killed or injured due to the fighting is unconfirmed".²⁴ As hostilities have continued, there have been accusations of serious human rights violations by both sides, including allegations of extrajudicial killings and the use of torture by the Tatmadaw²⁵ and unconfirmed reports about revenge killings in Laukkai by the MNDA.²⁶ Humanitarian workers, too, have been affected by the conflict. Two volunteers of the Myanmar Red Cross Society (MRCS) were wounded when a civilian convoy came under fire, one of whom later died.²⁷ The Tatmadaw and MNDA accused each other of responsibility for the attack.²⁸ A month later, a second MRCS vehicle carrying civilians came under attack. This time, five people were wounded, including a Myanmar journalist.²⁹

Eventually, by the end of June, international NGOs were preparing to return to Laukkai to try and resume existing programmes and provide support to the return of those who had fled the conflict. But the Kokang region remained under martial law, sporadic fighting was continuing, and many local inhabitants

were still displaced from their homes. Until a real peace is achieved, social and political disruption appears set to continue across the northern Shan state.

Background

The Kokang region is a mountainous and isolated area, located in the northeast Shan state, between the Salween river and the China border. In 2003, the local population was estimated by the UNODC at just over 100,000 people,³⁰ and in 2008 it was delineated under Myanmar's new constitution as the Kokang "Self-Administered Zone" (SAZ). Historically, the region has had strong social and economic connections with neighbouring China. The main nationality group, known as Kokang or Kokangese, are ethnic Chinese, the lingua franca is Chinese, the main currency is the Chinese Yuan, and there are many migrant workers from China. While the Kokang Chinese make up the majority population, there are also several other nationality groups. Reflecting this diversity, the MNDA flag consists of seven linked yellow rings against a red background, representing the ethnic groups that inhabit the territory: Kokang, Shan, Ta-ang, Lahu, Lisu, Wa and Hmong.³¹

Earlier history is sketchy, but the former ruling Yang family claims that its ancestors can be traced back to the final years of the Ming dynasty, and were Chinese Ming loyalists fleeing the new Manchu dynasty in the 17th century. After residing in Yunnan province for a few years, they subsequently settled in the Kokang borderlands.³² Here the Yang family ruled over the local territory in a similar fashion to the neighbouring hereditary chiefs (sawbwa) in the Shan sub-states. During colonial rule, the Kokang territory was demarcated in British Burma and administered as part of the northern Shan state of Hsenwi. In 1947, just before Myanmar's independence, the Kokang sub-state became the 34th principality of the Federated Shan States. Its leaders agreed to become part of the Union of Burma as long as "internal autonomy" is respected.³³ "There should be no external interference in our

internal affairs,” Yang Cheje told the Frontier Areas Committee of Enquiry.³⁴

After independence, the Kokang region escaped most of the political and ethnic violence that spread across the country. Armed struggle, however, began in earnest after the 1962 military coup by Gen. Ne Win who sought to impose the “Burmese Way to Socialism” on the country. The political landscape has remained highly militarized ever since. In 1964 a short-lived Kokang Resistance Force merged into the present-day Shan State Army. Then in 1968, following anti-Chinese violence in Yangon, the insurgent Communist Party of Burma (CPB) opened a major new front by invading the northern Shan State with backing from communist China. With a decade of full-scale support, the CPB quickly expanded its control over most territory along the China border in the Shan state, including the Kokang, Wa and Mongla regions, as well as a small area around Kambaiti in the Kachin state.

In making these advances, the CPB, which was led by ethnic Burmans, was supported by a number of local nationality leaders, including Pheung Kya-shin, an ex-officer in the local Kokang militia of the ruling Yang family. In the following years, Pheung Kya-shin became an important field commander in the CPB’s People’s Army. Like most minority leaders, however, he was never admitted to the party’s ruling Politburo, and the CPB never won popular support in the borderlands. Ethnic resistance continued and, although the People’s Army was able to build up extensive strongholds along the China border, the party failed to gain new footholds in central Myanmar. By the mid-1980s, China’s communist leaders had ended military support to their sister party and normalized formal government-to-government relations. This marked the beginning of the end for the CPB.³⁵

As the CPB faltered, the People’s Army and Tatmadaw were by no means the only armed actors in the local region. Shan, Kachin and Ta-ang armed opposition groups also made rapid territorial gains in the northern Shan

state during the Ne Win era. Under attack from all sides, the Tatmadaw supported the creation of a large number of local militias as a key element in its counter-insurgency strategy. First launched in the 1960s under the name ‘Ka Kwe Ye’ (KKY) in the Shan state, the main function of these militias was to counter the threat posed by armed opposition groups. The militia programme has since gone through several incarnations and still exists today in many parts of the country, where Tatmadaw-backed groups are known as ‘Pyithu Sit’ (People’s Militia) or, in some cases, Border Guard Forces (BGFs). But in the Shan state the KKY programme was eventually abandoned in 1973, as most forces appeared more preoccupied with trading opium rather than fighting on behalf of the Tatmadaw.

In the Kokang region, there was to be a historically important fall-out from the KKY debacle. The Kokang KKY was led by an influential local figure, Lo Hsing-han, who refused to give up arms and went underground, later resurfacing at the Thai border where he became known as the ‘King of Opium’. Subsequently, Lo Hsing-han was arrested by the Thai authorities and extradited to Myanmar, where he received a death sentence for his role in the Shan state resistance.³⁶ Later released under amnesty, Lo Hsing-han met together with Pheung Kya-shin in the late 1980s in an unexpected turn in history that not only precipitated the CPB’s demise but also transformed the political landscape of the country.

Following the 1988 democracy uprising that brought down Ne Win’s military socialist government, it was little secret that many inhabitants in the China borderlands were disillusioned with the CPB. The new military government of the State Law and Order Restoration Council (SLORC: later State Peace and Development Council [SPDC]) was also hard-pressed, and Lo Hsing-han, sensing opportunity, suggested that Tatmadaw officials allow him to try and win away local nationality leaders from the CPB. According to a former Military Intelligence (MI) officer, Pheung Kya-shin replied that he needed time, but he later succeeded in

convincing local commanders in the Kokang, Wa, Mongla and Kambaiti regions to join him in separating from the CPB.³⁷

In April 1989, Pheung Kya-shin made his move, leading the first revolt that precipitated the downfall of the CPB as other nationality leaders followed suit along the China border. In a significant change in Tatmadaw policy, the SLORC leaders responded quickly, offering ceasefires to the breakaway groups, who had formed four new nationality armies of their own: the MNDAA in the Kokang region, the UWSA in territories around the former CPB headquarters at Panghsang, the National Democratic Alliance Army (NDAA) in the Mongla region, and the New Democratic Army-Kachin in the Kambaiti region in the Kachin state. From this uncertain beginning, the new ceasefire policy became a central strategy in the SLORC-SPDC era of government, eventually expanding to include 16 of the main ethnic armed forces in the country. In recognition of the MNDAA's leading role as the first ceasefire signatory, the Kokang region was designated as "Special Region No.1" in the Shan state. Meanwhile, Lo Hsing-han went on to co-found the Asia World company which has since become one of Myanmar's largest business conglomerates.

In the coming years, Pheung Kya-shin and leaders of the former CPB forces developed close personal relationships with the SLORC-SPDC authorities, especially Lt-Gen. Khin Nyunt, the Military Intelligence chief and later prime minister. As the government unfolded its "Border Areas Development Programme", international NGOs and UN agencies were invited to work in the Kokang region, and diplomats were flown in by helicopter to view development projects and the impact of the ceasefire strategy. In particular, the MNDAA was presented as a showcase for drug-control efforts in the country, and various foreign visitors were brought in, including participants to the Fourth International Heroin Conference in Yangon in 1999.³⁸ Historically, the Kokang, Wa and Mongla regions were the main opium-cultivating areas in Myanmar, but a few years after their ceasefires the

ex-CPB groups committed themselves to ending this practice in their territories. The NDAA formally banned opium cultivation in the Mongla region in 1997, followed by the MNDAA in 2003 and the UWSA in 2005. However, although opium cultivation generally declined, the groups continued to be accused of the production of amphetamine-type stimulants (ATS), particularly methamphetamine, and the trafficking of heroin.³⁹

Against this shifting background, the reputation of Pheung Kya-shin and several other ceasefire leaders remained controversial in the China borderlands. Unlike most ceasefire groups, the MNDAA, which maintained a 1,500-strong force, made few political demands for ethnic rights and democracy during the SLORC-SPDC era, and was mainly involved in economic activities.⁴⁰ Two new Kokang parties did stand in the 1990 and, later 2010, general elections, but they failed to make much impact. Their aim was to represent Kokang interests in the broader Shan state region.⁴¹ For their part, MNDAA representatives took part in the government-organised National Convention to draw up a new constitution, joining a four-party "people's" bloc with the UWSA and its ex-CPB allies. Together they proposed autonomous regions similar to those in China and, on the surface, this was delivered with the creation of the new Kokang SAZ as one of six "self-administered" territories, in addition to the seven ethnic states, under the 2008 constitution. But by then, relations between the government, MNDAA and other ceasefire groups in the Kachin and northern Shan states had already begun to turn sour.

This has led to puzzlement over the recourse to violence in northeast Myanmar, the first ceasefire territories, and the motivations of MNDAA and Tatmadaw officers in the Kokang region. For the most part, there has been less sympathy over the years for the MNDAA among the general population, as well as other nationality parties, because of its activities close to the government in post-1988 history. Instead, suspicion has lingered that Pheung Kya-shin's real aim has always been to control territory and lucrative

business opportunities in the Kokang region, rather than to protect and promote the rights of the Kokang people.⁴² “When the MNDAA was still friendly with the Burma Army, nobody liked them”, says a Shan political analyst.⁴³ For this reason, critics argue that Pheung Kya-shin and his followers used the backdrop of nationwide ceasefire talks during 2014-15 for the dramatic attempt to regain control of the Kokang region.

Sources close to the government, however, admit that it is rather more personal and strategic than this. In particular, there is bitterness among Pheung Kya-shin’s supporters for the way the MNDAA has been treated during the past decade, despite the leading role Pheung Kya-shin played in establishing the first ceasefires and opium bans in the Shan state. According to a former MI officer:

“I think Pheung Kya-shin is fighting back because he feels cheated. He started the peace and convinced others to join him. After the MI was abolished, Pheung Kya-shin also lost his influence and main contacts in the government. Now he feels that he is not recognized as a leader and initiator of the peace process in the 1980s. He has a long history.”⁴⁴

Two events appear to have prompted this remarkable breakdown in relationships: firstly, changes in the Tatmadaw leadership; and secondly, changes in government strategy over national reform and security control, especially in northeast Myanmar where the first ceasefires began a quarter of a century ago. These developments were precipitated by the 2003 announcement of the SPDC’s “seven-stage roadmap” towards disciplined democracy.

The first turning-point was the unexpected arrest, as a result of an internal power struggle, of Lt-Gen. Khin Nyunt, prime minister and Military Intelligence chief, and the dismantling of the entire MI apparatus in late 2004. At first, SPDC leaders claimed that Khin Nyunt’s ousting would not affect the status of the ethnic ceasefires, of which Khin Nyunt had been the main architect.

But relations swiftly deteriorated as the government, in an unannounced change in policy, sought to put pressures on opposition groups in the Shan and Kachin state borderlands. In February 2005, the veteran head of the ceasefire SSA/SSPP, Hso Ten, was arrested together with a group of other Shan leaders, and all were sentenced to long jail terms. Three months later units of the Shan State National Army, an ally of the SSA/SSPP, were told to disarm, but their leader Sai Yi escaped to the Thai border with some of his troops and merged with the non-ceasefire Shan State Army-South/Restoration Council of Shan State (SSA/RCSS). Then in mid-2005, the ceasefire Palaung State Liberation Organisation was also forced to surrender its arms.⁴⁵ As the situation deteriorated, Kachin, Shan, Ta-ang and the leaders of other ceasefire groups complained that military and economic issues they thought they had resolved with Khin Nyunt were being overlooked, while their political views were being ignored at the National Convention to draft a new constitution.⁴⁶

As the clock clicked down on the SPDC’s seven-stage roadmap, relations between Tatmadaw and ceasefire groups in northeast Myanmar then took another turn for the worse in April 2009 when, in another unexpected move, the head of the Military Affairs Security Lt-Gen. Ye Myint announced that all ceasefire groups were to transform into “Border Guard Forces” (BGFs). An apparent precursor to the coming change in government, this controversial scheme demanded that ceasefire groups break up, without negotiation, into smaller battalions under Tatmadaw control, even though their political goals had not been addressed. It was little surprise, then, that most of the larger groups, including the UWSA, KIO, SSA/SSPP and MNDAA, immediately refused, and only some of the smaller groups came to accept this new status during the following months.

Tatmadaw leaders, however, now appeared to use this moment to try and take advantage of a dispute within the MNDAA leadership to seize control of the Kokang region and impose its new BGF system. In August 2009, the Tatmadaw occupied the Kokang

region after several days of fighting in an offensive led by the then Lt-Gen. Myint Aung Hlaing, who has since been promoted to Commander-in-Chief. Over 200 fatalities were reported and over 37,000 refugees fled into China, ending two decades of ceasefire in the Kokang region.⁴⁷ Ostensibly, the fighting started after government troops wanted to search what they claimed was an illegal arms factory near Laukkai. When MNDAA troops refused, a confrontation developed, and arrest warrants were issued against Pheung Kya-shin and several family members, providing the pretext for Tatmadaw units to take control.

MNDAA leaders, in contrast, see the situation very differently. Among a number of accusations: the SPDC had long been aware of the existence of the arms factory, and only used this as an excuse to occupy the Kokang region;⁴⁸ the conflict only started after the MNDAA rejected the BGF order, and was still considering whether or not to take part in the 2010 general election;⁴⁹ and the Tatmadaw used “divide and rule” tactics to put in Kokang office the former MNDAA police chief, Bai Xuoqian, who has himself been accused of involvement in the drug trade⁵⁰ and went over to the government side after Pheung Kya-shin stripped him of power.

It should be stressed, too, that this was not the first split to jeopardise MNDAA unity after its 1989 ceasefire. In 1991, a short-lived conflict broke out between the leading Pheung and Yang⁵¹ families, and in 1995 troops also mutinied in the Mongko area to set up a local militia force that separated from the MNDAA. But this time, caught unaware by Tatmadaw intentions, Pheung Kya-shin and his supporters were put to flight. In their absence, the central government took control of the Kokang region for the first time since Myanmar’s independence in 1948. Events now moved quickly. Bai Xuoqian’s local militia were transformed into BGF battalion 1006; Bai Xuoqian became a member of parliament for the military-backed Union Solidarity and Development Party (USDP) in the 2010 general election; and in March 2011, Kokang territory was distinguished for the first time on Myanmar’s political map

as the “Kokang SAZ” under the new 2008 constitution.

In the following years, the once isolated Kokang region took on a new geo-political significance as a raft of new economic projects with China took shape across northeast Myanmar. Outstanding among these initiatives are the oil and gas pipelines that pass across the northern Shan state from the Rakhine state coast to Yunnan province. But, in reality, the situation was far from stable in the China borderlands. Grievances still ran deep from the 2009 events, the risk of conflict was spreading, and it very much proved the calm before the storm.

Defending Myanmar Soil

Some very different views have been expressed about ethnicity, sovereignty and conflict during the Kokang crisis. Both government and Tatmadaw leaders have tried to portray the fighting as a battle against encroachment on Myanmar territory by outsiders who must be repelled. At the outbreak of fighting, the state media reported that, during a visit to injured soldiers, President Thein Sein “vowed not to lose an inch of Myanmar’s territory owned by the successive generations”, and that “the state and people always honour and respect sacrifices of military personnel who are protecting sovereignty and ensuring territorial integrity.”⁵² Similarly, at an army press conference, a Tatmadaw spokesperson stated that the military “never tolerates attempts to encroach upon Myanmar’s sovereignty.”⁵³

For inhabitants of the Kokang region, in contrast, these remarks appear part of a campaign by government officials to rally nationalist support for the ruling USDP and Tatmadaw in the November general election by seeking to build up anti-Chinese sentiment. There is a long history of anti-Chinese feeling in the country. After independence, Kuomintang remnants invaded the Shan state following the communist victory in China. Then in 1967 anti-Chinese riots took place in Yangon,

which China felt were instigated, or at least tolerated, by the Ne Win government. This prompted China to abandon its policy of neutrality and non-intervention in other countries and provide support to the CPB for its 1968 invasion of the Shan state.⁵⁴ More recently, there has been growing resentment among the general population against major Chinese investments in the country, including the Myitsone dam, the oil and gas pipelines, and the Letpadaung copper mine, as well as the cross-border influx of Chinese migrants to Mandalay and other conurbations.⁵⁵

Fears among Myanmar's Chinese community grew after a 60 year-old ethnic Chinese businessman – reportedly the brother-in-law of MNDAA commander Pheung Daxun – was arrested by the authorities on 23 February. Li Guoquan, also known by his Myanmar name Hla Win, was the former vice chair of the Myanmar Chinese Chamber of Commerce. He died a few days later in custody under unusual circumstances. According to the police, he had “suffered depression in custody and hit his head against the wall”, after which he was taken to the military hospital from where authorities claimed he leaped from a window and subsequently died. This official version was doubted by members of the Chinese business community in Yangon, who felt the case “underscored their fears that the Kokang conflict – which is whipping up nationalist tensions on both sides of the border – could have dangerous repercussions for Myanmar’s ethnic Chinese minority.”⁵⁶

Over the years, negative perceptions have also developed amongst the general population against ceasefire groups, notably the MNDAA, UWSA and NDAA, whose members include Chinese supporters (often business people), and who are accused of facilitating illegal migration into Myanmar.⁵⁷ It should be stressed, too, that Pheung Kya-shin himself raised the China card at the outbreak of recent fighting by issuing an appeal in an open letter to the Chinese public in which he stated: “I am calling on all fellow Chinese compatriots in the world, who have the same roots as our family, to

Ethnic Armed Organisations

Arakan Army (AA) ¹
 Arakan Liberation Party (ALP) ^{1 2}
 Arakan National Council (ANC) ^{1 3}
 Chin National Front (CNF) ^{1 2 3}
 Democratic Karen Benevolent Army (DKBA) ^{1 2}
 Kachin Independence Organisation (KIO) ^{1 3}
 Karen National Union (KNU) ^{1 2 3}
 Karenni National Progressive Party (KNPP) ^{1 2 3}
 KNU/KNLA Peace Council (KPC) ^{1 2}
 Lahu Democratic Union (LDU) ^{1 3}
 Myanmar National Democratic Alliance Army (MNDAA) ^{1 3}
 National Democratic Alliance Army (NDAA) ²
 National Socialist Council of Nagaland (NSCN-K) ^{2 4}
 New Mon State Party (NMSP) ^{1 2 3}
 Pao National Liberation Organisation (PNLO) ^{1 2 3}
 Shan State Army/Restoration Council of Shan State (SSA/RCSS) ²
 Shan State Army/Shan State Progress Party (SSA/SSPP) ^{1 2 3}
 Ta-ang National Liberation Army/Palaung State Liberation Front (TNLA) ^{1 3}
 United Wa State Army (UWSA) ²
 Wa National Organisation (WNO) ^{1 3}
 All Burma Students Democratic Front (ABSDF) ^{2 5}

¹ NCCT member

² Present ceasefire with government

³ UNFC member

⁴ Also operational in India

⁵ Non-nationality force based in ethnic territories

N.B. This list should not be considered as final. Other factions and splinter groups exist, and further change can be expected. There are also numerous Tatmadaw-backed Pyithu Sit and Border Guard Forces, some of which are former ceasefire groups, such as the Pao National Army Pyithu Sit. In the northern Shan state, the most important groups include the Kutkai, Pansay and Tar Moe Nye Pyithu Sits and BGF 1006 Battalion (Kokang), all of which are led by elected USDP members of the legislatures, and the Kaung Kha Pyithu Sit (ex-KIO 4th brigade).

give money and lend your hands to save our fellow Kokang Chinese people, or to speak out for our cause, to strengthen the prestige of our army!"⁵⁸ Against this backdrop, the Tatmadaw's "national sovereignty" rhetoric has had some rare public approval for its use of military operations during the recent crisis. "In Kokang, Tatmadaw comes in from cold," headlined the Myanmar Times in February.⁵⁹

For many minority communities, however, the attempt to capitalize on patriotic sentiments comes at a worrying time amidst rising Buddhist nationalism in the country. To date, such nationalism has been mainly targeted against the Muslim population. Anti-Muslim violence has been particularly violent in the Rakhine state, where over 100,000 Muslims, who often self-identify as "Rohingya", have been displaced during the past three years.⁶⁰ In general, they are portrayed as foreigners and outsiders, who should not be allowed Myanmar citizenship.⁶¹ Despite persistent international criticism, the Thein Sein government has appeared to follow this discriminatory view and, in some parts of society, such policies have gone down well, including a ban on inter-faith marriage. In a recent interview, a Buddhist monk leader of the hard-line Ma Ba Tha, known as the "Association for the Protection of Race and Religion", called on people to "forget the bad that they have done in the past" and vote for representatives of the military-backed USDP party because, he argued, opposition parties were too inexperienced to govern the country.⁶² As a result of such lobbying, over one million holders of temporary identification cards, most of whom are Muslims, have now been disenfranchised from standing in the polls.⁶³

Many Chinese in Myanmar, who include a Panthay Muslim minority, have been watching these events with concern. Although the Kokang are officially recognized by the government as one of Myanmar's "135 national races", Kokang people have also felt treated as foreigners under military-backed governments since independence, and now are fearful for the future with the loss of their homes. "They've been in charge of this country for several decades now, but they

have never treated Kokang people as their own people," a Kokang refugee in China said. "They treat us like the enemy, and they steal our stuff."⁶⁴ These sentiments have been echoed by other nationality leaders who worry about increasing disputes over land and natural resources in Myanmar. Said the KIO Vice-Chairman N'Ban La at a recent ceasefire meeting: "[The Kokang] are among the groups included in the list of 135 ethnicities officially recognized by Burma. But we can see that [the government] is treating the Kokang as though they don't belong to our country."⁶⁵

To critics of the Thein Sein government, there is also a deep irony about the government's depiction of the reasons for the Kokang conflict. For while government and Tatmadaw officials have lately made strong statements about protecting Myanmar territory against foreigners in the Kokang region, during the same period they have also apparently allowed the India army to conduct a cross-border raid into Myanmar's Sagaing region against a base of the National Socialist Council of Nagaland's Khaplang faction (NSCN-K) in early June.

As in other borderland conflicts, the background is complex. But the Indian government said that the operation was carried out in response to the killing of 18 Indian soldiers in an ambush carried out by the NSCN-K's allies, the United Liberation Front of Assam and the National Democratic Front of Bodoland, who have what the Times of India describes as a "safe haven" on the Myanmar side of the border.⁶⁶ For its part, the NSCN-K, which had a 14-year ceasefire with the India government, operates on both sides of the border, and in 2012 also signed a formal ceasefire with the Myanmar government. But during the past two months, the NSCN-K ceasefire with the India government has broken down amid mutual recriminations, with the Indian authorities accusing the NSCN-K of sheltering armed opposition groups fighting against the New Delhi government.⁶⁷

While, however, some Indian media and politicians publicly trumpeted the cross-

border raid, the Myanmar government quickly denied such an operation had taken place.⁶⁸ Certainly, the promotion by Indian nationalists of cross-border raids to protect India's interest raised broader security concerns among other countries in the region. "Pakistan is not Myanmar, and India should not think of repeating such an exercise inside Pakistani territory," warned the Pakistan interior minister Nisar Ali Khan.⁶⁹ The cross-border claims also drew criticism from within India. According to the late Indian journalist Praful Bidwai: "Confident and prudent nation-states don't casually violate their neighbouring states' sovereign borders; they know that healthy relations with their neighbours are key to their own security. Crude military machismo and cross-border "hot pursuit" adventures express not strategic confidence, but immaturity."⁷⁰

This, however, does not explain the apparent acquiescence by the Tatmadaw and Thein Sein government to the activities of various armed groups from India along Myanmar's northern frontier. Rather, for many citizens such selectivity is further evidence of the "divide-and-rule" strategies by which Myanmar's military leaders have long controlled the country by the timing, choice and use of its political opponents. To date, the Thein Sein government has given no explanation as to why armed groups from India can operate across the Myanmar border with apparent impunity.

In 2015, however, as the Kokang crisis continued, the India frontier was far from the most urgent of Nay Pyi Taw's borderland worries. For although the conduct of the Kokang campaign had won the government some domestic support among Myanmar's Burman-majority population, the loss of life and challenges to sovereignty had raised much more pressing nationality sentiments on both sides of the Shan state border. This now brought the Myanmar government into an unexpected crisis with its other great neighbour, China, which had previously been its closest ally. Indeed, for a brief moment, it even appeared that China might take military action.

Relations with China

The 2011 advent of the Thein Sein government has brought new uncertainties and challenges in China-Myanmar relations. Many aspects of political and economic relationships taken for granted by both sides during the long years of SLORC/SPDC rule no longer appear to be in place.⁷¹ In the longer-run, the development of trade and political agreements between the Nay Pyi Taw and Beijing governments is likely to be the most important factor, with China, Myanmar's largest investor, keen to develop its "One Belt, One Road" vision westwards across Asia during the 21st century. In the meantime, the outbreak of fighting along the Yunnan border has brought a host of unexpected difficulties in China-Myanmar ties that, for the moment, do not appear to have quick or easy solutions.

In the main, the Chinese authorities maintained good relations with the MNDAA and other former CPB groups following their 1989 mutiny, as well as with the KIO, SSA/SSPP and other nationality forces in the northeast borderlands. This de facto acceptance was greatly helped by the agreement of ceasefires during the SLORC-SPDC era, which saw the development of such thriving ceasefire towns as Laukkai, Panghsang and Mongla along the Yunnan province border. Generally, China is very cautious about ethnic nationality movements, but Beijing has always distinguished between inter-party and inter-government relations.

Border stability, however, began to unravel during the 2009 "BGF crisis" in the Kokang region when some 37,000 people, mostly Chinese nationals, fled across the border to escape the violence. As a sign of its displeasure, China issued a warning to the Myanmar government to protect the lives and property of Chinese citizens.⁷² The conflict was also widely reported in the Chinese press and on social media, generating public sympathy and support for fellow Chinese. Apparently surprised, officials in Beijing blamed the Yunnan government for painting an over-optimistic picture of the political situation in Myanmar in order to get approval

for investment schemes.⁷³ Nevertheless, the Beijing authorities still assumed that they had re-settled relations with Nay Pyi Taw in the transition from the SPDC to Thein Sein governments by cementing a series of major investment deals before the SPDC stepped down, including various hydro-power projects and the oil and gas pipelines to Yunnan.

Chinese expectations, however, were soon confounded, and borderland conditions have continued to worsen since President Thein Sein assumed office. In June 2011, the Tatmadaw resumed large-scale military operations, including airstrikes, against the ceasefire KIO in a dispute that initially began over a Chinese hydro-electric project. Then, as fighting spread, ceasefires also broke down in Shan and Ta'ang nationality areas of the northern Shan state before the Kokang conflict revived in February this year.

The result has been the very instability and threats to borderland security that China has long wanted to avoid. Amidst the heaviest fighting witnessed in decades, around 200,000 civilians have now been displaced in the Kachin and northern Shan states, with many of them wanting to seek refuge in China.⁷⁴ At the same time, the renewed conflict in northeast Myanmar has called into question the future of Chinese investment projects in the country. The US\$ 2.5 billion pipeline projects to transport oil and gas from the Bay of Bengal to Yunnan province seem set to continue, despite having to pass through the Shan state conflict-zones. But the controversial Myitsone dam in the Kachin state has been suspended by President Thein Sein for the duration of the current parliament, and popular opinion is very strong against it ever being restarted.

Equally serious for Beijing and Nay Pyi Taw, the Kokang crisis has also had a very negative impact on political and human relationships between the countries. There has been a sympathetic response for the Kokang cause on the Chinese-language Internet in both China and Taiwan, encouraged by Pheung Kya-shin's open-letter appeal for help. The situation then

further deteriorated after 13 March when five Chinese citizens were killed and eight wounded in an airstrike by the Myanmar air force that landed across the Yunnan border. In response, Fan Changlong, deputy head of the Central Military Commission, made a strong statement warning that, if this happened again, China would "take resolute and decisive measures to protect the lives, property and security of China's people".⁷⁵ The Thein Sein government had little choice but to make a formal apology for the incident, reportedly fulfilling all Chinese demands, including the payment of compensation to the victims.⁷⁶ But in May, China had to issue another protest after artillery shells fired from the Kokang region landed across the border, injuring five Chinese citizens and damaging a number of houses and vehicles.⁷⁷ The Chinese army has now deployed troops along the border with Myanmar, and in June performed military exercises involving infantry, artillery, tanks and aircraft in a full-scale show of force.⁷⁸

There can be no doubt that there are strategists in the Thein Sein government who would like to loosen Nay Pyi Taw's close relationship with China, and taking a strong patriotic position appears to have played out well in Myanmar politics. At first, some officials accused China of supporting the MNDAA, claiming that its rank and file included ex-Chinese soldiers who were providing military training.⁷⁹ According to Lt-Gen. Mya Tun Oo, head of the Military Affairs Security: "Chinese mercenaries are involved in Kokang troops' [offensive]", although he added that "the Chinese central government is very unlikely to be involved, but some authorities from autonomous regions [in China] might be involved."⁸⁰ Certainly, other reports also claimed that the MNDAA had recruited "Chinese nationals as mercenaries in Yunnan" and received cross-border support, including from members of the local security forces.⁸¹ But during the past two months, the diplomatic language has generally softened and the government's main call to the Chinese authorities has been to prevent the MNDAA from gaining support or supplies from across the Yunnan frontier.⁸²

For the moment, the Thein Sein government is hoping that it has contained the Kokang conflict by military means. To date, it has not responded officially to the MNDA's 11 June announcement of a unilateral ceasefire – other than to call on the MNDA to surrender.⁸³ Officials are undoubtedly pleased that Chinese pressure was behind the MNDA decision, but this has not lessened concerns – especially in Beijing – about what will happen next. Indeed both Chinese and nationality leaders in Myanmar believe that, regardless of ceasefire talks and this year's general election, military operations in northeast Myanmar may by no means be over with, potentially, the UWSA, NDA, SSA/SSPP and SSA/RCSS next in the sights of Tatmadaw commanders.⁸⁴

Such a scenario – of unending conflict – is of grave concern to the Chinese authorities in both Beijing and Yunnan province, who are also very wary about the role of Western countries in Myanmar's peace talks. There is especial sensitivity over the Yunnan province border. As fighting raged with the KIO along the Kachin state border, this caused China to appoint a special envoy, Wang Yingfan, in March 2013 to try and hammer out a new ceasefire deal while keeping Western countries out of the process.⁸⁵ When this failed, Wang Yingfan and other officials remained involved in behind-the-scenes lobbying to try and end the fighting and maintain China's influence.

In the aftermath of the Kokang crisis, however, China's position is no longer quite so clear, and the spread of further border instability is widely feared. In the past three months, this has led China's government to embark on a two-track strategy to try and bring peace and stability to its borderlands. For while People's Liberation Army troops remain in battle-alert along the Yunnan border, Chinese officials have also stepped up support for nationwide ceasefire talks in Myanmar, including an unusual ethnic summit in UWSA territory (see "The Panghsang and Law Khee Lar Summits" below). In another unexpected turn in history originating from the Kokang region, China's relations with Myanmar and its peoples are,

for the moment, inextricably interlinked with the country's peace process.

Towards a Nationwide Ceasefire?

Often overlooked during the recent months of fighting, the resumption of conflict in the Kokang region has also had very negative consequences for broader peace talks between the Thein Sein government and ethnic opposition groups to achieve a solution to Myanmar's long-running civil wars. The process has become much longer and more complicated than officials publicly anticipated. Since initiating this policy, the Thein Sein government has focused on signing a "nationwide ceasefire agreement" (NCA) as a first key milestone towards establishing peace. But, as the months have passed by, this focus on an NCA has become more of a stumbling block, hindering the start of political dialogue, which the government says can come only after the signing of an NCA.

For their part, government negotiators have been keen to finalise a binding NCA as soon as possible and have a grand signing ceremony with foreign dignitaries to demonstrate that they are making progress on achieving peace ahead of the upcoming election. Equally important for the government, once an NCA is signed, international aid is expected to flow in to Myanmar's war-torn regions. According to a Shan commentator Sai Wan Sai: "It is clear that the regime wants to cash in by signing the NCA as soon as possible, which would make the regime's party look good during the election campaigns and also benefit from international humanitarian and development aid programs, promised by the donors, once the NCA is signed."⁸⁶ In apparent support for President Thein Sein, international actors have also put pressure on nationality leaders to sign an imperfect deal now to ensure political dialogue will start under the present government rather than risk an unknown negotiating partner after a new government takes office in 2016.⁸⁷

In the ethnic borderlands, however, the

prospect of an NCA without firm political and economic guarantees is seen very differently. Among a number of concerns, four stand out. First, a political solution has always been the main priority of most armed nationality groups. Second, many of the larger forces have run their own administrative departments for many decades, keeping alive very different visions of political rights and identities, including health, legal and education programmes in areas not covered by government services. Third, grievance has been growing during the past four years over natural resource exploitation, land-grabbing and major hydro-power and other investment programmes, about which there has been no participatory consultation or benefit to the local peoples.⁸⁸ And, finally, while military transformation by armed opposition groups is anticipated, there appears to be no mutual acceptance of the need for reform change by the Tatmadaw.

In consequence, without guarantees of political reform and demilitarization by all sides, there is a fear among ethnic opposition groups that international aid in any transitional period may come to support the extension of central government structures and Tatmadaw presence in areas under opposition control or influence, by-passing and weakening local autonomy among nationality peoples who have long struggled for the right of self-determination. Against this backdrop, because of differences of opinion over dialogue procedures and priorities, a defining process of ceasefire inclusion and implementation has proven difficult to achieve, despite international support and the apparent willingness of all sides to talk.⁸⁹ As the analyst Bertil Lintner has asked: “Is it [the NCA] meant to find a lasting solution to Myanmar’s decades-long ethnic strife, or is it just a clever divide-and-rule strategy to defeat the other groups by a variety of means, including wearing them down at the negotiating table?”⁹⁰

After a number of earlier starts, during the past year and a half the peace negotiations have been taking place between the government’s Union Peace Making Committee (UPMC) and the Nationwide

Ceasefire Coordination Team (NCCT). The latter was formed in November 2013 at a meeting of 17 nationality forces in the KIO headquarters at Laiza on the China border to represent the different ethnic armed groups in the negotiations (see Chart: “Ethnic Armed Organisations”).⁹¹ Following long discussions, agreement was finally reached on 31 March in Yangon during the 7th round of negotiations on a 5th single text “draft NCA”, consisting of 7 chapters, 33 articles and 86 clauses.⁹² According to an ethnic representative at the meeting, the government’s chief negotiator Aung Min said that the draft NCA contains three main guarantees: commitment to form a federal union; removal of the signatories from the Unlawful Associations Act; and the promise of political dialogue.⁹³

In essence, the 5th draft NCA laid out a political roadmap after the signing of a final NCA, including drafting and adopting a framework for political dialogue within 60 days; starting a national political dialogue within 90 days; holding a Union Peace Conference; signing a Union Accord (Pyidaungsu Accord); submitting the Union Accord to the Union Parliament (Pyidaungsu Hluttaw) for ratification; and, finally, the implementation of all provisions contained in the Union Accord, and carrying out responsibilities regarding security reintegration.⁹⁴

The signing of the draft NCA was greeted with an orchestrated welcome in government and diplomatic circles. Celebrations, however, proved premature, as nationality leaders quickly pointed out.⁹⁵ A sustainable agreement is regarded more essential than an incomplete draft. Among a number of objections: the agreement was only a draft; the NCCT delegates still had to go back to their respective headquarters for approval by their organisations; amendments were still anticipated on key issues; apprehensions were growing over the attempts by Tatmadaw representatives to stall constitutional reform in the legislatures; and, finally, there were important differences of opinion between the government and nationality leaders over who should sign an agreement that, after all, would be called a “nationwide” ceasefire.

It was at this point that the continuing fighting in northeast Myanmar and on a new front in the Rakhine (Arakan) state cast further doubt on the NCA process. In contrast to 20 nationality forces advocated by armed opposition leaders, the government only accepted 16 groups as dialogue partners for inclusion in the NCA.⁹⁶ This included NCCT members that have signed new ceasefires with the government, as well as one NCCT member without a new ceasefire, the KIO, and five non-NCCT members: the UWSA, NDAA, SSA/RCSS, NSCN-K and (non-nationality) All Burma Students Democratic Front (ABSDF). Excluded, however, by the government are three NCCT members, the Kokang MNDA, the TNLA and Arakan Army, which are in armed conflict with the government, as well as nationality parties regarded as too small to include (see Chart: “Ethnic Armed Organisations”).

In the case of the MNDA, TNLA and AA, the main reason given by government officials for rejecting their involvement in the NCA is that they are considered to be groups that have started armed struggle since President Thein Sein took office: in essence, they are viewed as enemies of the present government. But there were also two other factors. Firstly, according to a government spokesperson, the heavy Tatmadaw losses suffered in the fighting further reduced the willingness to resolve the Kokang crisis through dialogue.⁹⁷ And secondly, government officials were very suspicious of the timing of the MNDA's revival during the NCA process, accusing other ethnic armed organisations of providing military support to the MNDA from nearby Kachin, Shan, Ta-ang, Wa and Mong La areas.⁹⁸ Indeed a military intelligence source claims that, in mid-2012, Pheung Kya-shin was granted an amnesty by the government.⁹⁹ But MNDA representatives had already called for talks with Nay Pyi Taw in early 2012. “We are willing to put the past behind and look to the future,” said a close relative of Pheung Kya-shin. “We therefore want to stand together with other ethnic brethren and open reconciliation talks with the Burmese government.”¹⁰⁰

The killing of 23 ethnic cadets, including TNLA and AA members, in an unprovoked Tatmadaw shelling of a KIO training school in the Kachin state last November was certainly a recent cause of grievance.¹⁰¹ But while the AA and TNLA have admitted their support in the Kokang fighting, stronger forces like the KIO, SSA/SSPP and UWSA have denied involvement, calling on all sides to use political means to solve the conflict.¹⁰² Nevertheless, given the unexpected strength of MNDA, TNLA and AA forces during the February attack, suspicions have not gone away that such groups are receiving help from elsewhere, meaning that they should be regarded as spoilers rather than partners in President Thein Sein's NCA process.

The government projection, however, of the MNDA, TNLA and AA as newcomer or opportunist groups is rejected by their supporters. Like other nationality movements in Myanmar, the Kokang, Rakhine and Ta-ang insurgencies have lineages that date back many decades, with roots in the same political failures and causes that have underpinned state failure in the country since independence.¹⁰³ The AA was announced in 2009, but it is only the latest in a long line of armed Rakhine factions that began in the late 1940s; the TNLA is in many respects a field revival of the Palaung State Liberation Organisation that dates back to the 1960s and, like the KIO and MNDA, had a ceasefire (in 1991) with the previous SLORC-SPDC government; and the MNDA, which includes veteran Kokang nationalists, argues that it was the Tatmadaw that was responsible for breaking its 1989 ceasefire when it forcibly occupied the Kokang region in 2009.

Certainly, other nationality forces have been quick to speak up for the inclusion of the MNDA, TNLA and AA in the NCA process, and they have not shown public doubts about their representation or pedigree. In the Kokang case, MNDA representatives were present when the main ethnic armed alliance, the then 12-party United Nationalities Federal Council (UNFC), was set up in Chiang Mai in 2011, and they

were subsequently invited to attend UNFC conferences. Says a senior ethnic advisor:

“Later the MNDAA applied for membership, and they were accepted at a small UNFC meeting, which was later ratified at a larger UNFC conference. After that it was not difficult to become a NCCT member. Pheung Kya-shin and other MNDAA members also attended the Laiza conference where the NCCT was formed”¹⁰⁴

The UNFC and NCCT members were also explicit in their political support for the MNDAA after the fighting started in the Kokang region in February. Stated the UNFC: “The Kokang ethnic is included as one ethnic nationality in the official listing of ethnic nationalities in the Union of Burma... The MNDAA is an organization that has been fighting to achieve their national rights. The Kokang ethnic has the same life experience as the ethnic nationalities that are in the United Nationalities Federal Council. Therefore, the MNDAA became a member of UNFC in 2014 and also involved in the Nationwide Ceasefire Coordination Team (NCCT).”¹⁰⁵ And as fighting continued during the final negotiations for the draft NCA in March, both UNFC and NCCT representatives called for the inclusion of the MNDAA as a signatory to the latest version.¹⁰⁶ The Vice-Chairman of the New Mon State Party, Nai Han Thar, who led the NCCT in the negotiations, warned that the NCA would not be signed by other members without the participation of the MNDAA, TNLA and AA. “Because we cannot say it is a nationwide ceasefire agreement, we won’t sign it without these three groups,” he said.¹⁰⁷

Importantly, too, it was not only among NCCT and UNFC leaders that doubts were beginning to grow about the future of the NCA without the inclusion of all their members. During the first half of 2015, the spread of conflict from the Kokang region across the northern Shan state was now to unexpectedly bring the strongest ethnic nationality force in Myanmar into the fray: the 25,000-strong United Wa State Army. Rather than the NCA process building trust,

military and political worries were clearly increasing in the ethnic borderlands. There was also added resonance in the UWSA’s appearance. As all sides recognised, the UWSA is also the nationality force most closely connected to China.¹⁰⁸

The Panghsang and Law Khee Lar Summits

China, the UWSA and its close ally, the NDAA in the Mongla region, share many concerns about the Kokang conflict, and they responded quickly to the refusal of the Thein Sein government to include the MNDAA in the list of armed groups to sign a nationwide ceasefire accord. Following the draft NCA agreement in late March, the UWSA caused surprise by hosting a summit of selected ethnic armed groups at their headquarters at Panghsang on the China border in early May. This was the first time that the UWSA had organized such a meeting. In the past, the UWSA has rarely joined meetings or alliances with other opposition groups, except with former CPB groups, and it is not a member of either the NCCT or UNFC. Rather, based around the former CPB “capital” at Panghsang, UWSA leaders have continued political and economic exchanges with their Chinese neighbours following their 1989 establishment, and they have always been very careful not to upset Beijing.¹⁰⁹ The reality is that China, rather than the central government in Myanmar, has always been the most important presence for many inhabitants of the Wa borderlands since independence in 1948.

Differences of opinion between Beijing and Nay Pyi Taw permeated the Panghsang summit. Invited participants by the UWSA consisted of 65 leaders and observers from 12 ethnic armed organisations, including such key NCCT members as the KIO, KNU, SSA/RCSS and NMSP that are based along the China or Thai borders. They did not, however, include the Chin National Front and other India border-based groups. This omission reflected the views of China which is very cautious about any potential connections with India. In contrast, despite

pressures from the Thein Sein government to exclude them, the UWSA publicly invited the MNDAA, AA and the TNLA to attend the summit. During the meeting, Chinese officials were discreet about their presence, but participants recognized that the summit would not have been able to go ahead without the official blessing from China. According to the veteran SSA/SSPP leader Hso Ten who attended the summit: “China gave the green light, and facilitated travel to the meeting for some of the delegates.”¹¹⁰

After a week of deliberation, the final statement of the Panghsang summit came up with conclusions that satisfied most of the participants. These included the future involvement of all ethnic armed groups in the NCA; an end to all fighting before signing a conclusive NCA; and the need to amend the 2008 Constitution.¹¹¹ The MNDAA was also pleased. According to party spokesperson Tun Myat Lin, the MNDAA attended the summit hoping to convince its allies to push the government to agree to a ceasefire in Kokang: “We don’t want to fight any more – now we are just defending ourselves. We decided to attend the meeting to find a way with our ethnic allies to stop the fighting.”¹¹²

There was, however, rather more to the UWSA’s unexpected organisation of the summit. Prompted by China and the Kokang conflict, the UWSA now had a combination of military, personal and political reasons to seek dialogue and cooperation with other nationality forces.

Firstly, UWSA leaders are very worried about the post-2011 resumption of fighting in the Shan state. Rather than the transitional peace process promoted by President Thein Sein, they fear that a very different military strategy is being unofficially pursued by the Tatmadaw in northeast Myanmar. This, they believe, started with the overthrow of their MNDAA ally in the Kokang region in September 2009, was followed by the breakdown of the KIO ceasefire by the Tatmadaw in June 2011, then continued with spread of armed conflict in northern Shan State during Tatmadaw operations against the KIO, SSA/SSPP and

the TNLA, and finally resulted in the revival of MNDAA resistance in the Kokang region in February 2015. Regardless of who is to blame, UWSA leaders feel that Tatmadaw commanders are tactically seeking to gain advantage from opposition weaknesses and unrest, taking on nationality forces one by one as government troops seek to occupy territory and build up new military bridgeheads towards the China border. As they have the largest and best-equipped force, UWSA leaders believe that they will be the last to be singled out and attacked.¹¹³

As early as January 2013, UWSA, SSA/SSPP and NDAA leaders issued a joint statement of concern:

“[We] should not allow the comeback of the dark images of the past military dictatorship era. At the turn of the history like now, priority should be given to the cessation of fighting and building mutual trust between the central government and the ethnic people of our nation... The government army should stop making attacks against the KIA immediately and resume talks with them. If the government persists on fighting the civil war, things will go back to as they were sixty years ago. There will be difficulties to preserve the present union, national stability would be an impossible goal and the wheel of history will turn back.”¹¹⁴

A second reason for the UWSA to want MNDAA inclusion in the NCA process is more personal. The nationality leaders of the former CPB groups in the China borderlands shared many years of fighting under the CPB, and subsequently two decades of ceasefires with the SLORC-SPDC, and they have maintained close personal ties through all these years. The NDAA leader Lin Ming-xiang (aka Sai Lin), for example, married the daughter of Pheung Kya-shin. UWSA leaders, therefore, were very concerned during the Panghsang meeting when MNDAA representatives suggested that the organisation would join the AA and TNLA in leaving the NCCT if it accepted the draft NCA. According to Zhao Guo-an, representing the UWSA at the summit:

“There will be no peace as long as Burmese Big Nation chauvinism and arrogance persist. The key to the political dialogue phase is ceasefire in the whole country. Exclusion of any group will not bring peace.”¹¹⁵ According to the UWSA spokesperson Aung Myint: “Unless fighting stops in the whole of the country, a nationwide peace agreement is just a piece of paper.”¹¹⁶

The third reason for the UWSA’s political emergence relates to national politics. Under the 2008 constitution, a Wa Self-Administered Division (SAD) was demarcated under the Shan state government. Although this is the first time since independence that such a Wa nationality territory has been recognized in Myanmar (there are two Wa autonomous counties in Yunnan), it has fallen short of UWSA demands and expectations. The Wa SAD, for example, does not include all territory under UWSA control, such as the relatively fertile Mong Pawk and Mong Phen townships, which are mainly inhabited by other nationalities, including Lahu, Akha and Taang.¹¹⁷ Equally criticized by Wa leaders, the capital of the Wa SAD has been designated at Hopang, located outside UWSA territory, and not at the UWSA capital of Panghsang. For such reasons, UWSA leaders believe that autonomy and local development have been severely handicapped under the new political system. According to the UWSA Vice-Chairman Xiao Min Liang: “The major controversy was that according to the new constitution the Wa area has been diminished significantly.”¹¹⁸

In response, UWSA leaders now want to revive their main political demand for a Wa state that is directly under the central government, with the same status as the Shan state. But this is likely to become a very sensitive issue.

Firstly, Wa leaders are already unhappy about the current draft NCA as they feel it offers less to nationality parties than the agreement the UWSA already has with the government. According to the SSA/SSPP leader Hso Ten who attended the Panghsang summit: “The Wa are not satisfied with the NCCT,

and think their approach is too soft, and feel it is appeasing too much. The Wa said ‘appeasement is defeatism’, and they want to unite all the armed groups and make them stronger than the NCCT.”¹¹⁹

Secondly, the UWSA demand for a separate Wa state is also a difficult issue for Shan politicians, who believe that this could further reduce the political leverage of the Shan state vis-a-vis the central government. Already they worry that the introduction of SAZs and the Wa SAD under the 2008 constitution is part of a government strategy to undermine the historic integrity of the Shan state, Myanmar’s largest ethnic state.¹²⁰ In addition, while Shan parties might accept a Wa state in principle,¹²¹ there are concerns about the districts that the UWSA might claim, because since 1995 it has gained control of significant territories along the Thai border, where it has relocated many inhabitants from the northern Wa hills.¹²² In reply, UWSA leaders say that they do not have concrete plans about Wa state demarcation, but, at present, they seem to exclude Thai border areas. According to Xiao Min Liang: “In principle, it should include the same areas as outlined in the 2008 constitution (the Wa SAZ). But we also want to include the two townships of Mong Pawk and Mong Phen in a future Wa state; they have been under our control for over forty years.”¹²³

The UWSA, therefore, was pleased that most representatives at the Panghsang summit gave their approval to the future creation of a Wa state. However the government’s reaction suggested not only alarm at political events in the China borderlands but also justification for UWSA concerns that they are being targeted for attack. Not only did the Tatmadaw issue a media gagging order on MNDDA statements during the Panghsang summit,¹²⁴ but a state-run newspaper carried an unprecedented attack on the UWSA, accusing the organisation of drug trafficking and being on the path towards secession from the union.¹²⁵ In a series of allegations, the article warned that the “erroneous behaviour of the UWSA under the pretext of the Pang Seng [sic] conference is in total contrast to

peace process of the [government]” and that its behaviour could lead to resumption of war:

“The Government allowed the Wa’s an autonomous region due to their population base. Getting stronger everyday with drugs money and other illegal business, they now have the confidence to challenge the central government by demanding for a state. With this last demand it cannot be wrong to assume that UWSA is in total defiance of the government of the Union of Myanmar and willing to engage a military challenge.”¹²⁶

In another provocative claim, the article also raised the anti-Chinese card again by claiming that administrative positions in the UWSA “are being taken by ethnic Chinese and local culture is being swallowed and overwhelmed by the Chinese one”.¹²⁷ Subsequently, military tensions rose further when a 15-day military standoff developed between the UWSA and the Tatmadaw due to a conflict over logging. The dispute was eventually resolved, but it was another indication that trust levels between the government and UWSA had reached a very low ebb.¹²⁸

For nationality parties, such a dramatic change in official language and government mood was nothing new in their dealings with Myanmar’s Tatmadaw leaders. In its latest narcotics report, the S.H.A.N. media group commented how, in a drugs trade in which many sides have been complicit (including Tatmadaw-related groups), the government only makes accusations against parties that it has fallen out with:

“Another example is that of the Wa group. These people made a ceasefire agreement with the government 26 years ago, yet recently have requested to become their own state, no longer under the government’s control. Now this ethnic group is being accused of drug trafficking.”¹²⁹

Against this backdrop, the next NCCT

meeting on the draft NCA took place in early June at Law Khee Lar in territory controlled by the Karen National Union (KNU) on the Thai border. It was attended by representatives from 17 ethnic armed organisations, including the MNDA, TNLA and the AA and other NCCT members. The non-NCCT members but potential NCA signatories, the UWSA, NDAA and SSA/RCSS, were absent, but there was an important international presence, including the Chinese diplomat Sun Guoxiang and the UN Secretary-General Special Advisor Vijay Nambiar. Sun Guoxiang was quoted as saying: “There is a Chinese saying: Grasp opportunity when it appears, because it will not appear again.”¹³⁰

Despite such international encouragement, delegates at the Law Khee Lar meeting decided not to accept the current draft NCA but to introduce proposals for amendments.¹³¹ These included clauses relating to humanitarian aid and development programmes in conflict areas, with nationality representatives keen to prevent negative impact on existing health and education structures in local communities. But in a general toughening of mood, a number of other important decisions were agreed: to form a new committee led by KNU Vice-Chair Zipporah Sein to continue the negotiations at a higher level with the government’s Union Peace Making Committee; to demand all the top government and Tatmadaw leaders sign the NCA to ensure it is binding on all parties; to have international witnesses co-sign the final NCA, including the UN, ASEAN, China, India, Japan, Thailand, Norway, the USA and UK (until now, the government has only accepted the UN, ASEAN and China); and to only sign the NCA if all 16 NCCT members are included.¹³² Following this NCCT decision, the MNDA, TNLA, and AA members announced that they would remain in the NCCT, retracting resignation letters sent earlier to the alliance.

In the light of the Panghsang and Law Khee Lar meetings, the way ahead is now unclear. The day after the Law Khee Lar meeting concluded, the leader of the opposition

National League for Democracy, Aung San Suu Kyi, arrived in Beijing for her first official visit to China. The next day the MNDAA announced a unilateral ceasefire, following what representatives admitted was Chinese pressure.¹³³ The timing of these three events may have been coincidental, but together they were more evidence of Chinese efforts to engage more broadly with different parties in Myanmar's political transition.

Prompted by the Kokang conflict, the days appear to be over for Beijing's reliance on government-to-government relations with Nay Pyi Taw for its economic and strategic plans in Myanmar. During Aung San Suu Kyi's visit, a spokesperson from the Chinese Foreign Ministry drew attention to China's role in peace efforts, saying: "We hope that the conflicting parties meet each other halfway, exercise restraint, stop the war as soon as possible and restore normal order in the China-Myanmar border area"; that China supports "early realization of peace and national reconciliation"; and that "China has actively promoted the peace process in northern Myanmar, (and) played a constructive role in accordance with the wishes of Myanmar and has been welcomed by Myanmar".¹³⁴

As always, however, progress on the ground is slower and more complex. For many participants in the NCA process on both the government and opposition sides, it is an achievement that peace talks have been sustained for so long and come so far. But this is hardly the perspective in the Kachin and Shan states where daily conflict continues and more fighting is feared. Equally serious, with the clock ticking down towards a general election later this year, the prospect of political dialogue and tangible reforms appears to have been pushed further again into the future. In the aftermath of the Law Khee Lar meeting, government reactions initially seemed negative, with reported views that the draft NCA should not be changed and that the MNDAA should surrender.¹³⁵ Following, however, another meeting between government and NCCT negotiators in Chiang Mai in early July, optimism was reported to be rising again that ways can be

found to bridge the current divisions over the NCA process.¹³⁶ But there is clearly still a long way to go, and acceptance by the Tatmadaw of the need of political reform will be essential.¹³⁷

As the senior NCCT negotiator Nai Hong Sar warned, the first priority of the ethnic forces is to achieve a "secure situation" for dialogue, and this means ceasefires in every part of the country, including the Kokang region: "We can't disarm and demobilize all of our troops given that [the military] was not trustworthy for more than 60 years. Our country does not fully enjoy democratic rights...much will depend on whether or not a federal union will be established, and whether or not the military will be restructured in line with that federal union. They [the military] do not seem open to changing at all and we can't accept that."¹³⁸

Conclusion: managing conflict or solving conflict?

During the past four years, the quasi-civilian government under President Thein Sein has introduced the most significant period of reform and national transition in many decades. By this process, the initiative to promote ethnic peace and end decades of civil war has become a key element, and the government has concluded new ceasefires with a majority of ethnic armed organisations in the country. However, for reasons never adequately explained by the government, armed conflict has resumed again in the northeast of the country, where Tatmadaw offensives are continuing and long-standing peace agreements have broken down, bringing serious loss of life and great suffering to many inhabitants in the Kachin and northern Shan states.

The resumption of fighting in the Kokang region is only the latest evidence of the spread of conflict in the new political era, and there are now local fears that the Tatmadaw has an undeclared strategy to expand its military operations into the Wa and Mongla regions in the near future. Not only are these conflicts threatening to jeopardize the government's

efforts to achieve a nationwide ceasefire but they have now caused China to publicly step in as a concerned international actor seeking to support peace. Instability has spread to many districts along the China border where some 200,000 civilians have become refugees or internally displaced during the past four years. In consequence, with a general election scheduled for later this year, the exclusion rather than inclusion of minority peoples in national politics appears set to occur once again. Even with the signing of an NCA, dialogue on political reform will not begin immediately, and there are no guarantees about which subjects will be allowed for discussion.

In its reporting of the Kokang conflict, the government and the Tatmadaw have blamed the fighting on the MNDA. ¹³⁹ However, such an analysis fails to take into account earlier events in recent Kokang history, and the long-standing policy of shifting alliances by the Tatmadaw, which has been practising “conflict management” rather than “conflict resolution” strategies for many decades. The aim of this strategy is not to eliminate armed opposition groups and resolve conflict, but instead to contain and divide these groups, both internally (by creating or stimulating conflict within groups) or between them (by preventing strategic alliances and pursuing different policies with different groups).

Given the scale of political and ethnic opposition to Tatmadaw rule during the past five decades, government strategists have preferred to take on groups one by one, and by focusing on weakening them, not only by military means but also by political and economic pressures. As a result, since a new ceasefire policy was introduced in 1989 by the former SLORC-SPDC government, although a “nationwide ceasefire” has always been the declared aim, the government has persistently concluded ceasefires with some groups while conducting military operations against others. Not only has this caused instability and considerable civilian displacement, this has also resulted in the fragmentation of nationality movements, making socio-political and economic dialogue very difficult on equal terms.

The Tatmadaw has a long history of such tactics. When internal divisions occur within opposition forces, the Tatmadaw has very often allied with the breakaway factions. To government critics, recent events in the Kokang region are a classic example of such strategies. When Pheung Kya-shin’s supporters rebelled against the then powerful CPB in 1989, the SLORC government quickly responded by offering the new MNDA a ceasefire. But when Pheung Kya-shin appeared to have outlived his usefulness in 2009, the Tatmadaw supported his rival Bai Xuoqian to try and drive Pheung Kya-shin and the MNDA out of the Kokang region.

Equally tactical, far from seeking to demilitarize the Kokang region after Pheung Kya-shin’s ousting, the Tatmadaw instead attempted to replace the MNDA with a new Border Guard Force, Battalion 1006. This is a key part of a long-standing Tatmadaw strategy to create government-controlled “Pyithu Sit” (people’s militias) and BGFs in areas where armed opposition groups have control or local influence.

The record, however, of the dozens of Pyithu Sit and BGFs presently in the Shan state is historically poor, dating back to the days of the now defunct KKY in the 1960s and 70s. For while some forces, such as the Pao National Army Pyithu Sit, have politically transformed from ceasefire groups and are keen to take part in reform dialogue, ¹⁴⁰ most of them – including several currently led by USDP MPs – appear to have no other political objectives than to promote the status quo on the Tatmadaw’s behalf and are mainly involved in economic activities, including the drug trade. ¹⁴¹ There are presently a number of government-backed Pyithu Sit fighting alongside the Tatmadaw in the northern Shan state, which is increasing rather than reducing militarization, exacerbating social division, and compounding the sufferings of the local population. These include the Pansay Pyithu Sit in Namkham Township and the Kutkai Pyithu Sit in Kutkai Township.

The consequence, therefore, of Tatmadaw tactics and the resumption of fighting in

northeast Myanmar during the past four years has been very negative for many citizens, greatly undermining public confidence in the new era of transitional reform. Not only has it raised suspicions that the government is not really serious about peace but it has also raised questions about the government's ability to control the national armed forces. As opinion across the country increasingly reflects, there can never be any real winners on Myanmar's battlefields. The desire for a genuine and nationwide peace can be heard in many communities. According to the Shan leader Hso Ten, who has been involved in peace initiatives during three eras of government dating back to 1963:

“The MNDA has declared a unilateral ceasefire, but the Burmese want total military annihilation in Kokang. But in the world I have not seen any case where military operations can do this. We want this problem to be solved on the negotiation table.”¹⁴²

In summary, the return of the MNDA to the Kokang region is a result of the failed policies of the past and set in motion a series of unprecedented events. These include a deterioration in relations with China which, as a result, has become more focal in Myanmar's peace process, and a hastily-arranged ethnic summit at the headquarters of the UWSA, the country's largest armed opposition group, which until now had shied away from becoming involved in alliance political affairs.

The renewed hostilities have also negatively impacted on prospects for the signing of a nationwide ceasefire agreement. Excluding some groups from an NCA and future political dialogue is a high-risk strategy. It will continue divisive, and unsuccessful, practices from the past whereby some nationality forces have ceasefires with the government, while the Tatmadaw pursues military tactics against others. As Myanmar's tragic experience since independence has frequently warned, conflict in any part of the country can quickly lead to national instability.

Therefore, at a time of critical political transition in the country, failure to address the root causes of armed conflict and to create an inclusive political process to solve nationality grievances is only likely to have a very detrimental impact on the prospects for peace, democracy and development. If the government is serious and determined to bring peace to all Myanmar's peoples, military solutions to ethnic conflict must no longer be pursued, and an inclusive political dialogue should start as soon as possible. Experiences from other countries entangled in decades of civil war around the world have long shown that ceasefires are not a necessary precondition to start political negotiations. Peace in Myanmar needs to move from arguments about process to agreements about delivery. In short, it is time to end military confrontation and to start political dialogue.

Endnotes

1. In 1989 the then military government changed the official name from Burma to Myanmar. They are alternative forms in the Burmese language, but their use has become a politicised issue. Myanmar is mostly used within the country and in international diplomacy, but it is not always used in the English language abroad. For consistency, Myanmar will be used in this report. For a discussion of the difficulties in using “ethnic” or “nationality” terms in the country, see, “Ethnicity without Meaning, Data without Context: The 2014 Census, Identity and Citizenship in Burma/Myanmar”, Transnational Institute (TNI)-Burma Centrum Nederland (BCN), Burma Policy Briefing Nr 13, February 2014.
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