

China, the United States and the Kachin Conflict

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This issue brief examines the development of the Kachin conflict in northern Myanmar's Kachin and Shan states, the negotiations between the Kachin Independence Organization (KIO) and the Myanmar government, and the roles China and the United States have played in the conflict.

KEY FINDINGS:

1 The prolonged Kachin conflict is a major obstacle to Myanmar's national reconciliation and a challenging test for the democratization process.

2 The KIO and the Myanmar government differ on the priority between the cease-fire and the political dialogue. Without addressing this difference, the nationwide peace accord proposed by the government will most likely lack the KIO's participation.

3 The disagreements on terms have hindered a formal cease-fire. In addition, the existing economic interest groups profiting from the armed conflict have further undermined the prospect for progress.

4 China intervened in the Kachin negotiations in 2013 to protect its national interests. A crucial motivation was a concern about the "internationalization" of the Kachin issue and the potential US role along the Chinese border.

5 Promoting national peace and reconciliation is a pillar of the US policy toward Myanmar. However, the United States is being very careful not to impose itself into the peace process itself, including Kachin talks, given the government's sensitivity that the process remains an internal affair of the country.

This is the second of a series of four issue briefs on the changes and challenges that Myanmar faces in its domestic and foreign policies since the beginning of democratization in the nation in 2011. These briefs will explore how external factors and forces influence and shape various aspects of Myanmar's internal development, including economic growth, ethnic conflicts and national reconciliation.

This brief examines the development of the ongoing Kachin conflict, the obstacles to the peace negotiations and how the process affects the political reform. In addition, it discusses the vested interests of the US and China in the issue and the roles they have played. The third and the fourth briefs will explore the US-China dynamism in Myanmar and Myanmar and the ASEAN.



Overview

Since 2011, Myanmar has made substantial progress in its political democratization. The reconciliation with the democratic opposition — especially with Aung San Suu Kyi and the National League for Democracy under her leadership — has won Myanmar applause from the international community. As a result, Western countries have lifted most of their financial sanctions. Among the remaining uncertainties, the peace process with the country's ethnic minorities has arisen as a crucial challenge. Currently, among all ethnic groups, only the Kachin Independence Army (KIA) is engaged in ongoing armed conflict with the Tatmadaw (the government military) and has yet to reach a cease-fire agreement. The Kachin conflict, therefore, has been a key obstacle in the peace process.¹

More than a dozen rounds of dialogue have taken place since 2011 but have failed to lead to a formal cease-fire. The underlying reasons for the failure lie in the inability of the two sides to reach a compromise on power-sharing and profit-sharing, the long-term mutual distrust and hostility as well as the existence of vested interests. Most immediately, the Kachin Independence Organization and the Myanmar government have disagreed on the sequence between a cease-fire agreement and a political solution. While the government sees a cease-fire agreement as the precondition for substantive political negotiation, the Kachin worry that a cease-fire will be the end of any dialogue. For the Kachin, a cease-fire agreement will generate more conflicts if it does not address their political and economic grievances. In addition, the momentum of the conflict is reinforced by vested interest groups from both sides that engage in illegal trade of jade and timber from the Kachin state to China.

The Kachin conflict has been a policy challenge for both China and the United States. For China, border tranquility, the protection of Chinese investments and the prevention of expanding US influence are the top three considerations for all border regions. The Kachin conflict has disrupted China's border security and jeopardized its economic investments in the region. More important, Beijing's strategic concern centers on its assessment of Washington's interest and potential role in the issue. This made the so-called "internationalization of the Kachin conflict" China's gravest policy concern in Myanmar in 2013. Washington recognizes that success in achieving nationwide peace and reconciliation is the defining challenge of Myanmar's transformation. Promoting national peace and reconciliation is therefore a pillar of US policy toward Myanmar. Despite pressures on the US government from human rights groups, Capitol Hill and others to become more directly involved, however, it is clear that the Myanmar government and military object to a formal US role in the cease-fire/peace talks between the central authorities and the Kachin. And in the absence of agreement from both sides on a US role, let alone a clear definition of what that role would be, the US government has not considered the question. Given the competitive mindset of China about virtually every aspect of the US role in Myanmar right now, it is not surprising that reports have surfaced that China opposed any consideration of a US role in Kachin talks, even observership, and that this attitude played at least some part in the reluctance of the Myanmar government to extend any kind of invitation to the United States.

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II. The Kachin Conflict and Negotiations

A. The Conflict

Ethnic conflicts have been a persistent problem for Myanmar since the nation achieved independence in 1948. The Myanmar central government has never exercised effective administrative control,² especially in many border areas occupied by ethnic groups with their own armed forces. In the Kachin and the Shan states adjacent to China's southwest Yunnan province, such armed ethnic groups mainly include the Kachin (Kachin Independence Organization), the Wa (United Wa State Army) and the Kokang (Myanmar National Democratic Alliance Army).³ Different religious beliefs have been a source of distrust between the predominantly Buddhist Burman and the predominantly Christian Kachin ethnic groups.⁴

The Kachin have long had a strained relationship with the central government of Myanmar. An original signatory of the historic 1947 Panglong Agreement, the Kachin perceive themselves as instrumental and indispensable to the creation of the Union of Burma and its independence in 1948.⁵ However, in the following six decades, the Kachin have been discontented about perceived ethnic inequality, discrimination, government neglect of ethnic minorities and the failure to implement the Panglong Agreement.⁶ As a result, a resistance movement — the Kachin Independence Organization (KIO) — was founded on Feb. 5, 1961 and controlled a large share of the Kachin territory and a part of Shan state during the three decades of armed conflict with the government from the 1960s to the 1990s.⁷ The KIO's armed wing, the Kachin Independence Army, is one of the largest ethnic armed forces in Myanmar, claiming to have 10,000 troops.⁸ The rich natural resources of the Kachin state — including jade, timber and minerals — have contributed large amounts of revenue to the KIO.

In 1994, the KIO signed a cease-fire agreement with the State Law and Order Restoration Council (SLORC), which granted the KIO political autonomy in a Special Region in the Kachin state.⁹ From 2009 to 2010, the State Peace and Development Council (SPDC) issued repeated calls for the KIA to transform itself into Border Guard Forces (BGF) under the command of the Tatmadaw.¹⁰ The government's imposition and poor management of the BGF plan exacerbated the hostility and distrust. The proposal was rejected by most of the ceasefire ethnic groups, leading to the designation of them as illegal organizations in September of 2010 under Myanmar's Unlawful Associations Act.¹¹

The 17-year-long cease-fire fell apart when the Tatmadaw launched a major military offensive against the KIA on June 9, 2011.¹² The most immediate trigger of the fighting was the dispute over the control of an area where the Chinese Dapein Dam was built earlier that year.¹³ However, decades of built-up tensions, the unsettled status of the KIO, and the unresolved ethnic grievances have all contributed to the re-igniting of armed conflict.¹⁴ The conflict has been ongoing since then, displacing more than 100,000 civilians in and outside the Kachin state.¹⁵

The most recent intensification of the conflict occurred in late 2012 and early 2013, when the Tatmadaw launched large-scale air strikes and artillery attacks on Laiza, the KIO's headquarters.¹⁶ The exact number of casualties in the conflict has been difficult to verify. However, a report by the Tatmadaw acknowledged more than 1,000 casualties on its side between September and December of 2012.¹⁷ On the other side, the KIA boasted of 6,000 government troops killed, wounded and captured.¹⁸ It is believed that use of landmines, rape, looting and torture are widespread in the Kachin conflict.

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The Kachin conflict has cast a dark shadow over the democratic political reform by the Thein Sein government. First of all, the fact that armed conflict broke out three months after the inauguration of the Thein Sein government lends credence to the belief that there was a causal relationship between the political change and the armed conflict. Some international observers have criticized the new political system as being responsible for resuming rather than ending armed violence.¹⁹ Second, even if the reform and the new government were not accountable for the renewed outbreak of conflict, they are responsible for ending it. Indeed, whether the government can find a peaceful and sustainable solution to the ethnic conflicts and the long-term injustices is a great test for the new democratic system and its success. Finally, the ongoing Kachin conflict raises serious questions about the civilian government's ability to control the Tatmadaw. Since June 2011, President Thein Sein ordered a halt to military offensives in the Kachin state several times, but the Tatmadaw attacks continued nonetheless.²⁰ On Jan. 18, 2013, the president announced a unilateral cease-fire with the KIA.²¹ However, up until now, small-scale fighting has continued.²² The role of the Tatmadaw and the level of its civilian control are key criteria in the assessment of the genuineness and progress of the country's political reform. Therefore, the perceived failure of President Thein Sein to control the Tatmadaw's actions significantly undermines the positive assessment of the reform.

B. The Negotiation

Peace talks started soon after the outbreak of the Kachin conflict, with two rounds between the KIO and a team from the Kachin State government held on June 30 and August 1, 2011.²³ In the following two years, more than a dozen dialogues were held between KIO and government representatives, but they were undermined by a variety of factors including:

- The government's poor choice of a negotiator early on. Between the fall of 2011 and May 2012, the government chose former Army Col. Aung Thaung, a hard-liner with wide business interests and little flexibility regarding concessions.²⁴ The talks did not produce any meaningful progress.
- Disagreements on technical details, especially the location of the talks. Due to historical distrust, the KIO and the government representatives have been reluctant to attend talks hosted in the other side's territory.²⁵ As a result, several rounds of talks were hosted in Chiang Mai in Thailand and Ruili in China.
- Unequal levels of participation. In the talks on October 30, 2012, the government side dispatched a high-level military delegation to discuss troop withdrawal and force separation, but the KIA failed to send its senior leaders.²⁶ Less than two months after the October meeting, the Tatmadaw launched large-scale airstrikes and artillery shelling against KIA territory.
- Reluctance to compromise. For example, in addressing force separation, the KIA argues that the Tatmadaw needs to withdraw from the posts it has occupied since June 2011, while the Tatmadaw refuses to abandon territories its soldiers "shed blood for."²⁷

Currently, the negotiations are being held between the KIO and the Union Peace Working Committee established in May 2012 and led by the minister of the president's office, Aung Min. The government has so far reached cease-fire agreements with 14 ethnic groups, including major insurgency forces such as the Karen National Union that had been fighting

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for self-determination for more than six decades.²⁸ A key goal of the Thein Sein government was to forge a standard nationwide cease-fire accord that would cover all groups before the end of 2013.²⁹ The hope was that the signing ceremony would be witnessed by the leaders of the parliament and the democratic oppositions (Shwe Mann and Aung San Suu Kyi), as well as foreign observers, showcasing progress by the government in national reconciliation and further gaining approval inside and outside Myanmar.³⁰

Since the KIA is one of the country's largest armed ethnic groups and the only one in active combat with the Tatmadaw, a cease-fire agreement with the KIO and its participation in the nationwide cease-fire accord are almost by definition required for the accord to succeed. However, the reality has proved less promising. Despite the rounds of talks held in 2013 and the peace deals signed between the KIO and the government, a formal cease-fire agreement has been lacking.³¹

According to senior KIO leaders, the group's rejection of a cease-fire agreement is based on several considerations. Firstly, the KIO's eventual goal for negotiations is to reach a political settlement on power- and profit-sharing (especially in the extractive industries), as well as constitutional revisions. The group sees a cease-fire agreement as potentially damaging to such efforts. The logic is that the government's sole incentive for negotiation is to reach a cease-fire for domestic political purposes and international applause; therefore, once that goal is achieved, the government will stop negotiating on more critical issues and the situation will return to the pre-2011 status. The KIA continues to argue that any cease-fire without a long-term political solution will be empty and temporary, leading to more armed conflict.

Aside from the political considerations, there are also economic calculations on both the KIO and Tatmadaw sides that undermine the incentive for a cease-fire. The armed conflict and lack of governance in the conflict areas have facilitated massive exploitation of natural resources in the Kachin state and part of Shan state. Illegal trade of jade and timber has prospered to a new level as a result of the instability. The jade mines in the Kachin state were nominally closed in mid-2012 and official jade production plunged by more than 50 percent in fiscal year 2012/2013.³² However, the official data do not catch the estimated \$1 billion of unofficial and illegal trade of jade orchestrated by Kachin, Burmese and Chinese traders. Despite the Sino-Myanmar agreement to halt the illegal timber trade, the transport of logs from the Kachin state to Yunnan has thrived in the past two years.³³ According to unofficial data from traders, 2 million cubic meters of logs were shipped through Ruili into China during the first 10 months of 2013.³⁴ It is also widely acknowledged that such illegal trade takes place under the blessing of local Kachin leaders as well as Tatmadaw officers in the region. Therefore, the illegal trade undermines the effort for peace both by funding the fighting and by strengthening the vested interests that a cease-fire will hurt.

III. China and the Kachin Conflict

A. China's Interests in the Kachin region

China has a long border with Myanmar's Kachin state with deep political, economic and social ties. The situation in the Kachin conflict directly affects China's border stability. In 2009, the Kokang conflict in neighboring Shan state sent approximately 37,000 refugees into China's Yunnan province and gravely threatened the local border security and social stability.³⁵ Since then, border stability has been an issue constantly emphasized

by Chinese leaders in meetings with their Burmese counterparts.³⁶ The Kachin conflict could also affect China's internal stability and Han-minority relations due to the Jingpo (Kachin population in China) sympathy and support of the KIO.³⁷

Strategically, there has been an ongoing debate in China as to whether the KIO could potentially become China's policy asset and leverage against the central government in Myanmar. The debate exists between the central government and the local government, and between the foreign policy apparatus and vested interest groups. The proponents of this strategy argue that, in light of the pro-West propensity of the Thein Sein government, China needs to strengthen its own influence in the country to press Myanmar to respect China's national interests and the KIO could be China's effective and loyal ally.³⁸ The opponents object on the basis of Beijing's long-standing policy of non-interference in other countries' internal affairs and argue that inciting ethnic problems will further alienate Myanmar. Although Beijing's policy has tilted in recent months against supporting the KIO, voices arguing for Kachin's potential political utility still exist, particularly in Yunnan province.³⁹

Economically, China has significant interests in the natural resources of the Kachin and Shan states. China emphasizes Myanmar as an important hydropower supplier to energy-thirsty southwestern China.⁴⁰ For example, the largest Chinese investment project in Myanmar, the controversial \$3.6 billion Myitsone Dam, is located in upper Kachin state. A smaller hydropower project that received investment by the Chinese Datang Group, the Dapein Dam, is also located in Kachin state but closer to the Chinese border. China's strategic oil and gas pipeline project, built by the China National Petroleum Co., passes through the Shan state, but is located close to the conflict zones in lower Kachin and upper Shan states.

The success of these investments is closely associated with the local stability and the endorsement by the local people. For example, the suspension of the Myitsone Dam has been partially attributed to the Kachin's opposition to the project and the government's concern for national reconciliation.⁴¹ Dapein Dam was forced to shut down as a result of the Kachin conflict starting in June 2011 and operations were only resumed two years later.⁴² In addition to the fear that the ongoing armed conflict in Kachin state might jeopardize the operation of the oil and gas pipeline, there have been concerns among Chinese analysts that armed groups in Myanmar might target the project in retaliation for China's cooperation with the central government.⁴³

B. China's Changing Attitude toward the Kachin Conflict: From Aloofness to Active Intervention

How the Kachin conflict affects these interests of China has played a determining role in China's policy toward the conflict. From June 2011 to the end of 2012, China's position was aloof and distant. The bloodshed in the Kachin state resulted in little reaction from Beijing compared with the Kokang conflict two years earlier. The Chinese Foreign Ministry routinely called for "restraint and negotiation."⁴⁴ However, it declined the KIA's public appeal for China to be the referee in its negotiations with the Myanmar government.⁴⁵

A primary reason for China's indifference was that during this period, the conflict did not result in significant damage to China's interests. The refugee flow into China was small: 80 percent of the 100,000 internally displaced people gathered along the Sino-Myanmar border and close to Laiza, but did not attempt to enter China until the escalation of fight-

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ing in December 2012.⁴⁶ Economically, China was not inclined to support the KIO as the Kachin were perceived to be undermining China's commercial interests in the region: the KIO strongly opposed China's Myitsone Dam project and it was believed that in June 2011, the KIA attacked the Tatmadaw over the control of the Chinese Dapein Dam for its own advancement with little respect for China's commercial interests.⁴⁷

The escalation of tension in the Kachin state from December 2012 to January 2013, however, dramatically changed the landscape of China's policymaking. The fighting began to take a heavy toll on China's border stability, with the explosion of artillery shells inside China, the inflow of thousands of refugees, disruption of local economic activities and rising dissatisfaction among Chinese citizens regarding the Tatmadaw's military actions.⁴⁸ As a result, China had to strengthen military deployments along the border.⁴⁹ Economically, with the Sino-Myanmar oil and gas pipelines set to become operational in mid-2013, the escalating tension became an increasing concern and threat.⁵⁰ The conflict hindered the progress of existing Chinese investment projects in the Kachin state. For example, China Power Investment has cited the ongoing conflict as a key reason for the delayed construction of its six small dams in the region.⁵¹ Illegal trade might have prospered and benefited local interest groups, but on the national level, it does not offset the damage to China's broader economic stakes. (Another more fundamental factor that resulted in China's change of attitude was the so-called "internationalization" of the Kachin issue, which will be discussed in the following section.)

China's policy adjustments were quick and effective. On the civilian side, Beijing urgently dispatched a senior diplomat, Vice Foreign Minister Fu Ying, as a special emissary to Myanmar, where she met with President Thein Sein on Jan. 19 to voice China's dissatisfaction.⁵² To ensure that the Tatmadaw also fully got the message, Deputy Chief of Staff of the Chinese People's Liberation Army, General Qi Jianguo, arrived in Myanmar on the same day: how Myanmar would "properly settle the issue of ethnic Kachin group through peaceful means as well as safeguard the tranquility along the China-Myanmar border areas" was the top priority for the first China-Myanmar strategic security consultation.⁵³ To strengthen policy coordination and implementation on the top level, China for the first time created a "Special Envoy on Asian affairs" to "participate in related Sino-Myanmar affairs".⁵⁴ The appointee, Ambassador Wang Yingfan, paid his first visit to Myanmar as the special envoy three days after his appointment.⁵⁵

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The case is unique in that, for the first time in decades, China played an open and public role in the internal conflict between the central government and a local rebel group of another sovereign nation by sending senior officials to attend and "mediate" the talks. The Chinese government representative, Director General of the Asia Department from the Ministry of Foreign Affairs Luo Zhaohui, attended the peace talks Feb. 4 as a witness.⁵⁷ Five weeks later, Special Envoy Wang Yingfan hosted the next round of dialogue March 11.⁵⁸ Subsequently, Chinese embassy representatives and Wang attended the peace talks hosted in the Kachin state in May, October and November 2013.

C. “Internationalization of the Kachin issue”: China’s Grave Concern in 2013

In 2013, China’s most serious concern regarding the Kachin conflict was the potential for its “internationalization.” This has also been perhaps the most important factor in China’s decision to intervene in the Kachin peace talks. China rejects the involvement of other foreign powers, particularly the United States, in an area adjacent to the Chinese border that could affect Chinese national security. The fear of American presence, rather than concern for the ethnic conflict itself, anchored China’s desire to monopolize the peace talks.

Since the beginning, the Kachin had hoped for the involvement of multiple international participants in the negotiation. In the KIO’s perspective, a key reason for the failure of the past attempts for peace and reconciliation was that those agreements did not include binding mechanisms and international guarantors.⁵⁹ To avoid the same deficiency, the KIA has argued that the current peace talks should be attended by credible international parties as monitors/mediators/guarantors. Such “credible international parties” would include:

- China for “its vested interests in the border stability, historical ties with the border ethnic groups and influence on the Myanmar government and Tatmadaw.”⁶⁰
- The United Nations for “its international political and humanitarian authority” and “its legitimacy in conflict resolution.”⁶¹
- The United Kingdom because “as the former colonial ruler, the UK has the best historical knowledge of the relationship between the Burman and the Kachin as well as the Panglong Agreement before the independence of Burma.”⁶²
- The United States, because “as the only super power and the exemplary democracy, it has the needed physical strength, moral authority, and political and economic influence in this issue.”⁶³

From the Myanmar government’s point of view, international observers are “acceptable” as long as they “remain impartial and do not interfere with Myanmar’s internal affairs.”⁶⁴ Some government officials even privately welcome the participation of international observers so that the international community can make a fair and objective assessment of the peace talks rather than being influenced by the rhetoric of ethnic groups.⁶⁵ Under these understandings, invitations to participate in the Kachin peace talks were sent to the four parties in late 2012 and early 2013. The original agreement between the two sides from the March 2013 dialogue also included an article to invite international third parties to attend the next round of negotiations.⁶⁶

That proposal significantly disturbed China, which saw the invitation as an insidious attempt to “internationalize” the Kachin issue against Chinese national interests. For Beijing, regardless of its severity, a local armed conflict is only an internal issue for Myanmar. When the conflict affects China, it becomes a bilateral issue between China and Myanmar, but could be contained to minimize its detrimental disruption. China supports peace in the Kachin area, but in these circumstances would not play a role that would increase its own burden.

However, the real potential for the US and UK to participate in the peace talks in the same way as China that arose from the March dialogue fundamentally changed China’s assessment how the Kachin conflict might impact China. In China’s perception, American participation would give the US equal authority to influence the situation in the Kachin state,

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and even more broadly in Myanmar, defeating China's monopoly of direct involvement and influence. Beijing sees itself losing much influence over the Myanmar central government to Washington and sees the border area as China's sphere of influence. Any potential to introduce and enhance the US presence in the Kachin issue is essentially viewed as an offensive to further undermine China's role in Myanmar. As a region that borders China's southwest frontier, the Kachin state is seen as critical for China's immediate border security, hence core national interests. As put by a Chinese analyst: "For Washington to seek to play any role in a region right on Chinese border is a grave aggravation of the US encirclement of China to meddle with affairs with direct impact over Chinese national security."⁶⁷ Whether the US was actively considering a formal role in the negotiations or not, for these analysts the visit by US Ambassador Derek Mitchell to the Kachin state in December 2012 and in October 2013 confirmed such suspicions.⁶⁸

China made great efforts to pre-empt the intervention by international third parties. Most strikingly, at the March 11 peace talks in Ruili, the Chinese Special Envoy Ambassador Wang Yingfan directly opposed inclusion of the article on inviting international third parties in the final statement. Disappointed government representatives allegedly challenged him, calling the veto China's "interference in Myanmar's internal affairs," but eventually yielded to Chinese demands by removing the article.⁶⁹ The unilateral imposition severely damaged China's reputation and credibility. As a result, both the KIA and the government refused to host any further dialogues in China and invited the UN Special Envoy to attend the May dialogue in Myitkyina without informing China.⁷⁰ Ambassador Wang Yingfan was not invited to attend the May dialogue and the Chinese embassy dispatched its political counselor instead.⁷¹ Some Chinese officials acknowledged that China overplayed its hand in the March talks but insisted it was worthwhile so as to "deter the internationalization of the Kachin issue."⁷² As a compromise, China stepped back to accept UN participation in the Kachin dialogue. Since then China and the UN have been the only two observers of the talks, albeit with a strictly limited role of observing.

The thinking inside China about the Kachin issue is hardly monolithic. Beijing prioritizes friendly relations with the Myanmar government and wishes to restore peace and stability in the conflict areas. This view is largely shared by the Chinese military, which has had strong ties with the Tatmadaw. However, interest groups in China, especially those on the local level, cling to shady business ties and profits from the ethnic conflicts. Strategic thinkers at the top have moved beyond the limited political and economic benefits Myanmar itself offers; instead, they emphasize Myanmar's strategic utility as China's corridor into South Asia and the Indian Ocean.

In the foreseeable future, China will continue to participate in the peace talks between the KIO and the government and object to any third country involvement. It wishes to see a negotiated agreement, but does not necessarily believe an agreement will solve the problems and foresees more issues arising during the implementation process. Many Myanmar analysts in China argue that a genuine federalism might be the only sustainable solution, but since it is rejected by certain key political forces in Myanmar, a solution to the Kachin issue will be neither easy nor speedy.

IV. The Policy of the United States

The United States recognizes that the quest for nationwide peace and reconciliation is the defining challenge of Myanmar's transformation and promoting national peace and reconciliation is a pillar of the US policy toward Myanmar. According to the senior advi-

sor on Burma at the State Department: “Unless the people of Burma can achieve peace and national unity based on equal rights respect for diversity, no other reforms will be sustainable.”⁷³ Under this broad framework, the US has supported the peace process through regular contact with all parties.⁷⁴ In the Kachin context, the parties include the government negotiators and the KIO representatives.⁷⁵ Officials from the US Embassy in Rangoon have traveled to every ethnic state multiple times to listen, consult and show that the US is interested in their future and is vested in an inclusive, transparent peace process.⁷⁶ In an interview in August 2013, US Ambassador Derek Mitchell stated that justice should not only be for the ethnic Burmans or Aung San Suu Kyi, but for everybody in the country, including the ethnic minorities.⁷⁷

“Unless the people of Burma can achieve peace and national unity based on equal rights respect for diversity, no other reforms will be sustainable.”

Ethnic conflicts in Myanmar are a major human rights issue that US cannot afford to overlook. To this end, the US has urged full implementation of agreements between the Myanmar government and non-state armed groups, including a call for all parties to respect the human rights of the civilian population. At the peak of the escalation of tensions in January 2013, the US Embassy in Rangoon issued a statement that said it was “deeply concerned by ongoing violence in Burma’s Kachin State.” US has taken a keen interest in the affairs of Kachin state in the peace process. In an October 2013 statement, the US Embassy in Rangoon praised the October 10 agreement between the Myanmar government and KIO as an “encouraging development in building trust between the two sides” and called for “actions consistent with the letter and spirit of the agreement, including mutual restraint and continued close communication.”⁷⁸

There is pressure inside the US for an enhanced American role in Myanmar’s ethnic conflict. Human rights groups have been raising their voices and concerns. In January 2013, 23 US Kachin organizations sent an open letter to President Obama demanding that he condemn the Burmese military and reinstate US sanctions against the Burmese government. The groups staged a demonstration at the Department of State to highlight their demands.⁷⁹ During the same month, Human Rights Watch also called for President Thein Sein to “order his army commanders to respect the laws of war and end unlawful attacks on civilians.”⁸⁰ Human rights abuses in the Kachin state appeared in eight out of the “top ten human rights abuses in Burma 2013” listed by the US Campaign for Burma.⁸¹ The Congressional Research Service raised a series of targeted questions about US policy toward Burma in its March 2013 report reflecting congressional concerns. These questions include the Obama administration’s pace of easing the sanctions in Burma, how the Obama administration views the various ethnic groups and their associated militias and whether the US government should establish closer and open relations with the ethnic organizations.⁸²

However, such pressures for the US to play a bigger role in the Kachin issue are countered and constrained by the reality on the ground. According to American, Chinese and local Burmese observers, the Kachin conflict touches upon the sensitive issue of the Tatmadaw’s role and future. Since the beginning of the conflict, there has been rising suspicion about President Thein Sein’s ability to control the Tatmadaw.⁸³ Various sources inside the country strongly indicate that retired Senior General Than Shwe is still the mastermind behind the Tatmadaw’s decision-making, including on the Kachin conflict.⁸⁴ Among all the other incentives, including material interests associated with the jade and other natural resources, the Tatmadaw has viewed the fighting as its tool for safeguarding Myanmar’s unity and security and guarding against ethnic separatism.⁸⁵ Therefore, a common perception exists that pressuring the Myanmar government on the conflict could strain America’s delicate relationship with the Tatmadaw and arouse criticisms and

A genuine, sustainable solution to the Kachin conflict will only come from a comprehensive political arrangement with mutually acceptable power/profit-sharing, rather than a simple cease-fire agreement.

reactions that would create a backlash against the broader reform process. Presumably, the Tatmadaw's opposition is an important factor in the US position that it is unwilling to become formally involved in government-Kachin talks unless all sides support such involvement and unless they agree on a clear definition of that role that Washington would accept. Only when these conditions are met, will US seriously consider such an invitation and the expectation, then decide on its involvement.

The extent to which the US takes into consideration the potential reaction of China to a more active American role in the Kachin issue may be a matter of some debate, but clearly China would perceive any attempts by the US government to facilitate or mediate in the cease-fire as aimed at undermining China's traditional influence in the region.⁸⁶ China's dissatisfaction with overall US Myanmar policy is apparent. Senior Chinese diplomats familiar with Myanmar have privately commented that the US and Myanmar have damaged China's interests despite China's assistance on US-Myanmar relations during the junta years.⁸⁷ Therefore, for the US to further extend its reach and influence into the Kachin region on the Chinese border would be viewed by China as a major strategic offensive by Washington.⁸⁸ From Washington's perspective, China's view is not and should not be the determinant of its Myanmar policy. However, given the importance of US-China relations and China's grave concern over the "internationalization of the Kachin issue," to enhance the US role in the Kachin conflict and negotiations most likely would take a toll on US-China relations. Some people have suggested that the US seek to cooperate with China on the Kachin conflict. But even if the US thought such cooperation would be appropriate, which officials say they do not, it would be unrealistic given the sensitivities on the Chinese side.

V. Looking ahead

In the near future, the Myanmar government's nationwide cease-fire accord/conference, if it is to happen, will most likely take place without the KIO's participation. A genuine, sustainable solution to the Kachin conflict will only come from a comprehensive political arrangement with mutually acceptable power/profit-sharing, rather than a simple cease-fire agreement. Negotiating a solution will require more time and patience than the domestic activists and the international community would like to offer, and implementation of any solution will be full of challenges that further test the resilience of the nation and the democratic process.

China sees the Kachin conflict as a power play. Its fear of the so-called "internationalization of the Kachin issue" is a classic example of the zero-sum perception prevalent in China's Myanmar policy community. China did not wish to deeply involve itself in the Kachin peace talks so long as the conflict did not affect China. The escalation of tension and the potential for US involvement motivated China's intervention. Unfortunately, various actors in China do not always see Myanmar's best interests as aligned with those of China. In comparison, the US appears to have made a fundamental commitment to ethnic reconciliation and the peace process as a part of an evolving and multi-faceted engagement policy. But while America has sought to avoid a competitive dynamic with China over Myanmar, and has even sought to cooperate with Beijing in areas of common interest with Myanmar, such as the recently announced potential health initiative, any such cooperation involving the Kachin conflict would face a variety of obstacles. Therefore, US-China cooperation on the Kachin conflict is unlikely in the foreseeable future.

Endnotes

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26. "A Tentative Peace in Myanmar's Kachin Conflict," International Crisis Group Asia Briefing N 140, Jun. 12, 2013, p10.
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