

Burma's Forgotten Conflicts

A Risk for the Region's Security

Jasmin Lorch / Gerhard Will

The trial of Aung San Suu Kyi, leader of the Burmese opposition party NLD, that opened on May 18, 2009, has for weeks been the cause of worldwide outrage. In this situation, it is easy to forget the huge potential for violence that is contained in the conflicts that are coming to a head between the central government and the ethnic minorities. Since 1989 the relative stability of the country rests on the ceasefire agreements that were negotiated with many of the armed minority groups. The attempt of the regime to push through a new, centralist constitution, fans the flames of latent conflict rather than leading to a solution. The resumption of armed conflict would be a huge security risk for the whole region. This threat thus demands that the neighboring countries elaborate a common response, the formulation of which could be mediated by the EU.

Since the beginning of this showcase trial against the leader of the democratic opposition, Aung San Suu Kyi, Burma has once again become a focal point of worldview. Through this case, the military leadership is attempting to shut the winner of the Nobel Peace Prize out of the scheduled 2010 elections.

The present focus of public interest is the expression of a general view that perceives the root of the political crisis in Burma to be solely a conflict between the military regime, seen as by and large stable, and Aung San Suu Kyi's opposition party, the *National League for Democracy* (NLD).

What has been almost completely ignored by the western media is the tension that has been growing in the last weeks between the central government

in the heartland that is primarily inhabited by the Burman ethnic majority and the armed organizations of ethnic minorities that control territories along the border. At the beginning of 2009 several thousand members of the Karen minority fled into neighboring Thailand after attacks by troops loyal to the regime.

Since April 2008 the military command has been calling on the ceasefire groups to either disarm their troops or to restructure them into "Border Guard Forces" and put them under the control of the central government in time for the 2010 elections. The *United Wa State Army* (UWSA), with its approximately 20,000 soldiers the militarily most significant of the ceasefire groups, has already rejected this demand. In Kachin State, one of a total of seven minority areas

that are termed “States”, as well as on both sides of the border between Kachin State and Shan State an increase in troop movement has been observed. The *Kachin Independence Army* (KIA) and the army of the central government both seem to be preparing for renewed military confrontation.

Ceasefires, but no Peace

With over 100 different ethnic and linguistic groups, Burma is one of the most heterogeneous countries in the world. About 30 per cent of the approximately 50 million inhabitants belong to non-Burman ethnic groups. Since independence in 1948, armed conflict between the central government and the non-Burman population has occurred again and again. Whereas the military dictatorship of Ne Win (1962–1988) had the strategy of crushing any efforts toward ethnic autonomy with armed force, the military junta that took power in 1988 relied more on negotiating ceasefires.

The initiative for these negotiations came above all from the then Intelligence Chief, General Khin Nyunt, who, however, was unseated in an internal coup in 2004. Since 1989 the government has negotiated ceasefires with most of the militarily significant resistance groups—according to official sources, seventeen in all.

Independent observers, however, have counted many more ceasefire groups. According to such estimates, there are supposedly almost 50 such groups in Shan State alone, if one includes small splinter groups of a few dozen fighters.

At the present time thirteen of the original seventeen official ceasefire groups still exist. Three of these groups, that controlled parts of Shan State, had to surrender: in the year 2005 the *Palaung State Liberation Army* (PSLA) and the *Shan State National Army* (SSNA) and in 2008 the *Shan State Nationalities People Liberation Organisation* (SNPLO). The ceasefire negotiated in 1995 with the *Karenni National Progressive Party* (KNPP) did not last.

Among the most important ceasefire

groups are the *United Wa State Party* (UWSP), with approximately 20,000 soldiers in its army, the UWSA, and the *Kachin Independence Organization* (KIO), with its armed wing, the KIA, of about 4,000 members. The territories of both groups have borders with China. The most significant insurgency movement that is still fighting the Burmese army, is the *Karen National Union* (KNU), that operates along the border to Thailand, and has about 25,000 soldiers in its *Karen National Liberation Army* (KNLA) according to Jan’s Information Group. The central government has already conducted numerous ceasefire negotiations with the KNU, but always without success.

Although the ceasefires have been for the most part quite stable, they are in no way comparable to peace treaties and are to be seen almost without exception as purely military Gentlemen’s Agreements. Most of the minority armies kept their arms and refrained from demobilizing their fighters. According to *Jane’s Intelligence Review*, since the ceasefire agreement, the UWSA has even augmented their arsenal of weapons with supplies from China. Most of the ceasefire agreements just regulate the size of the territory that the ceasefire groups are allowed to control, and often informally allow them to make use of, i.e. exploit, the natural resources available in that region. The agreements neither include political guarantees, nor autonomy rights, nor economic commitments by the central government to the minority groups. Since legally binding political and economic commitments by the central government to formally secure the ceasefires are lacking, many ceasefire groups feel that the only way to keep their autonomy and to guarantee their interests is through maintaining their military strength.

For almost twenty years, the regime was satisfied with the existing ceasefires and refrained from enforcing the state’s monopoly on the use of force. Thus, a complex political structure with parallel and partially overlapping sovereignties came into being. Certainly the central

government has sought to gain access to the ceasefire areas through the construction of roads and to some degree the establishment of administrative structures. But some minority areas remain de facto autonomous. For example, the UWSP/UWSA in the Wa region of Shan State and the KIO in Kachin State and in the northeastern part of Shan State have their own local administrative structures, schools and police units. The KIO has its own customs officers that control the trade along the border with China. The common currency in the Wa region is the Chinese Yuan and not the Burmese Kyat.

Size and Structures of the Ceasefire Groups

In general there is considerable variation in the troop strength of the ceasefire groups. In comparison to the UWSA (20,000 soldiers) and the KIA (4,000 soldiers), some smaller groups only have a few hundred or even a few dozen armed fighters at their disposal. But within the individual ceasefire areas there are also many ethnic and religious groupings that in part have command over their own armed bands.

The ceasefire groups also differ in their way of governing. Whereas some groups, like for example the KIO, have rudimentary participatory governance, other groups, for example the UWSP/UWSA, govern their area as strict autocracies.

Similarly, the ceasefire groups differ in their degree of involvement in transborder criminal activities, including particularly drug trafficking and the illegal logging and export of teakwood. According to a *CRS Report for Congress* in April 2009, some of these groups—among them the UWSA, the *Shan State Army-North* (SSA-N) and the *Democratic Karen Buddhist Army* (DKBA)—as well as various syndicates supposedly have criminal networks with fields of operation reaching from India all the way to Malaysia and China.

The UWSA is considered to be the biggest drug cartel in Southeast Asia and deals in

opium and heroin as well as synthetic drugs like metamphetamines. The DKBA, too, is notorious for its entanglement in drug trade, illegal logging, and exploitation of migrant workers. Common to a large portion of the minority areas is the continued existence of extraction-based war economies that even after the conclusion of the ceasefires usually were not replaced by alternative forms of economy.

Along with the above-named groups, numerous representatives of the central government also profit from these transborder criminal activities. Members of its police and military apparatus deployed along the border are involved in the drug trafficking, illegal border trade and money laundering. At times, regime representatives even target drug dealers as potential investors in branches of the national economy such as infrastructure and transportation.

The Interests of China

The ceasefires are highly important for Burma's neighbors, particularly from an economic point of view. This applies especially to the People's Republic of China that is at this time planning to build an oil and gas pipeline from Kunming through the Burmese ceasefire areas to the Bay of Bengal. Through the realization of this project, China wants to lessen its dependence on the Straits of Malacca as a transport route for oil.

Chinese firms are in the process of building numerous hydroelectric power plants along the northern tributaries of the Irrawaddy. The import of Burmese teakwood and other natural raw materials to China is flourishing, as is the export of Chinese electrical and textile products to Burma.

The People's Republic of China is enmeshed in a highly complex way with the economic structures and also the conflict structures of the minority areas. It is likewise the most important ally of the central government. The links of China to the

resistance armies date back to the 1970's, when Peking was still supporting the *Burma Communist Party* (BCP) in their fight against the Ne Win regime. In 1989 the BCP broke up into different groupings that in part still exist today and to which also the UWSA belongs.

“Roadmap Process” and the new Constitution

General Khin Nyunt, as Intelligence Chief, initiated many of the ceasefire agreements, and in part also negotiated them. In August 2003, as Prime Minister, he presented a Roadmap comprising seven points that was meant to put an end to the constitutionless state of affairs and to replace the military regime with a nominally democratic government. In a three-step-process, it was first of all envisaged to reconvene a *National Convention* (NC) that had not sat since 1996. It was to draw up the fundamental principles of a new constitution, on the basis of which there were to be elections at a later stage.

Already before the announcement of the Roadmap a new NC had convened in May 2003. If one goes by the official reports, 60 per cent of its members came from areas governed by minorities, although they only consist of 30 per cent of the population as a whole. The consultations, about which very little information seeped out, extended over four years. This very fact indicates that the central government was definitely aware that their partners at the negotiation table were to be taken seriously, given the substantial military and economic resources at their disposal.

It was thus all the more surprising when on September 3, 2007 the government issued an official statement saying that the work of the NC was already completed and all the fundamental principles of the future constitution had been defined. In February 2008 a final constitution was presented that was immediately declared sacrosanct. Anyone who came up with suggestions for change, expressed criticism or dared a

public rejection had to be prepared for a prison sentence of many years. Irrespective of the devastating cyclone *Nargis* on the 2nd and 3rd of May 2008, the government insisted on holding a referendum on the 10th and 24th of May that was a mockery of all principles of democratic process; hence the over 90 per cent approval rating of the measure is hardly surprising.

The constitution in its present form, in no way accounts for the diverse demands and ideas of the different ethnic groups. Instead of a federalist system that guarantees clearly fixed rights to the minorities, the constitution provides for a strictly centralized state. “Non-disintegration of the Union” and “National Solidarity” are proclaimed as highest constitutional principles. The president and the military command possess comprehensive powers that can be expanded almost limitlessly through the calling out of a national emergency.

Granted, there is mention in the constitution of “self-administered zones” that also have their own parliaments. But the distribution of jurisdictions between the central and the regional and local authorities is very unclearly regulated. According to the constitution, the chief of the executive at the regional and local level is to be appointed by the president and cannot be rejected by the respective parliament. Thus it is only logical that he is responsible to the president rather than to the respective parliament. The extensive access to economic resources that most of the ceasefire agreements made possible is subjected to severe limitations. The subordinate administrative levels only have power of disposal in the sectors that are less lucrative, whereas in the highly profitable areas (raw materials, energy, etc.) laws and regulations are effective that are enacted at the central level.

A Call for Transformation of the Minority Armies

In the course of the implementation of the new constitution and the preparation for

the scheduled 2010 elections, the military leadership has now developed two models that are to de facto subject the minority areas to the authority of the central government. Since the end of April, representatives of the regime have been negotiating with the ceasefire groups, demanding that they either disband or disarm their military wings, or transform them into *Border Guard Forces* and put them under the control of the Burmese army, in time for the coming elections. At the first negotiations, the representatives of the central government gave deadlines at the end of May or the end of June to the ceasefire groups. By that time they were to have decided on one of the two options.

The reports at this time concerning the planned command structure of the border guard forces are somewhat contradictory. What does seem clear, however, is that the central government is insisting that these units be integrated into the national army and be under the latter's control. According to press reports from the region, the individual border guard battalions are to consist of 326 soldiers, at least 30 of which are to come from the central government army. The command of each battalion would be held jointly by two officers of the ethnic ceasefire groups and one army officer of the central government. The central government says it will take responsibility for the pay of the soldiers. All the soldiers of the border guard forces have to participate in military exercises and training under the command of the Burmese army.

The government's idea is that the transformation of the armed units of the ceasefire groups will be completed within six months and that it will be overseen by committees consisting only of officials of the central government and officers of the Burmese army. In addition, the regime is demanding that the ceasefire groups form political parties that are to take part in the 2010 elections.

Reactions of the Ceasefire Groups

The ceasefire groups have reacted in different ways to the demands of the regime. The UWSP/UWSA ignored the option of disarming, and as early as May they outright rejected the call of the government to transform their units into a border guard force. Even when the government called upon them to reconsider their decision, the UWSP/UWSA did not relent. Nor did they comply with the demand of the central government to pull their troops out of three strategically important posts along the Thai-Burmese border near the Thai province of Chiang-mai.

The KIO is still negotiating with the central government. However, the Chief of Staff of the KIA, General Gam Shawng Gunhtang, already publicly announced that a transformation of the KIA troops would not come into question as long as the political conflicts between the regime and the KIO have not been resolved. The KIO has declared many times in the past that the negotiation of a political solution is the unconditional prerequisite for even a discussion about the possible disarming of the KIO. Even the influential leaders of the Christian Church in the KIO-controlled area, who were substantially involved in the negotiation of the ceasefire in the year 1994, rejected the suggestion to transform the KIA into a border guard force. In recent weeks, the KIA assembled its troops and increased the recruiting of new soldiers. On June 16th, the *Kachin News Group* reported that KIA units had pulled back into the jungle in order to prepare themselves for a possible attack by the troops of the central government. On June 21st, the KIO informed the negotiators of the regime that they would rather change the KIA into a security force within their own state (*State Security Force*), than into a *Border Guard Force*. As the *Kachin News Group* reported, the central government reacted by stationing additional military contingents in Kachin State as well as along the border between Kachin State and Shan State. Furthermore,

local observers reported increased movement of both government and KIA troops on the illegal trade routes along the border between Kachin State and China. Considering this increasingly tense situation, a resurgence of armed conflict is to be reckoned with.

On the other hand, the DKBA, a splinter group rather loyal to the regime that emerged from the KNU/KLA in 1995 and has about 1,000 active fighters, according to a *Jane's World Insurgency and Terrorism*-report, seems prepared to transform its units into border guard forces. The DKBA apparently wants to consciously take advantage of this option in order to build up its units. Thus, the exile newspaper, *The Irrawaddy*, since the beginning of June, has reported an increase in forced recruitment of civilians who are to serve in the future DKBA border guard forces. A further important motive of the DKBA may be that they feel they will have an advantage in their continuing confrontations with the KNU/KLA if they cooperate militarily with the army of the central government.

The *Pa-O National Organisation* (PNO), that perceives itself as isolated and encircled by the army of the central government, is also showing itself quite ready to take up the offer of the regime.

However, it is foreseeable that those ceasefire groups who are prepared to surrender the high command of their troops to the central government will lose the control over some of their units and soldiers. Individual soldiers will defect to oppositional troops or new splinter groups could form. The transformation process thus threatens to create a greater fragmentation of the armed ethnic groups.

Transborder Effects of the Ethnic Conflicts

For almost 50 years Burma has been ruled by an oppressive regime whose rule in the Burman-majority heartland is by and large stable. This however should not belie the fact that the state can only partially enforce

its monopoly on the use of force in the minority areas. A further erosion of the ceasefires would seriously endanger the stability of Burma.

In the case of an armed escalation of the ethnic conflicts one has to expect waves of refugees into the neighboring countries, above all into the People's Republic of China and into the already politically turbulent Thailand. Armed conflict in the minority areas could overflow Burma's boundaries as well. Furthermore, the demand for arms, especially small arms, would increase and strengthen those groups that are involved in international arms trade. Profiteer would be, among others, the UWSA that not only produces weapons on its own territory but also, according to *Jane's Intelligence Review*, is involved in transnational arms trade. According to the same source, this organization has supposedly served several times as a "middleman" in moving arms supplies from China to insurgency movements in unstable northeastern India.

In the case of renewed armed conflict the ethnic resistance groups would consider themselves forced to intensify their transnational criminal activities, especially drug dealing, in order to finance the armed engagement. The minimal advances that have been made in dismantling the structures of war economies during the ceasefire period would thus be endangered. For example, the cultivation of opium was massively curbed in Burma in the years 1998 to 2006. Whereas the cultivation area in 1997 was still 155,100 hectares, in 2007 it was, according to the *United Nations Office on Drugs and Crime* (UNODC), only 27,700 hectares. In decreasing the cultivation area, both the government and the ceasefire groups received support from UNODC. But because the possibilities for alternative income for the one-time opium farmers are insufficient, the advances that have been achieved are fragile.

They could easily be destroyed, if especially the UWSA again banks increasingly on opium cultivation as a way to finance

their armed missions. An increase in such transnational criminal activity would necessarily have serious effects on the security situation in the neighboring countries.

Last but not least their commercial interests would also be affected. For in the case of armed conflict in the minority areas power production from hydropower, exploitation of natural resources and border trade would all be impaired.

At the present time, problems for the whole region and especially for Thailand are resulting from the fact that the Burmese central government is increasing the military pressure on the KNU/KNLA that up to this point has not negotiated a ceasefire with the regime. At the beginning of June, several thousand ethnic Karens fled over the border to Thailand in order to get away from attacks by the government army and the allied DKBA against positions of the KNU/KNLA and to avoid forced recruitment. On June 12th, a speaker for the *United Nations High Commissioner for Refugees* (UNHCR) calculated the number of refugees to be about 2,000. But many relief agencies spoke of over 4,000 displaced persons. Already since 2005, Amnesty International (AI) has registered increased attacks by the Burmese army against civilians of Karen ethnicity. According to AI estimates, almost 147,800 Internally Displaced Persons (IDP's) are in flight within Karen State and the Bago Division.

For many years already, hundreds of thousands of displaced persons from Burma have sought shelter in neighboring countries. According to reports of UNHCR, in February 2009 about 111,000 registered refugees were living in camps along the Thai-Burmese border. Furthermore, the *Thai Burma Border Consortium* (TBBC) assumes that there are a large number of unregistered refugees.

According to Human Rights Watch, 100,000 members of the Chin ethnic group live in the state of Mizoram in the North-east of India. These people fled to India from Chin State to escape repression and

serious human rights violations by the army of the central government.

200,000 members of the Rohingya, a Muslim ethnic minority, were displaced to Bangladesh. In Burma they had suffered from discrimination, confiscation of property, and forced labor. Many were tortured or even murdered by the Burmese armed forces.

Diplomatic Initiatives Needed

Considering the growing tensions mentioned above, the relationship between the Burmese government and the non-Burman ethnic groups must be given much more attention in Brussels. The term "ethnic groups", refers to extremely different political and social entities. Some of them maintain administrative structures and at least attempt to provide the inhabitants of their territories with a minimum of state services. Others are simply part of transnational criminal networks.

Within the framework of the "Common Position", in which the EU defines its policy towards Burma, a differentiated position of the EU in respect to the various different ceasefire groups should not least be formulated. Furthermore, fundamental principles concerning what Brussels views as being indispensable for the peaceful cohabitation of the different ethnic groups of Burma need to be drawn up. Not only the safeguarding of cultural rights like unhindered use of the own language are to be included, but also the right to a large degree of self-government and not least the sustainable use and fair distribution of the economic resources available in the different regions.

In coming to positions concerning these questions, it seems essential that there be close consultation and coordination with the *Association of Southeast Asian Nations* (ASEAN). Two ASEAN members, Laos and Thailand, share a border with Burma and would soon be affected by armed confrontations in former ceasefire areas.

At the recent ASEAN-EU ministerial meeting in Phnom Penh the EU and ASEAN

were already largely in agreement on condemning the renewed imprisonment of Aung San Suu Kyi, even if the more recent ASEAN members, among them Laos, were attempting as much as possible to keep a more conciliatory position towards the Burmese government. Since in the question of minority politics, vital security interests of Thailand and Laos are at stake, it is to be expected that in this case common ground will be more readily found than in the case of other issues that touch upon the conceptions of domestic political order of some ASEAN members.

In the last decade, the two super-powers India and China have for the most part acted as competitors for energy resources and political influence in neighboring Burma. However, they will only be able to assert these interests successfully if there is a certain amount of public order and stability reigning in Burma and not least in the ethnic areas along the border. This makes them important partners in a regional security dialogue.

The readiness to engage in such a dialogue is most probably somewhat greater on the part of India than on the part of China. The latter is in a rather complicated situation. China has good relations with the central government of Burma as well as with the ethnic groups along its border. But this network of multifaceted relationships, that is indispensable for China's widespread economic interests, could turn out to be a pitfall if armed confrontation breaks out again between China's cooperation partners in Burma.

In summer 2008, at the international donor conference concerning aid measures for the victims of the cyclone catastrophe *Nargis*, it became clear that Beijing takes part in dialogue initiatives readily, as soon as a strategy emerges at the regional and international level that holds the promise of success. In order to work out such a strategy, the exchange of public declarations will surely be less rewarding than intensive talks with China and the other

neighboring countries of Burma behind closed doors.

The EU could play a constructive role in this. After all, in the settlement of the Aceh conflict it proved that—especially in cooperation with ASEAN—it is able to make an essential contribution to the success of just such mediation.

© Stiftung Wissenschaft und Politik, 2009
All rights reserved

These Comments reflect solely the authors' view.

SWP
Stiftung Wissenschaft und Politik
German Institute for International and Security Affairs

Ludwigkirchplatz 3–4
10719 Berlin
Telephone +49 30 880 07-0
Fax +49 30 880 07-100
www.swp-berlin.org
swp@swp-berlin.org

ISSN 1861-1761

Translation by Catherine Framm

(English version of
SWP-Aktuell 32/2009)