

China's Influence in Myanmar and India's response

Chair - Amb. Shyam Saran; Former Foreign Secretary of India; Member, Governing Council, Institute of Chinese Studies

Panelists -

Amb. Gautam Mukhopadhyaya; Former Ambassador of India to Myanmar, Afghanistan, and Syria; Senior Visiting Fellow, Centre for Policy Research

Dr. Avinash Paliwal; Associate Professor & Deputy Director, SOAS South Asia Institute, London

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Venue – Zoom Webinar, ICS Delhi

Amb. Shyam Saran, chairing the webinar, began the proceedings by underlining the need to understand Myanmar's relationship with China and India against a historical context. China's influence in the country began with the close ties shared with many ethnic armed groups in Myanmar's peripheries, as well as the Burmese Communist party. These groups were used to maintain a constant pressure point against the Burmese government, and while many of the linkages between Myanmar and China have evolved over the years, the use of these ethnic groups as an instrument of influence has not changed. Other aspects of the relationship include the economic linkages that began growing in the 1980s, and what Amb. Saran characterised as 'long-term assets of influence' in the political sphere which survive changes in government. He then called on the first speaker to deliver his remarks.

Amb. Gautam Mukhopadhyaya focussed primarily on developments in Myanmar in recent years. Prior to the year 2000, China's interests in the country focussed on political issues – influence through the Communist party, the ethnic Chinese living in Myanmar, etc. After 2000, Chinese interests expanded into the economic realm, with investments in large-scale infrastructure projects, mining, among others. However, 2010 saw the USDP government come to power, which was uncomfortable about various aspects of the relationship with China. The reformists in the military recognised the need to diversify their relationships; they strengthened ties with ASEAN, reached out to India, and opened Myanmar to other countries, while also implementing reforms domestically. Another incident of note by the USDP was the decision to stall the Chinese-funded Myitsone dam, while also pushing back on other Chinese-backed projects.

After the 2015, China attempted to build on a years-old rapport with Aung San Suu Kyi by advocating for a greater Chinese economic footprint in Myanmar in the form of the Belt and Road Initiative (BRI). Suu Kyi perhaps noted the experiences of Pakistan and Sri Lanka with the BRI, and reduced Chinese investments in projects like the Kyaukpyu deep sea port. Myanmar seems to have adopted a delaying strategy for various BRI projects under the guise of accountability, but also has to take into account China's diplomatic support for Myanmar at forums like the UN Security Council. However, the economic linkages between the two countries remain significant, which Amb. Mukhopadhyaya summarised in his concluding remarks, while also noting China has worked to improve its relationship with all political factions in the country.

Taking from this analysis of China-Myanmar relations, Dr. Avinash Paliwal focussed his remarks on the opportunities available to India for improving ties with Myanmar, and the consequences of not doing so. While China may have considerable economic and political clout in the country, there remains significant mistrust of the Chinese across ethnic groups and regions in Myanmar. Even in the border regions, Chinese influence over the various Ethnic Armed Organisations (EAOs) is rooted in the microeconomic dependencies China has created. The strategic salience of China's economy is not confined only to large-scale BRI projects, but even in Chinese products that ethnic groups in the border regions rely on for everyday use. Therefore, a crucial step towards enhancing India's ties with Myanmar would be to ensure North-Eastern India is better connected to Myanmar economically. Though economic linkages as part of a Look East policy have been recommended since the Nehruvian period, realising this has been an issue.

Dr. Paliwal also suggested India play an active role beyond merely mitigating drug trade across the border, as the illicit networks between Myanmar's border areas and India's North-Eastern states far exceed the legal trade. Similarly, India can also play a role in fostering communication between EAOs and the Myanmar government as a viable, democratic alternative to China, with the speaker quoting historical examples of the Kachin Independence Army (KIA) approaching India as an ally in the 1960s, India engaging with various groups in the 1980s, and a repeated request for support in 2011. This requested support is often not even arms, training, or funding but people-to-people connectivity, education, and other non-securitised aspects of a relationship. In his concluding remarks, Dr. Paliwal recommended a bottom-up approach as opposed to focussing on big projects like China, citing the lack of negative views of India among Myanmar's populace.

The Q&A session that followed delved into India's relationship with Aung San Suu Kyi, the threat to India by an expanding Chinese presence in Myanmar, border trade and medical tourism, and China's support for Myanmar on the Rohingya issue. Amb. Vijay Nambiar also spoke of his own experiences with regard to the UN's involvement in the peace process, the need for close ties with the Myanmar military, and commented on China's growing clout with the EAOs. Amb. Shyam Saran then concluded the webinar by summarising the remarks made by both speakers, and putting forth his own views on the India-Myanmar bilateral, the need for India to develop its North-Eastern states, and play a more active role in fostering regional peace.

This report was created by Samanvya Hooda, Research Assistant, Institute of Chinese Studies.

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