

Bi-Weekly

ISP INSIGHT EMAIL

ISP ကပြင်ရပ်ဝန်း

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Chinese Intervention in Myanmar Affairs and Conflict among Kachin People



In this week's Insight email, on the occasion of the six month anniversary of the Gabyin Community, you can read some key takeaways on China's intervention in Myanmar's conflict followed by the positive responses from the Federal Political Negotiation and Consultative Committee (FPNCC) and the National Unity Government (NUG), as well as analysis on growing tensions between the Kachin population and the Kachin Independence Army (KIA) regarding rare earth mining in Kachin State. You can also read a brief analysis of the SAC's plan to conduct a census beginning on the night of September 30th and concluding 15 days later, and, finally, ISP-Myanmar introduces the new Chinese government and its structural reforms.

Troops of TNLA, a member EAO of FPNCC, seen in training in the first week of March (Photo : AFP)

Key takeaways

'Gabyin Community' celebrates six months

China's intervention in Myanmar's conflict

Tensions rise between some Kachin and the KIA

Trends to be watched

2024 Myanmar Census

What ISP is reading?

China's New Government and Its Reforms

Key takeaways

1. Gabyin community celebrates six months

ISP-Myanmar's initiative, 'Gabyin Community' is now celebrating six months. There are **5,801** total subscribed members of the community for now; of these, **2,175** subscribed via email while **2,693** members subscribed through social media.

In the last six months, ISP-Myanmar has issued **ten** 'Data Matters' emails, **three** 'Mappings' on Myanmar, **two** "OnPoint" analyses, and **ten** biweekly 'Insight emails'. To support your knowledge of the developing relationship with China, ISP-Myanmar has also issued **three** 'Timeline' emails on Sino-Myanmar Relations. ISP-Myanmar also provides free to access PDF downloads of **42** of its publications.

However, we are not satisfied. We shall continue to provide value-added knowledge and other community benefits and hope to create free, secure, warm, and cordial communications with and among our Gabyin community members.

What is 'Gabyin Community'?

Scan this code to learn more about 'ISP Gabyin Community' >



2. Chinese intervention in Myanmar's conflict

After the initial three months of his tenure, the Chinese special envoy to Myanmar, **Mr. Deng Xijun** twice met with Northern Ethnic Armed Organizations (EAOs), including Mong La, Wa, and Kachin groups, as well as with the State Administration Council (SAC). [Please see ISP Insight email No. 10.]

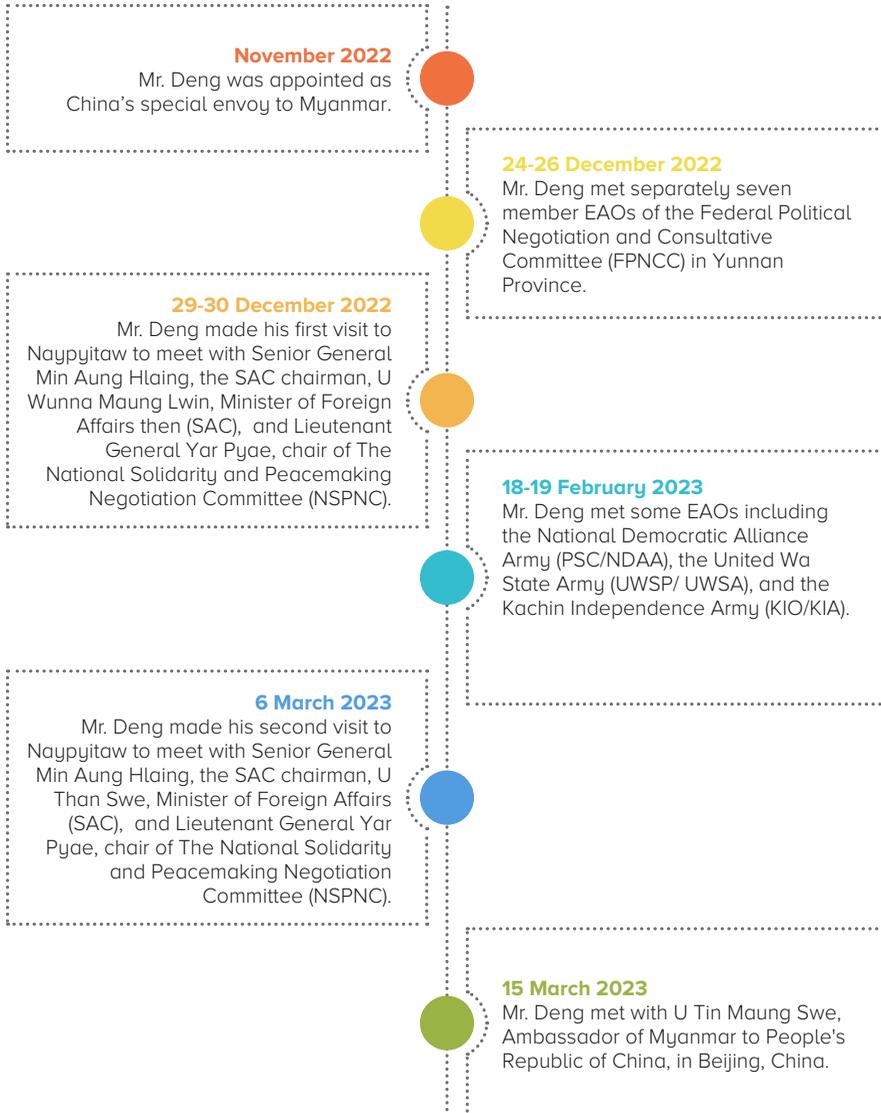
During the meeting on February 18-19, 2023, Mr. Deng urged the Northern EAOs to **negotiate with the SAC, to not accept US Defense assistance, and to not allow illegal activities to be based in EAO controlled areas.** China appears to not want instability on its border arising from Myanmar's internal conflicts, as the People's Defense Forces (PDFs) grow with the support of some Northern EAOs.

Mr. Deng made a second visit to Naypyitaw on March 6, 2023 to meet with the SAC chairman. Where prior meetings had mostly focused on border stability and peace, their latest discussion stretched further to **economic cooperation, which was significant.** In these times of post-COVID border re-opening, it is obvious from Mr. Deng's meetings and discussions that China desires to promote trade, maintain a stable border, and to recommence China-Myanmar Economic Corridor projects.

Just after Mr. Deng's visit to Northern Myanmar, leaders of the Federal Political Negotiation and Consultative Committee (FPNCC), including the United Wa State Army (UWSA) and the Northern Alliance held a meeting and issued a statement. In the March 15-16 statement at Pang Kham of Wa Self-Administered Division the FPNCC **'welcomed Chinese intervention to resolve the conflicts in Myanmar.'**

Earlier, Duwa Lashila, acting President of the National Unity Government (NUG) said in a cabinet meeting of NUG that **he acknowledged the Chinese initiative in Myanmar's conflict.** On March 22, three member EAOs of FPNCC, led by UWSA traveled to Naypyitaw for discussions with the SAC chairman.

■ Timeline of Deng Xijun’s Activities on Myanmar Affairs



These reforms demonstrate that China will seemingly become more deeply involved in processes surrounding Myanmar’s conflict. China’s initiative and its intention to promote trade, investment, and economic development projects in Myanmar could be in response to the US National Defense Authorization Act (NDAA) which addressed Myanmar specifically through the embedded version of the Burma Unified through Rigorous Military Accountability Act.

3. Tensions rise between some Kachin and the KIA

On March 21, around 900 local Kachin people demolished a rare earth metal mine site in Mansi Township of Bhamo district of Kachin State. Development of the mine site had begun in December 2022 by some Chinese investors with the permission of the Kachin Independence Army (KIA). Rare earth mining has been conducted in nine villages of Mansi Township, including N’Ba Pa, Dingsing Pa, Hka Para, Daron, Hka-U, Jang Mai, Hpetgum, and Fai Dang, with the KIA guaranteeing security of the mine sites.

The local population though opposes the mine due to concerns over soil damage and altered ecology, citing the legitimacy of their custodianship of ancestrally-inherited land. The locals sent a letter of opposition to the project to KIA headquarters, however the KIA did not suspend development of the mine. The KIA did though call a meeting with 200 local villagers and reprimanded the protest leaders for taking action. During this incident one village woman died of a heart attack.

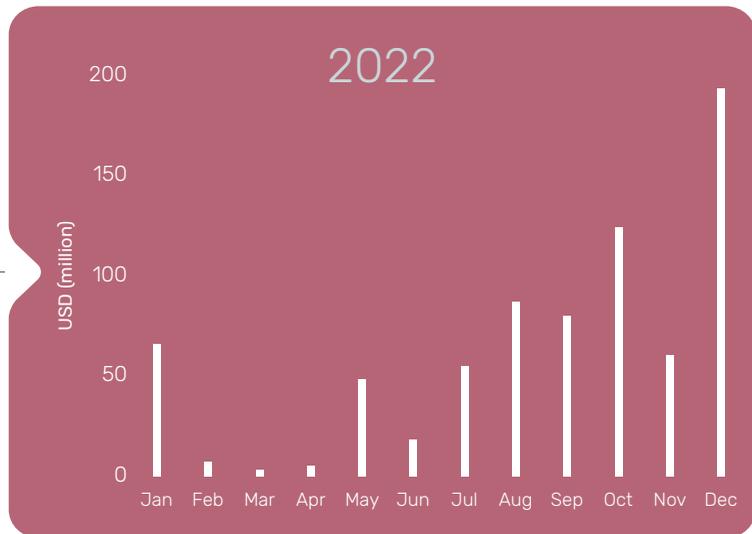
ISP DATA MATTERS

ISP Gabyin Community

- Over USD 600m Worth of Rare Earth Export to China

USD
600+
MILLION

worth of rare earths, approximately 24,000 tons by volume, were exported by Myanmar to China in 2022.



Reference : ISP-Myanmar analyzed the data based on announcements in regard to imports of rare earth metals issued by General Administration of Customs China (GACC) in Chinese.

It is quite normal that control of finite resources becomes politicized during a conflict. At the same time, it is interesting to witness the emergence of civic mobilization and activism responding to resource injustice. It could be illustrative to watch the next developments in how this conflict could be resolved and how economic benefits could be shared among the resistance group and the general population.



Quotes of the week



“We acknowledge the Chinese involvement in Myanmar’s affairs. We would like to urge the Chinese (government) to act more in order to halt inhumane acts and murders by Myanmar’s terrorist military throughout the country.”

Duwa Lashila

Acting President, NUG

From his speech at NUG cabinet meeting in November, 2023.

“We, Myanmar women, ask the UN Security Council to consider Myanmar’s State Administration Council (SAC) the same as the Taliban— as global terrorists.”

May Sabae Phyu

Director, Gender Equality Network

her speech at DVB’s press briefing on March 15, 2023

2024 Myanmar Census

The SAC plans a nationwide census beginning midnight September 30 and concluding fifteen days later. It is reported that the census process will be conducted with modern and less time-consuming Computer Assisted Personal Interviews (CAPI) and house-to-house visits with mobile tablets. Ministry of Immigration and Population has prepared questionnaires for the census in accordance with UN basic principles and guidelines. The ministry has experience with the 2014 National Census and 2019 Interim Census.

Challenges and difficulties though lie ahead. Firstly, a national census requires human and financial resources. For conducting a national census, Myanmar may need to spend at least USD 100 million. Also, to complete the 2014 national census, it was estimated that at least 100,000 volunteers and staff were needed. During the 2014 national census, school teachers were used as required staff to conduct census surveys. Myanmar now has plans to conduct voter verification, electronic IDs, and a national census, projects which all require tremendous funding and staffing.

The second major issue is international cooperation. During the 2014 National Census a major share of the USD 74 million expense, was contributed by international agencies and through bilateral assistance. International agencies including the United Nations Population Fund (UNFPA) provided finance, technology, and expertise. This cannot occur in the 2024 census at a time of international political pressure and economic sanctions. Similarly, the junta will likely find it difficult to mobilize the helping hands of civil society.

The third problem is the security crisis and possible coverage of the census. It is presumably impossible to conduct census surveys in many conflict zones and border areas. The 1953 Census was conducted only in cities and in the 1954 Census, only 15 percent of rural areas were covered for census taking. The 1973 Census covered 85.1 percent of the country's area and 97.1 percent of the total population. The 2014 Census was somewhat successful, but there were many areas left out and many controversial activities undertaken. During the 2014 National Census, the country was organized into more than 16,000 wards/village tracts and into 81,750 survey areas. The national coverage levels of the 2024 Census will certainly be in question.

Again, in the 2014 National Census, many international observers and analysts identified political problems. Prior to the census, UNFPA conducted a political risk assessment in 2012 and identified potential political setbacks

and conflicts, suggesting risk mitigation plans. The International Crisis Group (ICG)'s May 15, 2014 report "Counting the Costs: Myanmar's Problematic Census" acknowledged many critical controversies in the census, mainly in dealing with the Burmese concepts of Taing-Yin-Thar (nationalities) and sub-groups of nationalities. There was a major problem with self-identified ethnicity and the government's arbitrary system of 135 groups of ethnic nationalities residing in Myanmar. The Rohingya/Bengali population in particular faced a serious problem in this 2014 census.

There are always controversies and mine-fields of potential conflicts when conducting a census in a nation, particularly one experiencing political transformation, stoking division rather than fostering unity among the diverse identity groups.

What ISP is reading?

China's New Government and its Reforms

Reforms in China are particularly interesting, as Myanmar's superpower neighbor sharing a long border. ISP-Myanmar observes these reforms should be paid particular attention to while social exchanges, diplomatic relations, and political, peace, and economic affairs between the two nations are deeply intertwined and developing.

During the first week of March 2023, the 14th National People's Congress of China (similar to an assembly) convened a series of meetings, indirectly elected top government leaders, and enacted some structural reforms. The congress members voted for Mr. Xi Jinping to continue as President for a third term. Key Chinese government positions were filled with Xi's close aides and proteges. Mr. Li Qiang was elected the new Premier of China, having previously served as Party Secretary of Shanghai and when Xi Jinping was head of Zhejiang, he was chief-of-staff and a close aide of Xi's. The Economist describes Li Qiang as having "had no experience at the central level." Li Qiang led harsh lockdowns as part of anti-COVID measures in Shanghai and many Shanghai residents strongly opposed him. But he is close to the business community and is known for supporting imported COVID vaccines in China. He oversaw China's anti-COVID special task force last year, and preferred a relatively quick reopening of China, seemingly oppos-

ing Xi's idea of a gradual relaxation of anti-COVID measures. Xi has now selected him to be Premier, particularly to revamp the economy and private sector after China's "Grand Opening", as he seems a promising choice to the business community. Mr. Li could chart his own course for policy reforms, or he could avoid any decisions which might challenge President Xi.

The National People's Congress (NPC) also enacted some structural reforms in the government. Firstly, the NPC formed a new bureau — a national financial regulatory administration — to oversee all financial and banking sectors. Secondly, the NPC restructured its top science and technology supervisory body. The new central science and technology commission will evaluate and manage strategic and major research projects and programs. Thirdly, China set up a national regulator for data governance; the bureau will emphasize 5G networks, digital resources, and digital business. Some changes were also made in China's elderly care system and national intellectual property administration. China will also reduce by five percent the number of top administrative officers, among many more minor reforms.

In a major reform, the changes in the relationship between the State Council and Communist Party of China are yet to be disclosed. But according to reports, the new reform reverses Deng Xiaoping's initiative of separation of State and Party, and ostensibly allows for greater Party domination of the State apparatus, similar to Chairman Mao's era. According to unconfirmed reports, the two most powerful state bodies of government, namely, the Ministry of Public Security and the Ministry of State Security (previously under the State Council of the People's Republic of China) could be managed by new committees directly under the Communist Party. In this case of the most powerful ministries being under direct control of the Party, Mr Li could be the least powerful Premier in over 70 years of Chinese Communist Party rule.

China's economic growth declined to the second-lowest in half a century in 2022, the end of Xi's second tenure, because of the harsh Zero Covid policy and the weakening real estate market. Former Premier Li Keqiang admitted China has over 600 million poor in 2022 with only a USD 140 monthly income; on the other hand, China will expand its defense budget by 7.2 percent in 2023. It is an interesting and ongoing question, whether China will build its military strength at the expenses of Chinese people's livelihoods.

This is a brief of reforms reported in the international media after China's two important meetings. [ISP's China studies team is also preparing to introduce the recent developments in China more thoroughly.]

In the last week, ISP Explorer No. 1 and ISP OnPoint No. 13 have been issued. Download free PDFs on ISP Gabyin community.



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Feedback & Feedforward

“ISP’s Gabyin Community” is built as a social community free from one-way communication. We want to hear feedback from the community and welcome responses and recommendations. ISP-Myanmar intends to enrich our Gabyin community with friendliness, love, and compassion.

If you have something to say to us, you can either reply to this email, write comments on the web page, or call +66-80 747 9712 through Signal, Whatsapp, Viber, and Line apps securely and privately.

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