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## Abstract

Myanmar was under military regime after a coup in 1988 until 2011 and the United States led western countries imposed economic sanctions on Myanmar for human rights violation and non-democratization within the country – the toughest period was during 2003 to 2011. The pragmatic approach to China which became rising superpower after its economic reform in the 1980s was the right option for Myanmar to counter the US-led international pressure. The purpose of this study is to examine how Myanmar benefited from China during the international pressure especially the sanction period. The research question for this study, to be precise, is "How has the relationship with China during 2003 to 2011 benefited Myanmar's national interest amidst the United States' pressures and economic sanctions?". It can be clearly seen that China was rising to become superpower and boost in their economy – finally became the second largest economy in the world after the United States in 2010; with the long-standing friendship "Pauk-Phaw" relationship between Myanmar and China and eventually reached the strategic partner in 2011, Myanmar's pragmatic approach to China in terms of political as well as economic where all doors are closed from the western world. In order to achieve the findings of this study, the thorough examinations will be made upon all ties between Myanmar and China and the hedging theory, specifically Myanmar's limited-bandwagoning to China bilaterally and through regional fora, has to be carried out. The research methodology will be documentary analysis – study through the works of well-known scholars as well as the primary resources like the leaders' speeches and studying the bilateral engagements such as bilateral agreements. The explanation of theories tested in this study will be helpful to prove Myanmar's approach to China amidst US-led international pressures. The possible outcomes of this study will probably confirm the hypothesis of economic pragmatism and limited-bandwagoning of Myanmar towards China to achieve certain political and economic benefits while countering the US-led international pressures and economic sanctions. In the case of Myanmar-China relations – the economic sanctions on authoritarian states by the western democratic states and survival of regimes through

these sanctions – the country played both sides with the neighbouring superpower to counter international pressures.

**Keywords:** Myanmar, China, hedging, limited-bandwagoning, economic pragmatism

## **1. Introduction**

Myanmar gained its independence from the United Kingdom in 1948 after series of nationalist movement since the loss of independence in 1885. With the perspective of nationalism and the xenophobia, the country decided not to be close with any superpower states in the world after independence and never joined the Commonwealth of Nations. The foreign policy adopted immediately after the country became independent was and still is "Independent, Active and Non-aligned Foreign Policy" which makes itself in line with "Five principles of peaceful co-existence". Myanmar fell under military regime fourteen years after independence followed by the socialist republic with military dominance until 1988 when the second military coup was happened. That was the start of international pressure led by the United States and the western allies where the deterioration of relations between these countries can trace back to the practice of socialism in Myanmar with "Burmese way to socialism". At that time in 1988, the military government declared that democratisation in Myanmar will be undergone and the economy will be conducted with the market-oriented economy. But the major turning point was happened when the military regime failed to hand over the power to the National League for Democracy (NLD) party which won a landslide in 1990 general elections which the international community pointed out as the anti-democratization behaviour of military government.

When the time 8888 Uprising was happened in Myanmar, the United States was under the Ronald Reagan Administration (1981 – 1989). After 8888 Uprising, the military coup was happened, and the military was in the power until 2011 when the newly elected democratic government took office. Starting from the event of 8888 Uprising, United States kept putting pressure on Myanmar for the democratic reform. In 1988, as a reaction to the military coup, United States stops all aid to Myanmar. Following Ronald Reagan administration, George H. W. Bush (Bush, Sr.) Administration (1989 – 1993) also boycotted Myanmar's military government

and start pushing pressures by economic means. Under Bill Clinton Administration (1993 – 2001), after the speech made by the Secretary of State Madeleine Albright at United States Naval Academy in April 1997 – because of the suppression on democratic forces made by Myanmar government and Myanmar became the world's largest heroin source (U.S. Department of State, 1997), the very first sanctions on Myanmar was imposed, issuing Executive Order 13047 and banned American persons making new investment in Myanmar. The toughest sanctions on Myanmar by the United States were imposed in July 2003 when the Burmese Freedom and Democracy Act (BFDA) was passed by the United States Congress and signed by the President of the United States. This was happened in the George W. Bush (Bush, Jr.) Administration (2001 – 2009). The follow-up actions, like prohibiting properties of Myanmar government officials and freeze the assets, were taken by the Bush Administration and also during Barack Obama Administration (2009 – 2017). The Obama Administration also imposed a ban on Myanmar's jades and rubies in August 2013.

After the May 30 incident was happened in Myanmar, the United States imposed the most serious sanctions ever on Myanmar, by enacting Burma Freedom and Democracy Act (BFDA), banning imports and financial services from Myanmar and freezing assets as well as visa restriction for Myanmar officials. The Bush Administration from 2001 to 2009 was the significant period for sanctions against Myanmar. Myanmar's government outlined a roadmap for its implementation of democratic government in 2003 and the first elected government was sworn-in in 2011. Since democratisation in 2011, the United States and international community follow the development and decided to lift sanctions in 2016 – five years after the democratic reform in Myanmar. (Please see Table I for the detail list of United States' sanctions on Myanmar.) The sanction period from 2003 to 2011 will be examined in this research and how it affects the relations between Myanmar and the United States as well as Myanmar and China. During the sanction period, Myanmar approached China to be their strong backing to counter the western pressure. China also is keeping close relationships with its neighbouring countries,

especially within the region, South East Asia and East Asia as backyards of China (French et al, 2017).

Myanmar faced several pressures from the international arena and to counter these pressures, it is clearly seen that Myanmar needs some supportive power like China while Myanmar hands are tied. This is because, politically, China is a regional power which yields plenty of influence in the international forum, as well as economically a third largest economy prior to 2010.

Having said that, the researcher would like to explore the dynamic of Myanmar-China and Myanmar-US relations during international pressure in terms of economic sanctions during 2003-2011 specially to identify the factors of Myanmar's hedge toward China to counter the United States' pressure.

## **2. Methodology**

In order to answer the research question, it is intended to do documentary research. The documentary analysis is one of the qualitative research forms and it is useful when the researcher is trying to interpret the documents to get the real idea for the topic. According to O'Leary (2014), there are three main categories of documents to be examined, namely, public records, personal documents and physical evidence. Among these, public record documents like policy statements and government memorandum will be reviewed in this research to get the proper intention of the United States' pressure, especially the economic sanctions, Myanmar's economy and Myanmar's hedging towards China.

The author did the literature review in a manner with utmost ability to find the literature gap of previous works by the well-known scholars as well as some researchers who did their analysis on Myanmar-China relations in many different aspects. The research design will be likely similar



to the work of other researchers in finding the answer to the research question. There may be many ways to collect and analyse the data needed for the thesis. However, as mentioned in above paragraph, only the qualitative form of research will be conducted in this thesis and it is pretty sure for the researcher to get the in-depth analysis from the study of the works by others, official documents, academic and news articles, etc. Due to time constraint, it is difficult to carry out interviewing the scholars or officials concerning Myanmar-China relations in the focus of 2003 to 2011 in particular. Nonetheless, the author believes that the fieldwork surveys will unlikely getting the required data and supportive findings.

With documentary research and analysis, the author is planning to explore the books and works by the experts on relations and politics of Myanmar, China and the US. In terms of economic relations between these three countries, the study on certain trading statistics and the sanctions, as well as the aid to Myanmar by the United States, will be performed. In order to know China's foreign policy and relations with its neighbours as well as small states like Myanmar, it is needed to study China's go-out policy, China's foreign aid policy and China's economic preference toward Myanmar. And, another important matter to observe is about political relations between Myanmar and China whether bilaterally or in the international arena. In that case, the official statements, government's documents and the news sources will play the role. By all means with document research method, the researcher eager to find the answers to the research question.

### **3. Literature Review**

Myanmar is a multinational state located in the middle of South and South East Asia regions. It gained its independence from Britain in 1948 and until 1962, it practised parliamentary democracy with two years under the military-led caretaker government from 1958 to 1960. Post-1962 military coup, the country has many changes, but it is the start of military dominance

in the country's politics that led to major military influence in domestic affairs since independence. Myanmar became socialist republic from 1974 to 1988 under 1974 constitution emphasising the "Burmese way to socialism". Myanmar has established a firm foreign policy at non-alignment with any superpowers and engages actively with every nation in the world. This is why Myanmar had friendly relations with both East and West worlds as well as superpower states like the Soviet Union and the United States during the Cold War. The very timing just before and after the cold war, Myanmar's domestic politics and the economy has the critical condition because of suffering economic decline during the socialist era and the 1988 uprising, although fall short of an outcome due to the military coup by the military-backed socialist government. From that period until 2011, Myanmar was under the military regime and the military leaders' Xenophobia led the country to isolation and postpones any sort of democratization and abuse of human rights drew the attention of international pressure especially from the western democratic community led by the US. This is the brief background which described the pressure of US and the hedging towards China where China became rising as a superpower in the last two decades.

It is vital to study Myanmar's political situation as well as the economy before 1988 to 2003 as it is fundamental for growing tensions between Myanmar and the US and the close cooperation between Myanmar and China. Myanmar after 1988 when the military coup has happened, the general elections were held in 1990 and the opened up the country's economy with the market-oriented economic policy from the socialist command economy by the military regime. Due to that fact, Myanmar's economy was growing from 1988 and the trading deals with many countries were established. Just before 2003 when the United States imposed economic sanctions on Myanmar, Myanmar's export to the United States was up to 13% while top export destination was Thailand with 33% and China covered only 2.3%. The main export commodities were Petroleum Gas (29%) and Dried Legumes (11%).

In this literature review, the researcher will study the scholar's work, especially books as many as possible to understand the background and to find out the literature gap for the thesis proposal as follows:

### **3.1. Precursor to Myanmar, China and US relations before 2003**

In order to understand the nature of sanctions imposed on Myanmar, it is crucial to understand Myanmar's international standings, with specific regard to China and the US. The following are some literatures that discuss Myanmar relations with China and the US prior to the sanctions, with some anecdotes explaining about some reasons why the US decided to impose sanctions on Myanmar.

For example, Fink (2009) talks about how Myanmar fares before 2003 and go deeper into some incidents that attract international criticisms. The book is the first edition published in 2001 and the second edition in 2009, the book covers almost every part of Myanmar and its society, how the government rules people and how people survive within the control of the authoritarian regime. The author also made certain prediction for Myanmar's reform. Like many other books written about Myanmar, this one is also a good book for Myanmar studies and will be benefited for those who interested in domestic politics of Myanmar. In 2003, the change in Myanmar has had happened because of the Depayin Massacre and because of this, international attention became more and more focused on regime change and the democratization of the country. Although this book is good for studies of internal activities and domestic politics of Myanmar, it lacks in international relations area and not mention about foreign involvement in domestic politics of Myanmar.

Although Fink (2009) mainly focus on domestic politics, in the following year, Steinberg (2010) pointed out the importance of China's presence in Myanmar and Myanmar's position in US-

China rivalry. The author explained what Myanmar is and how Myanmar becomes the current situation. It illustrated the country from the pre-colonial period until 2010 when the first democratic elections were held and the end of the military regime. It is elaborated era by era and pointed some significant issues within those eras. The most common issues are Myanmar's relations between the US as well as China as those two countries are most influential to Myanmar not only in the aspect of foreign relations but also in terms of domestic politics where two major groups existed namely democratic forces and the communists. Although the book mainly focused on internal affairs of Myanmar, its main intention includes for the better understanding of international community on Myanmar and with that knowledge, they can contribute some way somehow to Myanmar whenever it is needed. This book gives background knowledge about the politics of Myanmar as well as the future aspect of the country. Myanmar and China are like family as Chinese diaspora penetrate in Myanmar community. Myanmar's importance in China's foreign policy is also mentioned. But it is also important to point out Myanmar's approach to China and Myanmar's counter to the US as well as how Myanmar survived in toughest pressures and sanctions from the international community led by the US.

Regarding sanctions, Martin (2012) did a very good research on US's sanctions on Myanmar. In his book which is the report to the United States Congress for the effectiveness of its use of economic sanctions as a tool to keep the pressure on Myanmar (Burma) for the democratization and the violations of human rights in the country. The United States, after the open of Myanmar, reconsidered to change or lift the sanctions against Myanmar and it is important to figure out whether the sanctions work on Myanmar. The author mentioned that Myanmar used to had good relations with the United States and now also tried to re-establish the normal relations in terms of politics and economics. Because of this report, Myanmar's suffering from the US's economic sanctions and the impact of sanctions on Myanmar's economy. This report can be seen as a factual report to the US Congress while considering

lifting of sanctions of Myanmar when Myanmar's democratization was happened. It can be considered as one of the primary sources.

With respect to democratization in Myanmar after 2011, while the US is considering lifting their sanctions, Egreteau et al (2013) wrote a book about Myanmar's diplomacy and the involvement of the military in it. The authors are Myanmar experts and the book's focus is on the military regime and the culture of armed forces in Myanmar and its relations to the foreign relations of Myanmar in historical aspect to the present day until after the democratization in 2011. Xenophobia of Myanmar's military leaders is mentioned expressly in the book and it shaped the foreign policy of Myanmar in every area including multilateralism. Cold War era "National Security" is still maintaining in Myanmar's military core. The foreign policy doctrine of Myanmar and the development of its ideology within Myanmar's military are important for considering Myanmar's isolation and approach to China to counter the US. The book is mostly mentioned about Myanmar's domestic politics and the Xenophobia of military leaders. It is also needed to figure out the diplomacy in practice especially between Myanmar and superpower states – the US and China.

### **3.2. Myanmar's leaning towards China**

After the study of trilateral relations between Myanmar, China and the US prior 2003, the importance of the research is to trace the justification of Myanmar's approach to China after 2003. In this regard, the following literatures help the researcher in finding the cause of Myanmar's leaning towards China. There are many reasons like political, economic and international relations and system which push this scenario to happen. In this section, Myanmar seems to be leaning towards China almost in every aspect to counter the US, while the US and China are also competing to dominate the region. The scholars' work related to this are discussed as the following.

It is important to study Starr (1981) to understand more about US-China's relations and its future. As it is published in 1981 which is 18 months after the normalization of the relations between US and China, it mostly mentioned about the possible future relations of these two countries in every aspect – political, trade, legal, etc. The important point is the Soviet Union was the balance of power to the United States and China is part of US's policy on East Asia. After China's economic reform in 1978 and the United States' recognition of the People's Republic of China and normalization of relationship and US's new engagement with China after thirty years and disregard Taiwan's political and legal status, it is vital for the new political development to the Asia Pacific. It is also pointed out the international relations theory relevance to real politics. The effect of US-China relations to the region and the US's policy towards East Asia including China will play a role in the study of China's rise in the region. China becomes a superpower in the late 2010s but China was struggling like other Third World countries in the Asia Pacific and the rise of China and influence within the region is also needed to explore more to understand the bigger picture of international politics as well as politics of US-China relations' effect to the region.

While the work of Starr (1981) includes predictions about future relations and scenarios with regard to US and China, in the work of Sokolsky et al (2000) which is the book prepared for the United States Air Force under the name of Project Air Force by well-known research institute RAND. The importance of the Southeast Asia SLOCs (Sea lane of communications) to the US and China are discussed. The meaning of rising of China to the ASEAN and countries in Southeast Asia SLOCs and some other regional issues like Taiwan issue is some considerable facts on US's strategy toward China. Developing hedging toward rising China among Southeast Asia countries are discussed and the geopolitics with the region is also touched in a strategic point of view for the US. This book can contribute the US and China rivalry within the region and the hedging of Southeast Asian states toward rising China which is important for my research. This book mostly focuses on US side and only deal with the SLOCs in Southeast Asia

and the gap is the importance of Myanmar because of its strategic location for China as well as Southeast Asia and South Asia.

As above two literatures focus on the relations between two superpower states, the work of Kaung Myat Soe (2011) who was the master student at Thammasat University is a comprehensive guide for Myanmar's stand with respect to China from 1988 until 2011 when the whole spectrum of Myanmar's military government seek out to survive the international pressure led by US and Myanmar's approach to China. In his master research paper which can consider as a good source in Myanmar-China relations, the book examined Myanmar's foreign policy in general with the focus on the relations towards China and how does it effect to Myanmar's domestic situation. The author also wrote about future prospects on the relations between Myanmar and China in two portions namely, current realities and future possibilities. According to the author, Myanmar is depending on China's aid which supported Myanmar in many ways and it is also needed to do reform in the country to attract foreign investment. It is identified that Myanmar has to choose China as it is needed to do so and Myanmar's foreign policy throughout history is firmly holding the non-alignment principles. Myanmar's approach to China is not only because of the United States' pressure but also with other factors inside and outside the countries and international politics. As this research paper, with clearly stated in the title, is only focused on Myanmar's foreign policy and analysed Myanmar's domestic and institutional politics, in my work, I can find more on the side of China's on Myanmar as well as United States' involvement.

In another aspect observing Myanmar-China's relations, it is vital to study the work of Yun Sun (2013). It was the Issue Brief published by Stimson Center and there are series of briefs on Myanmar's politics and the reforms after opening up in 2011 by the newly democratically elected government took office. Yun Sun pointed out that Myanmar enjoys many benefits from Chinese investments while China became rise in terms of economy in the last decades. From

this, the then military junta gained many profits in terms of economic from those investments. After the democratization in 2011, there were many protests happened around the areas of Chinese major investment projects such as Myitsone Dam and Letpadaung Copper Mine, etc. This led to the deterioration of Myanmar-Chinese relations. These incidents indicate clearly about Myanmar-China relations which were mainly built between two governments but did not get support from Myanmar people. From this aspect, the relations between these two neighbouring countries cannot be seen as flawless what the outside worlds see. This literature mainly focuses on Myanmar's needs of Chinese investments and it is needed to mention also about Chinese political support to Myanmar's government to survive during international pressure before the democratisation in 2011.

After studying international relations and economics between Myanmar and China, it is important to look inside Myanmar to comprehend why and how Myanmar survives and the vital of Myanmar-China as well as Myanmar-US relations. With this aspect, when the author studied Steinberg (2015), it is found that elaborate about Myanmar's dynamism with various points of view. As the author is an expert and long-time studying researcher on Myanmar issues, this book is an updated work of the author with the contribution from many scholars who have expertise in Myanmar's politics and economics. The book covers three main area namely, politics, socioeconomic and international relations. Especially the international relations part of the book gave many insights on Myanmar's relations with superpower and dominant states, specifically, China and the US on Myanmar's reform and changing during the past decades and also covers the future relations. The hedging, or possibly balancing of Myanmar between US and China is mentioned in the book and the new development of the relations are also discussed. The book mentioned mostly related to the current state of the country and the results of past decades are discussed. The years through the toughest pressure from the international community led by the US and Myanmar's approach to China is needed to dig more for in-depth analysis.



Besides outsiders' views mentioned in the above literature of Steinberg (2015), one significant work is to study the work of inside scholars. Therefore, Malik (2016) can be considered as primary sources because he served as Indian Ambassador in Myanmar as well as Myanmar expert for the Government of India. He stated in his book which features Myanmar in its old days before 1988 as well as contemporary politics as the author was served as Indian Ambassador to Myanmar in the 1990s. One of the crucial issues is China's influence on Myanmar is discussed and the India-China-Myanmar trilateral relations is also one of the considerations in the book. How Myanmar's foreign policy is being formulated and the India, China and Myanmar have the common position on certain issues like non-alignment movement and this is the significant one. Myanmar and China become closer and closer are not only because of outside pressures but also because of commonalities such as foreign policy stands and economic ties. Myanmar's relations with other superpowers like the US and Soviet Union (now Russia) haven't been discussed in the author's work.

### **3.3. Myanmar's foreign standing between China and US**

Finally, the author studied some literatures relating to Myanmar's positions with respect to hedge China to counter US which means Myanmar prudently play in between China and US. Most of the scholars and experts argue that Myanmar is self-isolated country since the beginning of first military coup in 1962. The following literatures help the author to figure out the abovementioned stance.

The term "self-isolation" mentioned in the work of Steinberg (2001) who stated in his book that Myanmar is the closed-door state and difficult to predict. The military junta is heavily guarded its power and the foreign relations are among within the region and China as only friends. The United States and western allies are putting pressure for the democratization of Myanmar. This book explained the background knowledge of Myanmar and focus on its domestic and

international politics and relations with countries among the regions. It is also stated that Myanmar doesn't have many friends. Myanmar's close relations to China is mentioned in this book and Myanmar's desire to stay away from the US-led western allies and from their pressures for Human Rights violations and democratization of the country. Trilateral relations between Myanmar, China and the United States do not mention in the author's work which is important for Myanmar's hedging to China.

In another aspect, it is essential to look at the then and now superpower the US and then rising power China and especially its effects towards the region. Zhu (2006) in his book which is the extended version of author's doctoral thesis focused on China's rise and fall of US and the future relations between two superpower states as well as the historical analysis of former superpower relations. It is analysed the domestic politics and international system concerning the superpower countries. The book also explains in the comparison between the US and China's in every aspect including Taiwan issue and tries to fit with international relations theories. The book explains about power transition from the US to China when China's rise as a superpower state. It is also analysed how it affects the international system. The analysis is mainly focused on the internal characters of superpowers in history. It is good for foreign policy analysis at different levels. It makes the clearer picture for relations between the US and China and effects to the international system and comparisons and contrasts studies between superpower states present-day and in history. The focus of the book the comparison and contrast and hypothesis for future relations between rising China and the falling superpower United States and the study and theoretical framework is foreign policy analysis.

Last but not least, the perspective of a scholar from Myanmar in relation to Myanmar-China relations – how it evolves and how it maintains – is a must for the author to understand the Myanmar-China relations through the history. In the work of Maung Aung Myoe (2011), it is stated that Myanmar's relations with China developed gradually and Myanmar managed to cope

with the neighbouring giant within the region. Finally, China became the strategic partner of self-isolated Myanmar. The book is developed in the chronological history of the relations between two neighbouring countries which used to have on and off relations and the managed to make up as strategic partners. It is important to say that this book is one of the gap filler literatures for Myanmar-China's relations as there are not many chronological historical works in relations between Myanmar and China. The vital finding is the relations between these two countries cannot be seen as friendly since the beginning and it takes time to overcome the clashes and incidents. Myanmar and China's close and friendly relations is important to study because Myanmar's approach to China or China's dominant to Myanmar doesn't happen in a day and it is an evolution as well as it needs to look as the emerging factors. Myanmar's foreign policy includes friendly relations with all its neighbouring countries and adopted the active and non-align foreign policy and normally, does not show very close relations with any superpower state.

### **3.4. Security, economic and multilateral relations**

It is also important to look at the other dimensions of the two countries' relationship between Myanmar and China along the history as well as the certain period of study for this research. In order to achieve this, the security collaboration between Myanmar and China, Myanmar-China's economic relations and Myanmar-China's relations in multilateral level are also discussed as follows:

#### **3.4.1. Security collaboration between Myanmar and China**

According to Tin Maung Maung Than (2003), Maung Aung Myoe (2011) and Parameswaran (2018), Myanmar and China border each other more than 2,200 kilometres. It is shown that both countries had a huge amount of border relations and incidents throughout history. Since

the end of Second World War, Myanmar became an independent state in January 1948 and China changed their regime from presidential democratic republic to communist country by the revolution of the Chinese Communist Party in October 1949. The first major military engagement was in the 1950s when the Kuomintang (KMT)'s troops entered Myanmar and it was considered as KMT invasion. Myanmar faced the then Republic of China (ROC), which seated as a permanent member in the United Nations Security Council, in the United Nations forums as Myanmar's effort to settle this issue in the international arena. The PRC troops helped and fought against KMT troops during that time. Over time, Myanmar and China always cooperated to fight against drugs and illegal trade. One important fact is China considers Myanmar as the exit for the Indian Ocean and that is why China's Belt and Road Initiative can also be regarded as part of China's national security policy and the involvement of Myanmar is strategic for both countries.

### **3.4.2. Myanmar-China's economic relations**

After China's economic reform in 1978, the rise of China also affected Myanmar's economy in some part. Myanmar imported many products from China in their 1980s and 1990s up to present-day. As Myanmar was and still is the agricultural country, Myanmar exported a large number of agricultural products to neighbouring countries as well as around the world, mainly to the countries in the region. But Myanmar imported Chinese products since its independence and grew larger since the 1980s. From 1988 to 2003, Myanmar's export to the countries in the region became higher since the tighten pressures from the western world. Due to this scenario, Myanmar mostly exported to Thailand and China while China's quota did not exceed two-digit percentages. According to the Observatory of Economic Complexity (n.d.), in 2003, Myanmar's export to the United States (13%) and the top export destination was Thailand (33%) while China amounted 2.3%. Myanmar's major export products in 2003 were Petroleum Gas (29%) and Dried Legumes (11%). The economic relations between Myanmar and China is asymmetric

and it is totally unbalanced. From that moment, China's investment in Myanmar grows larger and larger in both the public and private sectors (Kudo, 2008).

### **3.4.3. Myanmar-China's relations in multilateral level**

Maung Aung Myoe (2011), Kalimuddin et al (2018) and Parameswaran (2018) discussed about the relations between Myanmar and China in multilateral level. Myanmar and China share the common foreign policy values known as five principles of peaceful coexistence adopted in 1954 and both countries actively participated in Non-Aligned Movement (NAM) to refrain from being an ally to any superpowers rivalry – the United States and the Soviet Union during Cold War. This also made Myanmar close to China. After the 1988 Uprising in Myanmar and 1989 Tiananmen Square protests of 1989 in China, the two countries were targeted by the western countries with the violations of their democratic and human rights norms – made Myanmar and China closer than ever. China after economic reform, they tried to gain influence in the region and in international politics. On the other hand, China faced South China Sea disputes with its neighbours who are members Association of South East Asian Nations (ASEAN). China's engagement with ASEAN is mainly economic relations and China does not satisfy with ASEAN's intervention to the settlement territorial disputes in the South China Sea. Myanmar does not show its clear standing in such matters which can make confrontation with China. One important thing is all ASEAN countries including Myanmar recognise the One China Policy and regard Taiwan as part of China. In the arena of the United Nations, China protected Myanmar with its utmost effort to prevent the western allied countries' desire to impose sanctions on Myanmar and to intervene in Myanmar's domestic politics. In 2007, the attempt of the United States and the United Kingdom to act on the draft resolution of Myanmar was vetoed by the China and Russian Federation (United Nations, 2007). Myanmar government expressed their sincere gratitude on such measures of China and made two countries to become close in multilateral level.

## **4. Findings and Analysis**

### **4.1. Historical development of Myanmar-China's relations**

Myanmar and China have a long-standing relationship throughout the history with the undeniable reality of being shared the longest border of Myanmar to one of five neighbouring countries – more than 2,000 kilometres along the northwest to northeast of Myanmar's hilly regions. Two countries enjoyed a good relationship and had exchange of cultural, trade, diplomatic and even conflicts since the time of prehistory that of thousands of years ago. After Myanmar's independence in 1948 and Communist Party of China became the government in 1949, both countries shared common foreign policy principles of peaceful coexistence in the 1950s where most of all third world countries value these principles as of the basis of their foreign policy. Because of non-intervention of domestic affairs of each other state, Myanmar and China maintain good relationship among the difficult times of both countries when the international pressures were threatening to their economy and politics.

In order to discuss about Myanmar-China's bilateral relations, it is important to note that there are three layers of relations between these two countries – namely, people-to-people, party-to-party and state-to-state relations. All three layers were smooth during the early years of relations when the drawback was happened in 1967 Anti-Chinese riot in Myanmar although China was the first countries recognised Myanmar's military government after 1962 military coup led by then Defence Chief of Staff General Ne Win from the democratically elected parliamentary government named Union Party government led by Prime Minister U Nu. One other significant issue was Myanmar government suppressed Burmese Communist Party (BCP) as an unlawful association and cracked down in many aspects like militarily and socially, etc. despite China hosted the BCP's leaders as party's relations. After 8888 Uprising in 1988 in

Myanmar and Tiananmen Square incident in 1989 in China, the two countries suffered boycotted by the western world which made them closer ever. (Maung Aung Myoe, 2011)

China's opened their economy in 1978 as one country two systems, China's rising economy helped Myanmar's economy to gain survival after the failure of the socialist economy in the country and after the sanctioned of western countries after 1988. As China and Myanmar were close enough in terms of political background and principle of mutual non-intervention of domestic affairs of each state, China was the best partner for Myanmar to do a trade where only large market Myanmar can access. Although China was the important trading partner, it was totally unbalanced in trade flow as China only allowed, in terms of their big economy, only one-digit percentage of import from Myanmar while China's export to Myanmar amounted nearly half of the total imported commodities. But China's energy hunger was fulfilled by Myanmar in one way or another by Myanmar's oil and gas industry. On the other hand, Myanmar's daily lives were depended on China's product as a major supplier. Besides, China's corporations got many big infrastructure projects in Myanmar during the sanctioned years which also made Myanmar gained developmental stage with Chinese hands. (Kudo, 2008)

Since both countries had a good and pragmatic relationship along the history even before the statehood of the modern era, Myanmar's approach to China during the economic sanctions can be realistic. There were certain incidents, such as border demarcation, Anit-Chinese riot in 1967 and relations between Burmese and Chinese Communist Parties, etc., happened in the early relations after the establishment of formal diplomatic relations in the 1950s but it is managed to cope by both sides in an amicable way. Most importantly, Myanmar relied on China for their economy survival and relief of political pressures from the outside world after the military coup in 1988 and during the sanction years from 2003 to 2011.

#### **4.2. Bilateral relations between Myanmar and China during 2003 to 2011**

Onward 2003 to 2011, Myanmar managed to get complete support from China not only in terms of economic support and aid as well as full back up political power in every international forum where western power players wanted to keep putting pressures on Myanmar's non-development of democratization inside the country and the handling the accused of human rights violations. In that case, Myanmar needs to rely on building military strength on cooperation with Chinese military as well as military contractors of China. Myanmar's relations to China was regarded as "Pauk-Phaw (which means kinship)" which every scholar considered as special relations among two countries which makes different from relations with other countries.

According to Tin Maung Maung Than (2003), Myanmar's access to the Indian Ocean attracts China to invest in Myanmar and protect from any foreign powers to influence on Myanmar's national security. It is vital for China to get access to the Indian Ocean and to maintain its power competing with India which is also another regional power with second largest population after China and besides, India's closeness to western democratic countries and India was also trying to compete with China to get the leadership role in the region. Myanmar was playing both sides but India's stance to interfere with domestic politics for democratization – allergic to Myanmar. The United States' pivot to Asia and because of Myanmar's strategic location, China has to take the lead to get an influential role on Myanmar when no other superpower can do so. BBC Burmese (2018) stated that Myanmar's military cannot buy any military equipment and weapons such as aircraft from any other market, China's F-7 which created with a similar design to Soviet's MiG-21 fighter aircraft. It made the significant evidence that Myanmar's building of modern army with China's support in terms of technical as well as policy influence.



Eventually, Myanmar and China reached to the utmost closest stage of diplomatic relations in 2011 when the two countries managed to sign the agreement on “Strategic Partnership”. Throughout the period of military government from 1988 to 2011, Myanmar's government permitted several projects to Chinese private and public companies with only a few corporations from other countries including Myanmar's national owned corporations did not get a chance to develop their business establishment in Myanmar. Myanmar also signed many bilateral cooperation agreements and MoUs during that period in different levels from Central government to the local authority in many aspects of bilateral cooperation not only for business but as a national strategy. (Kaung Myat Soe, 2011)

The bilateral relations between China and Myanmar marked the good relations throughout the history with small incidents – which can also be happened within the family. China's consistent standing as backup superpower to Myanmar and non-interference of domestic affairs of Myanmar made gaining trust from Myanmar and Myanmar's return as a loyal ally to China in every international forum – vice versa, made China's awareness of Myanmar's strong desire to become good friend, eventually “Pauk-Phaw (kinship)”.

#### **4.3. Myanmar and China's engagements in multilateral level from 2003 to 2011**

Both Myanmar and China are members of the United Nations and this forum created the major political pressure to every country around the world according to the Charter of the United Nations, 1945. China is one of the permanent members who can use veto power in the meetings of the United Nations Security Council which has complete authority to decide whether one country's situation is threatening to the peace and stability of the world or region and necessity of foreign intervention to maintain peace and stability. With these facts, Myanmar and China stay close to each other in the making of every world decision not to harm to their

national policies. Besides, China also needs to pay attention to the regional powerhouse like ASEAN which Myanmar is a full flesh member. ASEAN's economic and political positions can affect China and other countries in the region even to the US and that is why Myanmar's stance is also important whether effecting to ASEAN's decision-making process.

On January 12, 2007, Myanmar's representatives were exciting for awaiting their country's destiny whether it will be better or worse because of the draft resolution to decide international action is needed to be taken to cool down the situation happened in Myanmar. Dramatically, China and Russia whom were (and currently also) permanent members of the United Nations Security Council and have the right to use veto to discharge the draft resolution, double vetoed Myanmar's draft resolution which made the western powers – France, UK and US disappointed – which (also in term of voting) 9 favoured with 3 abstentions and 3 against draft resolution was not able to take action. It was the first multiple vetoes after 1989 used by Britain, France and the United States on Panama issue. The accused of Myanmar were violations of human rights, ethnic cleansing, narcotic drug trafficking, etc. For Russia who inherited from the Soviet Union, it is not unusual matters for using veto in UNSC, but, up to 2017, China only used (including used by the Republic of China) 11 times in the United Nations history which makes the logical for the audience to believe how Myanmar is vital for China's foreign policy (United Nations, 2007; Hoge, 2007).

Myanmar's political stance is not to interfere with the domestic affairs of one country as well as to refrain from letting the foreign power to decide its own destiny. Myanmar always stands neutrally in the South China Sea disputes which China has been blamed for their claims based on the historical background which most of the world believe that it is not fair and justice. In 2002, Myanmar supported Code of Conduct (which is a non-binding document) for South China Sea disputes adopted by ASEAN and China. After a decade has passed, several claimant states within the ASEAN tried to reinforce Code of Conduct with another useful way to approach this

issue to face with China. For this time, Myanmar, as the Chair of ASEAN in 2014, managed to neutralise the tension between ASEAN and China to get the hot issue cool down in diplomatic means. Myanmar's stance is always close to China and aligns with China's interest. Although this kind of standing is criticised by many countries from the international community, Myanmar is still holding its faithful friendship with China (Desker, 2015; Bi, 2014).

China and Russia's dramatic support to Myanmar's on its draft United Nations Security Council's resolution to intervene Myanmar to maintain peace and security of the region was one of the largest benefits enjoyed by Myanmar so far in terms of politics. In return, it can be seen that Myanmar always supports both China and Russia in the international arena in line with their foreign policies. It is undeniable that both Myanmar and China needs each other support to survive in multilateral meetings not to demolish their foreign policy with a crush from opposite interest groups.

## **5. Conclusion**

Myanmar's domestic politics and economy suffered the certain amount of damage from the international pressure and economic sanctions led by the United States started from 2003 until the complete lift of sanctions in 2016 because of democratic transition and open in 2011. During the toughest time from 2003 onward, Myanmar managed to strengthen its existing good relations with China up to the strategic partnership and achieved mutual benefits from both sides. Both Myanmar and China recognized each other as the sovereign independent state as soon as one country happened regime change of any kind of political situation was happened – the event of Communist Party of China became the government in 1949 and the military coup in Myanmar in 1988, for instance. Besides, practising of the non-intervention and peaceful co-existence principles also makes the two countries to become closer while both suffering the boycott of western developed countries in the past because of their undemocratic regimes and

human rights violations. After imposing economic sanctions by the international community led by the United States, China became the only and large market which Myanmar can access as well as for imports of the needy commodity. Such scenarios led Myanmar to become rational to deal with only China and countries in the region for its economic survival as well as growth of military strength for their national security and regime's stability. Myanmar and China also experienced several accidents but finally able to command to be friendly again, especially in security cooperation. Although Myanmar's economy seems to be enjoying good relations with China, but it can be considered as fair trade as their trade relations is asymmetric due to the dominance of lion share of China's export to Myanmar while Myanmar's export doesn't mount a significant number to China. But there is one important matter which both countries cannot deal with their own consent easily – which is in multilateral fora where group pressures and international views are reflected on these two countries' political situations. In this case, Myanmar tried to get protection from China as it is one of five permanent member countries which can use veto power in the United Nations Security Council (UNSC) and China also gained certain benefits from Myanmar in regional dialogues like ASEAN and some regional issues like the South China Sea (SCS) in many aspects where one country can also enjoy certain right for international recognized decision. In 2006, Myanmar was saved by the China and Russia by using their veto which made the rare case for using double veto in the history of UNSC, not to impose international actions to be taken because of UK's proposal to do intervention to the country's due to domestic violence and threaten to the regional security according to Myanmar's human rights situation. The prime benefit of Myanmar's approach to China during the toughest time in suffering of international pressures and economic sanctions led by the United States from 2003 until country's re-engagement with western world in 2011 can be considered as realistic, rational and pragmatic for Myanmar as China was one good friend in terms of politics as well as economy during certain period time for this study.

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