

Myanmar's Ethnic Insurgents: UWSA, KNU and KIO

Christopher O'Hara
& Niels Selling

ASIA PAPER
February 2012



Institute for Security &
Development Policy

Myanmar's Ethnic Insurgents: UWSA, KNU and KIO

Christopher O'Hara & Niels Selling

Myanmar's Ethnic Insurgents: UWSA, KNU and KIO is an *Asia Paper* published by the Institute for Security and Development Policy. The *Asia Papers Series* is the Occasional Paper series of the Institute's Asia Program, and addresses topical and timely subjects. The Institute is based in Stockholm, Sweden, and cooperates closely with research centers worldwide. Through its Silk Road Studies Program, the Institute runs a joint Transatlantic Research and Policy Center with the Central Asia-Caucasus Institute of Johns Hopkins University's School of Advanced International Studies. The Institute is firmly established as a leading research and policy center, serving a large and diverse community of analysts, scholars, policy-watchers, business leaders, and journalists. It is at the forefront of research on issues of conflict, security, and development. Through its applied research, publications, research cooperation, public lectures, and seminars, it functions as a focal point for academic, policy, and public discussion.

The opinions and conclusions expressed are those of the authors and do not necessarily reflect the views of the Institute for Security and Development Policy or its sponsors.

© Institute for Security and Development Policy, 2012

ISBN: 978-91-86635-26-8

Printed in Singapore

Distributed in Europe by:

Institute for Security and Development Policy
Västra Finnbodavägen 2, 131 30 Stockholm-Nacka, Sweden
Tel. +46-841056953; Fax. +46-86403370
Email: info@isdpeu

Distributed in North America by:

The Central Asia-Caucasus Institute
Paul H. Nitze School of Advanced International Studies
1619 Massachusetts Ave. NW, Washington, D.C. 20036
Tel. +1-202-663-7723; Fax. +1-202-663-7785
E-mail: caci2@jhuadig.admin.jhu.edu

Senior Editor: Dr. Bert Edström

Editor: Elliot Brennan

Editorial correspondence should be addressed to Dr. Bert Edström at: bedstrom@isdpeu

Contents

- Executive Summary5**
- Introduction9**
 - Ethnicity in Burma/Myanmar: An Overview 13
- The United Wa State Army (UWSA)18**
 - Background & History..... 18
 - Recent Developments 24
- Karen National Union (KNU).....27**
 - Background & History..... 27
 - Recent Developments 32
- Kachin Independence Organization (KIO).....34**
 - Background & History..... 34
 - Recent Developments 38
- Assessments41**
 - United Wa State Army 41
 - Karen National Union..... 43
 - The Future of Non-State Armed Ethnic Groups..... 47
- Policy Recommendations50**
 - To the Myanmar Government:50
 - To Ethnic Groups:..... 51
 - To the International Community: 51
- About the Authors53**

Executive Summary

Since the elections of 2010, Myanmar's political landscape has changed significantly; the old military junta has officially been dissolved and a new civilian government, led by President Thein Sein, has been inaugurated. Together with the new constitution of 2008 and the government's demand that all ethnic armies must integrate into the Border Guard Force (BGF), this situation raises a very important question; what will happen to the ongoing ethnic struggles in Myanmar? While the future is never certain, this paper will seek to predict the short-term future by focusing on Myanmar's three main ethnic resistance groups: the Untied Wa State Army, the Kachin Independence Organization and the Karen National Union. Based on these predictions, the paper will then provide a set of policy recommendations to the central government, the ethnic groups and the international community.

Untied Wa State Army

While the United Wa State Army (UWSA) has refused to join the government-initiated Border Guard Force and has made it clear that it still wants to establish a separate Wa state, it seems unlikely that the status quo will change in any significant way. Rather, it seems as if the current situation, where the UWSA enjoys a high degree of autonomy and relatively good relations with the government, will be maintained. There are several reasons for this. First of all, neither a military conflict nor a separate Wa state would be in China's own national interest and since both UWSA and the Myanmar government have strong ties with China, these two scenarios seem very unlikely.

Secondly, the Myanmar government is aware that enforcing the Border Guard Force by military means would be a very costly strategy. UWSA maintains a formidable force of 20,000 soldiers and the territory which it occupies is difficult to access. Further, the homogeneity of the Wa people makes any attempt at dividing the organization difficult. However, even though the status quo will most likely be maintained in the short term, the health of UWSA's chairman, Bao Youxiang, may come to change the situation in the future. If his health deteriorates, a power struggle between the

red and white factions within the UWSA may arise. Further, if it fails to improve its military tactics, which have shown signs of weakness, it may no longer be able to deter an enemy invasion.

Karen National Union

Of the three groups in focus, the Karen National Union (KNU) seems the most vulnerable. While KNU still enjoys support from Karen people in Myanmar and abroad, it now faces a whole set of challenges and the group may come to lose much of this support in the future. Firstly, the conflict with the government severely undermines the physical safety of local villagers. In turn, this has begun to fuel resentment towards the conflict among KNU supporters. Secondly, KNU's use of child soldiers and its practice of forced taxation contradict the ideals of many of its supporters, which often argue for democracy and human rights. Thirdly, the organization as a whole aims to promote a pro pan-Karen state, but in the local villages there is a lack of clarity when it comes to the cohesion of the KNU. In some cases, villagers do not even know which KNU or KNU affiliate is controlling a particular piece of land – a situation which undermines its authority in Karen areas. Added to this, KNU no longer enjoys significant support from Thailand and the Thai refugee camps, which it has grown dependent on, are likely to be closed in the near future. In this situation, KNU will lose much of its support base and while it may be able to sustain a short term lower intensity insurgency, it will most likely be defeated militarily in the long term.

Kachin Independence Organization

Like the UWSA, the Kachin Independence Organization (KIO) has refused to join the Border Guard Force. However, by labeling KIO as insurgents in state media, the government has indicated that KIO's refusal to join the Border Guard Force will not be taken as lightly as UWSA's refusal. Consequently, there have been reports that KIO is speeding up recruitment of soldiers and strengthening its lines of defense, while the Myanmar army is mobilizing troops. Despite these developments, which suggest that a military conflict may take place soon, an outright attack on KIO in the short-term future is

unlikely. This is not only due to China, which may act as a restraining factor, but also due to the fact that a head-on-head conflict would be a very difficult task for both the Myanmar army and KIO. Likewise, KIO is unlikely to fulfill its commitments under the United Nationalities Federal Council alliance and respond militarily if another member is attacked by the Myanmar army. While a military conflict is unlikely, KIO's refusal to join the Border Guard Force may come with other negative consequences, as has already been demonstrated by the government's block on border trade with China, which is KIO's main revenue. In turn, such economic and political pressure may cause a split within KIO. Members who are willing to sign peace agreements and integrate into the Myanmar army may choose to separate from those KIO members who refuse to do so.

Policy Recommendations

Myanmar government

In the above situation, the government ought to work proactively and engage with all groups and aim to resolve conflicting views peacefully. It should aim to contain the UWSA in the areas they hold, but also allow continued autonomy within UWSA-controlled areas. The approach of granting UWSA more autonomy whilst continuing with the BFG amalgamation should thus continue. Meanwhile, any positive response to the BGF should be rewarded with development assistance and more autonomy. Further, while enacting strict laws regarding the use of child soldiers, financial benefits should be offered to persons willing to join the BGF. The military must also avoid harming innocent civilians and enact the rules of war. Murder and rape as tools of war should be punished to the fullest extent possible. Finally, the government should continue to invest in infrastructure developments, focusing on education, health care and transport. While doing so, it has to make sure these developments, together with a strong respect for cultural rights, are felt on the ground.

Ethnic groups

In turn, the ethnic groups should reassess their ongoing reliance and support for allied exile groups, whilst pursuing dialogue with reformists within

the government. They also should reassess the pros and cons of continued armed struggle and the prospect of joining the BGF. Further, ethnic groups need to demonstrate to the international community that the use of child soldiers will be stopped and that the groups can contribute to humanitarian projects aiming to improve overall economic and development levels. Any private sector investment must also be developed whilst promoting corporate social responsibility and long term environmentally friendly practices. Added to this, ethnic groups should aim to improve cross-border activities and development assistance from neighboring countries, whilst working with organizations in Myanmar allowing local ownership. Finally, they should seek mutual understanding within their own organizations as well as between each other, identifying common areas of interest and cooperation.

International community

For the international community, it is important that political developments in Myanmar are assessed in light of Myanmar's history and not by the standards of a Western democratic state. Simplistic assumptions should be avoided and international actors should seek to interact with the government, ethnic groups and civil society in order to increase understanding of the complex situation in Myanmar. Further, positive developments on the part of the Myanmar government should be rewarded with engagement and by assessing opportunities in the new political structures at all levels. The international community should also continue to provide support for humanitarian projects with a focus on capacity building and listen to the needs of domestic actors. In doing so, the international community should be aware of fragile local networks which may be harmed in the process. While aid to ethnic groups should continue to be given, the international community should also aim to decrease the re-routing of aid to armed groups. The use of child soldiers should be prevented by continuing to stress importance of the issue and developing mechanisms to identify vulnerable communities where child soldiers are likely to be used. Finally, international actors should continue to offer assistance in areas such as conflict management. As the domestic political landscape changes new opportunities should be assessed and pursued.

Introduction¹

For the past 20 years, foreign interest in Burma, or Myanmar, has been understandably concentrated on the problems of democracy and human rights. Although this is of continuing concern, the central, unresolved issue facing the state since independence in 1948 has been finding the solution to the problem of governance of this profoundly multi-cultural society.

David I. Steinberg²

Myanmar is one of the most ethnically diverse countries in Asia.³ There is no reliable census data on the subject matter but most estimates point to a figure well over a hundred ethnic groups. Of these, the Burmans constitute two-thirds of the total population of 56 million. Since Burma became independent in 1948, this group has almost exclusively occupied the political and economic cores of society. The government has by and large pursued a strategy grounded in the desire to make Burma a single united nation state. The policy of ethnic assimilation – “one race, one language, one religion”⁴ – was set in motion by independent Burma’s first Prime Minister, U Nu, and advanced by his successors in the military regime which ruled the country almost uninterruptedly between 1958 and 2011. During these years there have been instances of accommodation. Nonetheless, the overall feeling among the ethnic groups is that there is little or no access to power and nation-wide discriminatory practices.⁵

Although the policy of assimilation might have prevented state

¹ The authors would like to thank the two anonymous reviewers who took the time to review the text and give insightful comments.

² David I. Steinberg, “Myanmar’s Perpetual Dilemma: Ethnicity in a Discipline-Flourishing Democracy,” *East-West Center Working Papers*, Politics, Governance, and Security Series, No. 22 (April 2011), p. 1, <http://www.eastwestcenter.org/sites/default/files/private/pswp022.pdf> (accessed August 1, 2011).

³ Chizom Ekeh and Martin Smith, *Minorities in Burma*, Minority Rights Group International, *Briefing Paper*, October 2007, <http://www.minorityrights.org/?lid=3546> (accessed August 1, 2011)

⁴ Lian H. Sakhong, “Federalism, Constitution Making and State Building in Burma,” in David C. Williams & Lian H. Sakhong, eds., *Designing Federalism in Burma* (Chiang Mai: UNLD Press, 2005), p. 25.

⁵ All information is accurate as of August 2011

disintegration, the negative consequences are well documented: human rights abuses, forced relocation, rape, and economic underdevelopment. This has created an impetus for ethnic separatism, which has been an ongoing problem for the central government ever since Burma became independent. Armed groups along a number of ethnic divisions have sought to push for greater autonomy. Armed insurgency has not been solely confined to the larger ethnic groups, such as Shan (9 percent of the total population), Karen (7 percent), and Rakhine (4 percent),⁶ but is a phenomenon across all minority states.

The ethnic conflict has for decades put Myanmar in a state pendulum swinging from civil war to ceasefire and stability, but never in something resembling national reconciliation and peace. The ethnic conflict has been detrimental to Myanmar and can partly explain the country's lack of development. Despite ranking lowest of the Southeast Asian countries on human development and GDP per capita, the military receives 30 percent of the budget, compared to 11 percent to social services, education, and health combined.⁷

In the minority states the situation is even more precarious. According to UNICEF's Child Risk Index, the border regions fall significantly below the national average on 12 socio-economic indicators of household income, health status, access to health care, education, and safe water and sanitation. The striking differences between Burman states and minority states have fuelled anger and grievances for decades and were a catalyst in the rise of armed insurgency. The socio-economic discrepancy has also underpinned another of the main grievances among the ethnic minority groups – exclusion in the political process. The combination of underdevelopment and a sense of not co-owning the political tools needed to affect their communities form a lethal mix and have for decades inspired insurgency groups to pick up arms to fight the Burmese government.

In January 2011, the Burmese parliament convened for the first time in more than two decades, following elections in November 2010. In March, the new president, Thein Sein, was inaugurated and the military government

⁶ CIA Factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/bm.html> (accessed March 15, 2011).

⁷ Kyaw San Wai, "Burma's 'Civilian' Government: One Month On – Analysis," *Eur-asia Review*, May 10, 2011, <http://www.eurasiareview.com/burmas-civilian-government-one-month-on-analysis-10052011/> (accessed May 12, 2011).

was officially dissolved. Although many pundits and experts label these political changes as a sham, arguing that the army is still pulling the strings behind the civilian government, it is nonetheless a symbolic gesture and perhaps marks the beginning of a new political situation in Myanmar.

How these recent political changes in Myanmar will affect a number of the ongoing ethnic struggles is the topic of this paper. With the adoption of the 2008 constitution and the installation of the new parliament there have already been various indications of how the new government will act in respect to the armed ethnic struggle. In this paper we will analyze those indications, as well as historical lessons, to predict the short-term future for the armed ethnic groups. On these predictions the other endeavour of this study will be to provide policy recommendations. These recommendations will not serve the interests of one single group, as we believe such a distinction is not only not constructive but also dangerous. Instead we will explore what course of action will benefit the country and the population as a whole. Primary stakeholders in this conflict are the Burmese government (and its army), and the armed ethnic groups, as well as the democratic opposition. The policy recommendations in this report will primarily be extended to these groups.

At the same time the ethnic conflict in Myanmar involves a number of external actors, all with the capability to affect the situation. China, Thailand, and India – the three key neighbors of Myanmar – are three such actors. While their involvement will be accounted for when making the predictions, none of the policy recommendations will be made to these countries. Instead, the recommendation will discuss the role of the European Union and the United States, which we think should take a much more proactive role in Myanmar. Since the crackdown on the democratic movement in Myanmar by the early 1990s the EU and the U.S. have taken a hard stance and tried to isolate Myanmar from the international community as well as imposing strict sanctions. By adopting a less isolationistic approach, the EU and the U.S. might be able to engage Myanmar and have a substantial impact on the ethnic issue. Our policy recommendations will highlight this view.

The armed ethnic groups number several dozen.⁸ These groups can

⁸ Geneva Academy of International Humanitarian Law and Human Rights, Rule of Law in Armed Conflicts Project RULAC, "Myanmar," http://www.adh-geneva.ch/RULAC/non-state_armed_groups.php?id_state=30 (accessed March 22, 2011).

be categorized into ceasefire groups and non-ceasefire groups depending on their current relationship with the Burmese government. Complementing and deepening the general description of the situation we will also make a targeted selection of three groups, serving as case studies. One of these groups will be selected from the ceasefire category, one from the non-ceasefire category, and one whose status is uncertain.⁹ The method of selection is based on size and so we have chosen the armed group from each category with the most troops. The idea of selecting the most important groups (presuming that size equals importance) is that the faith of these will determine the future of the ethnic struggle in Myanmar. While these selected groups may not necessarily have any direct influence on the other groups, if agreements were to be met with these groups it would be much harder for the smaller groups to carry on with business as usual.

The United Wa State Army (UWSA) is the biggest of all armed groups in Myanmar, with an estimated membership of 20,000 troops and has been described by Human Rights Watch to be the only armed group that poses an immediate threat to the Burmese army.¹⁰ The UWSA was one of the first armed groups to strike a ceasefire agreement with the military regime and more than 20 years later this agreement is still in effect. However, the UWSA has made it clear that its aim of gaining autonomy is yet to be realized and until this is accomplished there will be no lasting peace.

The second largest ceasefire group is the Kachin Independence Organization (KIO), with approximately 8,000 members. Although the ceasefire agreement has not been formally revoked, state media has lately started to label KIO as "insurgents" which puts the future relationship between the government and KIO in doubt.

Of the unambiguous cases of non-ceasefire groups we have selected the Karen National Union (KNU), which has around 5,000 troops at their disposal. The KNU is generally ranked number two in troop estimations of ceasefire groups, behind the Shan State Army (SSA).¹¹ Due to recent fractioning of the SSA, this group was omitted from the selection.

⁹ In the rest of the paper, "insurgency groups" will denote groups that have not signed any ceasefire agreement with the government. "Non-state armed groups" and "armed groups" will denote the groups as such, not differentiating between insurgency groups and ceasefire groups.

¹⁰ *My Gun Was as Tall as Me: Child Soldiers in Burma*, Human Rights Watch (2002), <http://hrw.org/reports/2002/burma> (accessed May 22, 2011).

¹¹ Ploughshares, "Armed Conflicts Report," <http://www.ploughshares.ca/libraries/ACRText/ACR-Burma.html> (accessed April 5, 2011).

This study will begin by outlining a general description of the history of ethnic insurgency in Myanmar. This section will take us from the times of pre-independence up to today. We will then cover our three aforementioned case studies. Although the background of these groups will be explained, the focus will be on the “here and now,” in respect to the following issues: grievances, strategies, alliances, and relationships with the central government. We will then move on and make predictions on what the short-term future might hold for each of these three armed groups and also provide some general conclusions – not only the future of the armed struggle as such but also what will determine any armed group’s capacity to remain intact. We will finish the paper by formulating our policy recommendations, which are intended for the Myanmar government, ethnic groups and the international community.

Ethnicity in Burma/Myanmar: An Overview

When Great Britain made Burma a province of India in 1886, drastic structural changes began to take place.¹² These changes were not only confined to the economic sphere, where British and Indian firms reaped huge financial profits, while the local population was largely excluded. The British era also brought fundamental social changes. The Burmans – the dominant ethnic group in Burma – were stripped of their positions and power. They became increasingly impoverished and neglected as the British delegated the responsibility of ruling the indigenous people to foreigners and local minorities.¹³ After British rule ended in the 1940s, ethnic struggles for autonomy and independence spread like wildfires across the newly formed Union. In 1947 the interim Burmese government and major ethnic groups took part in a conference in the town of Panglong to work out an agreement that would cool the situation. The “Panglong Spirit” resulted in an agreement that ensured the stability of the Union under conditions of equal rights, power-sharing, as well as a right of secession.

However, this moment of mutual trust and understanding sowed the seed for future conflicts. First of all, not all ethnic groups were represented

¹² The use of the name Burma is used when addressing historical issues. Myanmar is used throughout the rest of the paper because this is the official name according to the United Nations. The use of either the name Burma or Myanmar does not represent any political views.

¹³ Shelby Tucker, *Burma: The Curse of Independence* (London and Stirling, Va.: Pluto Press, 2001), pp. 35–55.

at the conference and the agreement was inconsistent with regards to the rights of different groups. Second, what the signatories had in mind was to establish the foundation of an independent, but not integrated, Burma. Rather than being the first step in a nation-building process, the agreement would guarantee the self-governance of the ethnic minority groups.¹⁴ The Panglong agreement created expectations that Myanmar's ethnic groups have since strived for and demanded, expectations that the central government has worked just as hard to quell. The fact that different minorities were given varying degrees of autonomy and different levels of representation led to fighting between many of the groups. This shows that the power-sharing provisions were not considered properly. There was an eagerness, among leaders of the regime, to get the constitution written as soon as possible, as they realized that the ethnicity issue would take too much time to resolve. In the 1950s, there was growing perception among the ethnic minorities that they were subjects of neglect and discrimination. The Burman leaders were accused of not fulfilling the promises made at Panglong. Burma was heading into times of turbulence as more and more ethnic groups picked up arms to demand their rights. The conflict that occurred, gradually from 1947, meant that the power of the government had dissipated from 1947 to 1958. Control of the country was limited and there were many insurgent groups fighting amongst themselves and the government, each for their own gain. Due to the powerlessness of the government and their lack of control, it was not possible to stop the coup d'état that occurred in 1958. The new military government was heavily critical of the constitution and retained power for almost two years. In 1960 it organized elections and handed power back to a civilian government. However, insurgency, political turmoil, constitutional defects and whispers of secession continued. As a response, General Ne Win seized power in 1962 in a military coup, to save Burma from transforming into a federal state that would, as he claimed, break up the Union. Under Ne Win's "Burmese Way to Socialism" Burma adopted the broad features of isolation and military rule which have dominated the Western narrative of Myanmar ever since.

Ne Win set Burma on a steady course towards integration through nationalism. These ideas had gained considerable momentum a few years earlier when Buddhism was made the official state religion of Burma. Ne Win

¹⁴ Sakhong, "Federalism, Constitution Making and State Building in Burma."

declared Myanmar, the mother tongue of the Burmans, to be the official language for the entire Union. All media outlets were taken over by the Revolutionary Council and regulations on civil liberties and ethnic expression were put in place. The Council abolished the power-sharing agreements set out in the 1947 constitution. Accordingly, all local governments and administrative regions were abolished and came under the central control of the military government.

The military ruler's determination to consolidate the Union and to suppress separatist tendencies did not stop there. In the ethnic minority states the army adopted the infamous "Four Cuts strategy." The idea was to cut off the links between the armed groups and the local populations by targeting food distribution, financing, recruiting, and intelligence.¹⁵ In 1974 a new constitution sought to strengthen the regime's grip of the country by making the political changes under Ne Win more permanent. The constitution created a one-party socialist state with no separation of powers, unlike the previous constitution. The president would retain all executive power, and the country took its present form with regards to its ethnic states and divisions. Burma was administratively divided into seven divisions and seven states. The difference between these two sets of administrative units is that divisions¹⁶ are inhabited by Burmans, while state are home to minority ethnic groups. As set out by the constitution, the country was united under the unitary control of a centralized government.¹⁷

As time went by, Ne Win's regime came under increasing pressure. The severe human rights abuses committed under the "Four Cuts strategy" agitated the minority groups and there was no sign that the war against the insurgency groups was to end soon. But it was not only in the ethnic minority states that violence and protest flared. The public patience for the failed economic policies was rapidly running dry. Suddenly, calls for a regime change started to be voiced from all strata of society. The junta's initial response, under the new leadership of General Saw Maung, was to violently crack down on these urban protests, annul the 1974 constitution, and rule by martial law.

¹⁵ Tom Kramer, *Neither War Nor Peace: The Future of Cease-fire Agreements in Burma* (Amsterdam: Transnational Institute, 2009).

¹⁶ In 2010 the government announced that divisions had been renamed "regions."

¹⁷ International Crisis Group, "Myanmar Background: Ethnic Minority Politics," *Asia Report* 52 (May 7, 2003), <http://www.crisisgroup.org/home/index.cfm?id=1528&l=1> (accessed May 5, 2011).

In 1990 the regime gave in to the persistent protest and allowed for a multi-party election to take place. Sensing a defeat in the election, Major General Khin Nyunt put in place measures that would allow the military to retain power until a new constitution was drafted and a new, stronger government was in place. So despite the electoral loss, the junta did not give up power, but instead continued to keep the people's representatives incarcerated, until a new constitution could be drawn up and a more stable government could be created. This led to international outcry, although the junta claimed they had the right to protect the Union by any means fit. This meant that many of the opposition leaders went into exile and many others were arrested.

While the international spotlight focused on the election and the treatment of Myanmar's democratic dissidents, important changes were taking place in the minority states. By the end of the 1980s, a window of opportunity opened up with the collapse of the Communist Party of Burma (CPB), which had been one of the regime's main armed opponents for decades. When CPB split up into several armed ethnic minority groups, Rangoon seized the moment and offered these new groups local autonomy and even the right to hold onto arms. By doing so the Burmese army was able to divert troops from former CPB strongholds and use these to put pressure on other insurgency groups across the Union. Between 1989 and 1995 over 25 cease-fire agreements were signed between the junta and different armed ethnic groups, then becoming "ceasefire groups."¹⁸ The details of these agreements are not known but were drafted and signed on a case-by-case basis, granting some groups more rights than others.

By the beginning of 2008 a new junta-created constitution was adopted, which is already having great implications on the armed ethnic struggle.¹⁹ What is pivotal is Article 338, which states: "All the armed forces in the Union shall be under the command of the Defence Services."²⁰ In April 2010 the meaning of this text was unveiled when the armed groups were presented with a

¹⁸ Asley South, *Burma's Longest War: Anatomy of the Karen Conflict* (Amsterdam: Transnational Institute and Burma Center Netherlands, 2011).

¹⁹ "Myanmar says writing of draft constitution completed," AP, February 19, 2008, <http://www.highbeam.com/doc/1A1-D8UTGKL01.html> (accessed May 5, 2011).

²⁰ Ministry of Information, *Constitution of the Republic of the Union of Myanmar* (2008), http://www.burmalibrary.org/docs5/Myanmar_Constitution-2008-en.pdf (accessed August 12, 2011).

proposal by the Border Guard Force (BGF). Under this scheme these groups are to be broken up, divorced from their present ethnic administrations, and be transformed into border battalions, under the ultimate command of the Burmese army. Those groups joining the scheme would also need to open up both their leadership and their rank-and-file structure to members of the Tatmadaw (Myanmar military).²¹ Not surprisingly, the responses to the proposal from the armed ethnic groups have, by-and-large, been lukewarm. Various deadlines have passed, the last one in September 2010, but to date most of the powerful armed groups have not accepted the reorganization.

²¹ Donald M. Seekins, "Myanmar in 2009: A New Political Era?" *Asian Survey*, Vol. 50, No. 1 (2009).

The United Wa State Army (UWSA)

Background & History

The United Wa State Army (UWSA), with its 20,000 troops, is the most powerful non-state armed group in Myanmar.²² In Europe and the United States the group is mostly known for illicit drug trade, which has financially underpinned its activities. Domestically, the UWSA has enjoyed relatively good relations with the government since the signing of the ceasefire agreement in 1989. The degree to which the organization has been allowed the freedom to administer its territory is unmatched by the other insurgency groups. One of the reasons is simply the fact that the UWSA operates in territory that has historically been hard to access.²³ During the colonial era the British never tried to incorporate the Wa area under its administration. This decision was not only due to the uninviting terrain but also the image of the Wa people as uncivilized, famous for chopping off the heads of visitors.²⁴ Even today the Wa is viewed as tough and militaristic.

It was not until the 1950s that the seclusion of the Wa people was unhinged when Kuomintang (KMT) and Chinese communist forces started to penetrate the Wa area and expose the Wa people to modern weapons and warfare. However, it was not until 1968, when the Beijing-backed CPB entered this area and started to recruit and form their military base around the Wa population, this people were drawn into an armed conflict with the central government. By the late 1980s, Wa and Kokang soldiers constituted the vast majority of CPB's rank-and-file membership, while its leadership was dominated by ethnic Burmans.²⁵ This was clearly a source of tension and unsustainable in the long run. In 1989, the Wa and Kokang soldiers mutinied and the breakdown of the party was final. The Wa went on to form

²² The figure is widely accepted, although various estimates range between 15,000 and 30,000. See *Armed Conflicts Report*, <http://www.ploughshares.ca/libraries/ACRText/ACR-Burma.html> (accessed May 05, 2011)

²³ Mary P. Callahan, *Political Authority in Burma's Ethnic Minority States: Devolution, Occupation, and Coexistence* (Washington, D.C.: East-West Center, 2007).

²⁴ See the portrayal of the Wa people by Andrew Marshall and Anthony David, "Soldiers of Fortune," *Time Magazine*, December 16, 2002, <http://www.time.com/time/magazine/article/0,9171,397549,00.html> (accessed May 5, 2011).

²⁵ Kramer, *Neither War Nor Peace*, p. 25-45.

what is now the UWSA and brought with them the arsenal formerly under the CPB's control. When this window of opportunity opened the junta did not sit idle but acted swiftly and offered the breakaway groups a cease-fire. Under the agreement the government granted the UWSA the right to administer its own territory and maintain its army. In return, the UWSA would not ask for independence.²⁶

Grievances

Mary Callahan argues that three patterns of relationships between the government and the non-state ethnic actors have emerged since 1988: devolution, occupation and coexistence. The trajectory of developments in the Wa region makes this an example of the first pattern.²⁷ The UWSA is not only the biggest of the non-state armies but also the group the government has been most willing to make concessions to. Since the ceasefire agreement, the Wa area is formally known as "Shan State Region Special Region 2." Within this area, the UWSA is ruling unilaterally over a population of 600,000 people, most of whom are ethnic Wa. The UWSA has, without restriction, built up an administration that includes health services, education, agriculture, treasury, and external relations.²⁸ This situation should be contrasted with the other ceasefire regions, where the government has built a strong presence to counterbalance the influence of the ethnic actors.²⁹

Despite this fact, the UWSA is not content and has repeatedly stated that they will not be so until the day they have achieved the formation of a Wa state, falling directly under the responsibility of the central government and not under the Shan state. This is the main political aim of the UWSA.³⁰ Their failure to realize this aspiration has forced the organization to publicly admit it has failed over the past two decades to achieve its primary objective of gaining autonomy for all Wa inhabited regions. Nonetheless, undiscouraged, the UWSA persistently assert their will to break free from the Shan

²⁶ Ibid.

²⁷ Callahan, *Political Authority in Burma's Ethnic Minority States*.

²⁸ Ibid.

²⁹ Ibid.

³⁰ Solomon, "UWSA goals remain elusive after 20 years," Mizzima News, April 20, 2009, <http://www.mizzima.com/news/inside-burma/1991-uwsa-goals-remain-elusive-after-20-years.html> (accessed April 18, 2011).

state and has reportedly started to stamp documents with "Government of Wa State, Special Autonomous Region, Union of Myanmar."³¹

In the light of this, one also has to consider the grand relocation schemes that were carried out by the UWSA by the turn of the last decade, which substantially expanded the territory populated by the Wa people. Increasing pressure, both externally because of the group's involvement in drug trafficking and internally because of the lack of development and widespread poverty, the UWSA launched a major relocation operation in 1999. As many as 126,000 men, women, and children were relocated from the mountainous Wa areas in the northern parts of the Shan State to the fertile valleys in the south.³² To make way for the Wa settlers, Shan, Ladhu, and Akha inhabitants were displaced. The Burmese government supported the scheme and viewed it as a bold opium-eradication measure. Although opium cultivation and the chronic rice shortage in the northern Wa hills were the official pretexts for initiating the relocation, it is also possible to subscribe to a more historical perspective. As Andrew Marshall and Anthony David wrote in *Time Magazine*: "By moving south, the Wa are reclaiming land they have regarded as their own since the 12th century. The migration is Chairman Bao's Long March of the UWSA."³³

The UWSA now claims that these areas are inseparable parts of the future Wa state. But with the new constitution of 2008 the government has taken a firm stand against the UWSA's territorial and political ambitions. The demand for forming a separate state was rejected. The Wa leadership was told, as they have been repeatedly in the past, that their future status will never be more than something between "a state" and "a district."³⁴ The constitution refers to this area as "Wa Self-Administered Division."³⁵ The constitution also excludes all UWSA relocation territory along the Thai border from the Wa Division. What is even more tormenting for the UWSA is the exclusion of the Mong Pawk and Hotao areas in the north from the Wa' Self-Administered Division. On this, the UWSP spokesperson said: "We

³¹ Lawi Weng, "UWSP Proposes Wa Autonomous Region," *The Irrawaddy*, April 5, 2009, http://www.irrawaddy.org/highlight.php?art_id=14874 (accessed April 18, 2011).

³² Lahu National Development Organisation, *Unsettling Moves: The Wa forced resettlement program in Eastern Shan State* (April 2002), <http://www.shanland.org/shrf/Wa/contents.htm> (accessed April 18, 2011).

³³ Marshall and David, "Soldiers of Fortune."

³⁴ Kramer, *Neither War Nor Peace*, p. 35.

³⁵ *Constitution of the Republic of the Union of Myanmar* (2008).

have been managing and building that area for over 40 years [...]. This is unacceptable for us."³⁶

Economic, Military, and Political Strategies

Much of what has been written about the UWSA outside Myanmar depicts an organization with scores of moral shortcomings. For example, its recruitment of child soldiers is believed to be the most extensive of any opposition army in Myanmar. Over 2,000 children under the age of eighteen, of whom 600–800 are under fifteen, are believed to be in the army.³⁷ The UWSA is described as authoritarian and rigidly hierarchal, blocking any form of civilian society from emerging, and with a population too afraid to voice any opposition against the policies of its leadership.³⁸ From a U.S. and European perspective, the UWSA is mostly known for its involvement in drug production and drug trafficking. While it is an undeniable fact that the UWSA's drug business is the source of its vast revenues, realities on the ground cannot be neglected. Drug production has been the only way for many non-state actors in Myanmar to finance their resistance. As a part of the ceasefire agreements, the insurgency groups were permitted to maintain their armies. But the Burmese government would not contribute financially to these non-state armies and, as Xiaolin Guo writes: "Understandably, therefore, a reliable source of revenue for survival continues to be extracted from poppy production and distribution."³⁹ Yet, it is not only in respect to the army there has been an underlying rationale for producing drugs. The cultivation of poppy plants has also been an integrated aspect of the agricultural cycle in the Wa hills for many centuries, for medical purposes as well as a means for raising cash for an impoverished population.⁴⁰

However, as a result of external pressure from the international community, especially China, the UWSA publicly committed to stop producing drugs. In 2000, its chairman famously told the Burmese Prime Minister Khin

³⁶ Kramer, *Neither War Nor Peace*, p. 35.

³⁷ *My Gun Was as Tall as Me*.

³⁸ Kramer, *Neither War Nor Peace*, p. 40.

³⁹ Xiaolin Guo, *Towards Resolution: China in the Myanmar Issue*, Silk Road Paper (Washington, D.C. and Uppsala: Central Asia-Caucasus Institute & Silk Road Studies Program, 2007), p. 27.

⁴⁰ Paul Sarno, "The War On Drugs," *Southeast Asian Affairs*, No. 1/2009 (January 2009), pp. 223-41.

Nyunt: "If we have any more opium here after 2005, you can come and chop my head off."⁴¹ Sure enough, since these strict poppy cultivation bans were put in place the trafficking of opium and heroin has dropped sharply. But, as many analysts and experts have noted, they have simply moved from one dirty industry to another – the UWSA is now a global player in the production and trafficking of synthetic drugs.⁴² The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) Deputy Director Barbara C. Hammerle claimed in 2008: "The United Wa State Army is the largest and most powerful drug trafficking organization in Southeast Asia and is a major producer and exporter of synthetic drugs, including methamphetamine."⁴³

The strengthening of the UWSA troops during the past two decades can be largely attributed to their activities in the drug business but also to their close connections with Chinese arms-trading networks. The Chinese do not deny that arms have been supplied to the UWSA but assert that rough elements within the PLA are responsible and that Beijing has not sanctioned such a policy.⁴⁴ From where these supplies originate is a matter of speculation but it is nonetheless good business for the UWSA, which has been able to act as a middleman between Chinese arms manufacturers and insurgent groups in the northeast.⁴⁵

Despite the UWSA's lucrative business endeavours, development of the Wa region is moving very slowly and even though the more urban areas have undergone rapid modernization the rural parts are suffering from increasing impoverishment. In these areas 80 percent of the population has no access to health services.⁴⁶ This situation is rendered worse by UWSA's

⁴¹ Maxmilian Wechsler, "Wa army flexes its muscles," *Bangkok Post*, May 24, 2009, <http://www.bangkokpost.com/news/investigation/17262/wa-army-flexes-its-muscles> (accessed April 10, 2011).

⁴² Liana Sun Wyler, *Burma and Transnational Crime*, CRS Report for Congress (August 21, 2008), <http://www.fas.org/sgp/crs/row/RL34225.pdf> (accessed April 16, 2008).

⁴³ "Treasury Action Targets Burmese Drug Cartel," U.S. Department of the Treasury, November 13, 2008, <http://www.treasury.gov/press-center/press-releases/Pages/hp1268.aspx> (accessed April 9, 2011).

⁴⁴ International Crisis Group, "China's Myanmar Dilemma," *Asia Report* 177 (September 14, 2009), p. 11, http://www.crisisgroup.org/~media/Files/asia/north-east-asia/177_chinas_myanmar_dilemma.pdf (accessed April 28 2011).

⁴⁵ Manu Pubby, "China emerging as main source of arms to N-E rebels: Jane's Review," *Indian Express*, May 21-22, 2008, <http://www.indianexpress.com/news/china-emerging-as-main-source-of-arms-to-ne-rebels-janes-review/312894/> (accessed March 28, 2011).

⁴⁶ Callahan, *Political Authority in Burma's Ethnic Minority States*, p. 65.

failure to provide rural communities with alternatives to poppy cultivation. Until the soil can yield something profitable, other than poppies, life on the countryside will be a struggle for daily survival. But as long as China opposes UWSA's involvement in opium production and trafficking, these bans are unlikely to be lifted.⁴⁷

UWSA leadership knows that the future of the Wa region is much in the hands of the Chinese and that China is a friend they cannot afford to lose. These linkages go back decades and originate from the CPB era. Until the 1960s the relations between China and the neutral Burmese government were relatively good. But the military coup in 1962 and especially the 1967 anti-Chinese riots in Rangoon – perceived by the Chinese government to have been, if not initiated, then at least tolerated by the Burmese government – fundamentally altered these relations. The CPB received full backing from the Chinese, which enabled them to stage the 1968 invasion of the Shan state.⁴⁸ As noted earlier this event marked the start of the CPB establishment in the region and the Wa people's involvement in the insurgency.

As a break-away faction of CPB, UWSA inherited its relations with Beijing. While it is difficult to ascertain the extent to which the UWSA has Chinese backing today, it seems clear that the support is greatly bolstering the Wa struggle. For example, the ethnic non-state actors have been told by China that they are not expected to give up their political struggles. More importantly for UWSA is China's border policy – opening up crease-fire areas for trade and travel and allowing cross-border projects, while the Burmese government is excluded from this process.⁴⁹ Having ownership of borders to China is not only lucrative from a business point of view but also has a strategic advantage, while also being symbolically important for an autonomous Wa state.

China's benefits are another story. By promoting development and constructive relations with the Burmese non-state actors along the Chinese border, Beijing is able to exercise far more control than it would have been able

⁴⁷ Maxmilian Wechsler, "The news from Shan State." *Bangkok Post*, May 24, 2009, <http://www.bangkokpost.com/news/investigation/17263/the-news-from-shan-state> (accessed March 30, 2011).

⁴⁸ Kramer, *Neither War Nor Peace*.

⁴⁹ Martin Smith, "Ethnic Challenges and Border Politics in Myanmar/Burma," in Xiaolin Guo, ed., *Myanmar/Burma: Challenges and Perspectives* (Stockholm-Nacka: Institute for Security and Development Policy, 2008), pp. 37-65.

to having adopted a less proactive role. This of course goes in line with Beijing's broader objective of upholding peace and stability and its fear of uncontained ethnic conflicts. But it is also possible to view it in a light of a geopolitical struggle between China and Thailand, between communism and capitalism, which dates back to the Cold War and persists today. Thailand has always been close to the pro-democratic forces in Myanmar and more suspicious of the ceasefire groups, especially UWSA. In Thai media the group is still often referred to *Wa Deng* ("Red Wa"), a reference to the organization's communist past. In their eyes, UWSA is working in close collaboration with the Chinese and is the main source of drugs flowing into Thailand.⁵⁰ To suppress the UWSA, the Thai government has been accused of aiding Shan insurgency groups, which have for decades been clashing with UWSA. Thus, UWSA and the Burmese government has joined common ground and identified two common enemies – the Shan insurgency groups and Thailand. UWSA and the Tatwadaw have been fighting alongside each other in clashes against Thai and Shan troops. As a self-financed proxy army a diplomat has described the UWSA as the junta's very own "600-pound gorilla on the border."⁵¹

Recent Developments

The Border Guard Force (BGF) proposal, put forward by the State Peace and Development Council (SPDC) in 2009 received a lukewarm response from most of the ceasefire groups, including UWSA. The latter has accepted the BGF proposal in principle but has opposed that government military personnel would dominate these forces.⁵² The proposal would fundamentally alter the chain-of-command structures in the non-state armies and would effectively diminish the ceasefire groups control over their own fighting units. An effect of the proposal has been a possible reconfiguration and strengthening of alliances among the armed groups. Facing increasing pressure to join the BGF scheme UWSA and Shan insurgency groups formed an alliance along with Kachin Independence Army, National Democratic

⁵⁰ Kramer, *Neither War Nor Peace*.

⁵¹ Marshall and David, "Soldiers of Fortune."

⁵² Mizzima Election 2010, "United Wa State Army," Mizzima News, <http://www.mizzima.com/political-pro/ethnic/uwsa.html> (accessed April 17, 2011).

Alliance Army, Shan State Army-North, and New Mon State Party.⁵³ A contributing factor to the formation of this unholy alliance was the fall of the Myanmar National Democratic Alliance Army (MNDAA), a relative small group in the Kokang region. A ceasefire agreement between the government and MNDAA had been in place since 1989 but the group was in 2009 targeted and brought to its knees. The episode clearly agitated the other ceasefire groups.

Whether the clashes between MNDAA and the Burmese army stem from the Kokang group's refusal to take part in the BGF scheme is not entirely clear. Such an analysis seems viable considering the recent assault on Shan State Army North (SSA-North) brigade 1. This breakaway fraction from SSA-North has refused, unlike the two other brigades in SSA-North, to accept the BGF proposal.⁵⁴ The Burmese army launched an attack against SSA-North by March 13, 2011 and issued an ultimatum to SSA-North to withdraw from all its bases by March 20 and fully surrender by April 1.⁵⁵ This event put the newly formed alliance of ceasefire groups to test. Under the agreement the signatories promised to help each other whenever one of them would be under attacked from government forces. The scope of reliable information coming out of Shan State was quite narrow and at times contradictory, making it hard to provide a valid account of these clashes. However, UWSA was allegedly not fulfilling its part of the agreement but claimed that the agreement did not extend over 2010 and was therefore not in effect.⁵⁶ Some analysts argue that this was only an official excuse and that real motive for not assisting SSA-North was an apprehension in the UWSA camp that an intervention would disturb upcoming talks with the government.⁵⁷ Another plausible explanation of UWSA's calculus not to assist SSA-North is China. UWSA has reportedly been warned by China not to develop

⁵³ Wai Moe, "Wa Leader Vows to Fight On," *The Irrawaddy*, March 22, 2011, http://www.irrawaddy.org/article.php?art_id=20985 (accessed April 16, 2011).

⁵⁴ Ko Htwe, "Conflict in Shan State Spreading," *The Irrawaddy*, April 8, 2011, http://www.irrawaddy.org/article.php?art_id=21101 (accessed April 12, 2011).

⁵⁵ NangMyaNadi, "Shanrebel' supporters' uprooted," *DemocraticVoiceofBurma*, March 24, 2011, <http://www.dvb.no/news/shan-rebel-%E2%80%98supporters%E2%80%99-uprooted/14915> (accessed April 1, 2011).

⁵⁶ Wai Moe, "Wa Leader Vows to Fight On."

⁵⁷ Hseng Khio Fah, "Burma Army deploys more troops on Thai-Burma border," *Shan Herald*, March 29, 2011, http://www.shanland.org/index.php?option=com_content&view=article&id=3550:burma-army-deploys-more-troops-on-thai-burma-border&catid=86:war&Itemid=284 (accessed April 4, 2011).

close connections with any groups opposing the government of Myanmar.⁵⁸ In a newspaper an anonymous source stated that "Chinese officials do not want the UWSA and Mongla group to have a close relationship with other ethnic groups based on the Thai-Burmese border. The Chinese think these groups are pro-West."⁵⁹

Even if these developments would indicate that UWSA is willing to distance itself from other ethnic groups it is also true that it is persistently resistant to integrate the Wa region into the Union of Myanmar as stipulated by the 2008 constitution and the roadmap designed by the government. The 2010 general election serves as an illustration of this point. UWSA decided not to participate in the election. A UWSA official publicly said: "Let them [the regime] do their election on their own. It's not our affair. We will not allow any election activities in our area, because we will not participate in the election."⁶⁰ Later it was reported that UWSA would allow polling but not under Burmese army presence. SPDC did not accept this condition and consequently scrapped the Wa region from the election.⁶¹

⁵⁸ Hseng Khio Fah, "Wa, Mongla 'advised' by China to shun new alliance," *Shan Herald*, March 24, 2011, http://www.shanland.org/index.php?option=com_content&view=article&id=3525:wa-mongla-advised-by-china-to-shun-new-alliance&catid=86:war&Itemid=284 (accessed April 3, 2011).

⁵⁹ Wai Moe, "Wa Leader Vows to Fight On."

⁶⁰ Lawi Weng, "UWSA to Ban Election Campaigns in its Area," *The Irrawaddy*, August 3, 2010, http://www.irrawaddy.org/article.php?art_id=19124 (accessed March 15, 2011).

⁶¹ Naw Noreen, "460,000 in Wa state not voting," *Democratic Voice of Burma*, November 7, 2010, <http://www.dvb.no/elections/460000-in-wa-state-not-voting/12642> (accessed April 20, 2011).

Karen National Union (KNU)

Background & History

The Karen conflict with the military junta in Myanmar is one of the longest running civil wars in the world.⁶² Operating in Eastern Myanmar, the Karen National Liberation Army (KNLA) is looked upon with sympathy throughout the Western world.⁶³ This is due to the Tatmadaw's treatment of the Karen people, who make up one of the largest ethnic groups in Southeast Asia who have not yet achieved an independent state.⁶⁴ Added to this, the influence and operational capability of the KNU has been declining since their retreat to the lower Karen state after a government offensive in 1995. Previously, the KNU was one of the most significant ethnic insurgent groups operating in Myanmar, controlling large areas of land in the Karen state.⁶⁵

Formed due to discontent with the newly established post-independence government in 1949, the KNU was forced to rearrange itself as the insurgency movement as it exists today. After more than 60 years of fighting, the government of Myanmar considers it a subversive force, although intermittently engaging with it in bouts of dialogue.⁶⁶

The KNU was formed one year before Burmese independence.⁶⁷ Its split from the government a year later is ultimately linked to the beginning of the Karen nationalist movement where the establishment of a national identity came about through Christianity, for the majority of the Karen. This

⁶² South, *Burma's Longest War*.

⁶³ The KNLA is the armed wing of the KNA; it currently has roughly 3000 active soldiers operating predominately in the border areas of the Karen State with Thailand and to a lesser extent in Mon State.

⁶⁴ Martin Smith in collaboration with Annie Allsebrook, *Ethnic Groups in Burma: Development, Democracy and Human Rights*, Human Rights Series, No. 8 (London: Anti-Slavery International, 1994).

⁶⁵ Mary Callahan, *Making Enemies: War and State Building in Burma* (Ithaca, N.Y.: Cornell University Press, 2003).

⁶⁶ Refer to Saw Yan Naing, "The Junta Woos the KNA," *The Irrawaddy*, April 9, 2009, http://www.irrawaddy.org/article.php?art_id=15461, and "KNU to Meet Junta Again Despite Disappointment," *Burma News International*, October 11, 2006 (accessed October 15, 2011) <http://www.bnionline.net/news/mizzima/752-knu-keen-to-meet-junta-again-despite-disappointment.html> (accessed May 25, 2011).

⁶⁷ South, *Burma's Longest War*.

Christian base would later lead to a severe split between Christian influenced KNU and KNU Buddhists who felt side-lined by the Christian dominated leadership. In 1994, the discontentment of many in the KNU meant that the Democratic Karen Buddhist Army (DKBA) was established. Aligning with the government, the DKBA would eventually end up fighting against, and defeating, many previous KNU and KNLA comrades.⁶⁸

Grievances

The grievances attached to the KNU struggle dates back to a coup d'état in 1958 when General Ne Win took control and overthrew a failing democratic government.⁶⁹ However, the real issue dates back to the 1947 constitution, which set up a multiparty system, and the four elections that followed under it (1947, 1951, 1956 and 1960).⁷⁰ The main focus of this constitution had to do with power-sharing provisions between the numerous ethnic minorities and states. The fact that different minorities were given varying degrees of autonomy and different levels of representation led to fighting between many of the groups, highlighting the fact that the power-sharing provisions of the constitution were not considered properly.⁷¹ There was an eagerness among leaders of the regime to write the constitution as soon as possible, as they realized that the ethnicity issue would take too much time to resolve. So, instead, the constitution was drafted quickly, with the hope that the issues of power discrepancies and autonomy would, somehow, just go away. They did not.

Instead, after the military were forced to re-take control in 1962 after only two unruly years of an ineffective civilian government, the pro-Burman Revolutionary Council, set up by General Ne Win, took control, pursuing a socialist ideology.⁷² The pro-Burman rhetoric would continue to exist in the governments different forms up until today, giving the KNU all the reasons to keep fighting.

⁶⁸ Ibid.

⁶⁹ International Crisis Group, "Myanmar: Towards the Elections," *Asia Report* 174 (August 20, 2009), <http://www.crisisgroup.org/home/index.cfm?id=6280&l=1> (accessed June 12, 2011).

⁷⁰ Michael W. Charney, *A history of modern Burma* (Cambridge, UK, and New York: Cambridge University Press, 2009).

⁷¹ International Crisis Group, "Myanmar Backgrounder: Ethnic Minority Politics."

⁷² International Crisis Group, "Myanmar: Towards the Elections."

The initial aims of the KNU included plans to establish ministries for education, health, agriculture, as well as Karen-run police and military apparatuses. In essence, they would not accept anything less than complete independence with the authority to administer their own affairs, extract taxes, pursue self-determination and promote Karen cultural values and traditions.⁷³ This is in line with some other larger ethnic insurgent groups, for example the UWSA⁷⁴ However, due to the decline of the KNU in recent times; its aims have been reduced to the acceptance of more autonomy in a federal system rather than complete independence.⁷⁵ One might look at these grievances and see that the KNU's desires are similar to the DKBA. However, although this might be the case, the means in order to achieve the stated goals are very different, and very often the stated aims become overshadowed by realities on the ground⁷⁶ for many normal Karen people and insurgents.

Strategy

The KNU are no longer the force it once was.⁷⁷ Following on from the split in the KNU which lead to the creation of the DKBA, it has been on a steady decline both in terms of KNU-liberated zones as well as overall Karen support. Although there is often much sympathy for the KNU, by both Christians and Buddhists, there are questions surrounding the continued insurgency, which causes civilian casualties and damage to Karen areas. Outside of these areas most of the support and ideological reasoning for such side effects of the struggle, come from persons who are now detached from the conflict and who live overseas. In fact, in the past 20 years the KNU have come to rely heavily on economic, military and moral support from the exiled Diaspora, as well as in Thailand.⁷⁸

⁷³ As stated on the KNU website: "The KNU Mission Statement is to establish a genuine Federal Union in cooperation with all the Karen and all the ethnic peoples in the country for harmony, peace, stability and prosperity for all", www.karennationalunion.com (accessed March 25, 2011).

⁷⁴ Callahan, *Political Authority in Burma's Ethnic Minority States*, pp. 35–55.

⁷⁵ South, *Burma's Longest War*, pp. 10-20.

⁷⁶ For example: forced conscription, insurgency as a way of life, Tadmaw offensives, asymmetric junta/KNA power discrepancies, etc.

⁷⁷ Ibid.

⁷⁸ Daniel Pederson, *Secret Genocide: Voices of the Karen of Burma* (Dunboyne: Maverick House, 2011).

The strategy of the KNU and its continued insurgency against the government is often developed or promoted by overseas actors when in reality, the information does not always reach the grass roots level. For example, the KNU promotes the idea that the KNU is the sole representative of all Karen people and hopes the Karen people will "gather under the banner of the KNU." The reality, however, is very different. Defections, splinter groups, corruption, illegal conscription and forced taxation promoting personal gain, mean that many people in black or brown areas⁷⁹ question which KNU group (or KNU affiliate group) is really in control.⁸⁰ It seems that many of the KNU affiliates spend considerable time competing with each other rather than promoting the ideals of the greater KNU. Added to this, the main problem with a pan-Karen authority lies in the physical reality that the KNU simply does not hold the same amount of territory it used to. This means that it is physically detached from the majority of the Karen population.

Groups such as the UWSA, the KIO and the KNU are limited to small arms. The KNU mainly uses the AK-47 and other assault rifles, but in recent years have found it difficult to acquire such weapons. The KNU relies heavily on the use of land mines, which remain essential in their overall strategy against the Myanmar government.⁸¹ Like other insurgency groups such as the KIO and UWSA, the capability to develop higher-grade weaponry is limited. This is due to a lack of access to materials and a lack of expertise. It is rare that the KNU launches attacks with rocket propelled grenades (RPGs), missiles, mortars or heavy artillery.⁸² On a tactical level, most operations are defensive in nature, usually ending up in running skirmishes with the military. On occasion there are also assassinations or attempted assassinations of high value targets.

⁷⁹ The terms black and brown areas falls into the Myanmar governments strategy of categorizing conflict areas. Brown areas are partially under government control with some rebel groups transforming into the Border Guard Force. Black areas are areas where there is little government control often accompanied by frequent clashes. Usually no foreigners are allowed into these areas.

⁸⁰ South, *Burma's Longest War*.

⁸¹ Pederson, *Secret Genocide*.

⁸² Saw Yan Naing, "KNU Struggles to Acquire Arms," *The Irrawaddy*, August 24, 2009, www.irrawaddy.cc/article.php?art_id=16629&Submit=Submit (accessed August 10, 2011)

In the past, the KNU received support from Thailand but in recent years has had difficulty in acquiring weapons and has felt the effects of diminishing support.⁸³ For example, the Thai government in 2009 ordered the KNU to leave all Thai territory.⁸⁴ Although the KNU is able to extract significant finances from local activities,⁸⁵ it has less access to weapons. It seems that the Thai government's new focus is on supporting the Myanmar government's offensive in order to promote development and industry in the Karen state.⁸⁶ The potential for profit in a peacetime economy in these areas far exceeds the potential during the ongoing conflict economy. The KNU currently controls logging and mining industries and the regime will look to foster these and increase trade with Thailand. Thailand also sees the benefits for increased security in the border areas, especially with plans to build dams and transport corridors.⁸⁷

The KNU has not only relied on Thailand for military and financial support but also on refugee camps on the Thai border. The refugee camps are ripe grounds for recruiting new soldiers but also function as buffer zones where insurgents can retreat to in order to regroup. However, as Ashley South explains:

It seems likely that the camps will be closed, for three interlinked reasons: firstly, depopulation as a result of overseas resettlement... combined with moves to better integrate the remaining population in local Thai-Karen villages; secondly, declining funding due to "donor fatigue"; and thirdly, the desire of the Royal Thai Government for better relations with the Burma government and for greater security for investments, such as roads and dams along the border.⁸⁸

This will hasten the dissipation of the KNU even further. It could also force the KNU to promote a more aggressive conscription campaign, putting even

⁸³ Saw Yan Naing, "KNU Headquarters Overrun: Now What?" *The Irrawaddy*, Thursday 25, 2009, www.irrawaddy.org/article.php?art_id=16188 (accessed March 26, 2011)

⁸⁴ "Thai Authorities Order KNU to Leave Thai Soil," *Democratic Voice of Burma*, March 6, 2009, www.dvb.no/news/thai-authorities-order-knu-to-leave-thai-soil/2020 (accessed August 10, 2011).

⁸⁵ The KNU run enterprises such as logging, mining and trade with Karen villages in Thailand, as well as forced taxation.

⁸⁶ Saw Yan Naing, "KNU Headquarters Overrun: Now What?"

⁸⁷ South, *Burma's Longest War*.

⁸⁸ *Ibid.*, p. 41.

greater strain on relations with local Karen villages. As stated earlier, there is some sympathy for the KNU but there is also potential for increasing grievances among local villagers, especially when it comes to the use of child soldiers.

Another example is the way the KNU practices forced taxation and warlordism. The KNU commander or group of commanders in a village often taxes peasants, the finances of which are supposed to be used in the armed struggle. Many other insurgent groups also operate in this way often calling it a "revolutionary tax."⁸⁹ However, as is often the case, the finances are often used for personal financial gain rather than for the cause of the group. An already poor peasant who might have accepted parting with finances for the KNU cause would be doubly opposed to parting with finances to increase the personal economy of a local KNU commander. As one can see, the problems facing the strategy of the KNU are numerous.

Recent Developments

The BGF proposal by the Tatmadaw received mixed responses from the insurgent groups with some actors accepting and others outright rejecting it.⁹⁰ The KNU are one group who continue an active armed conflict with the junta and reject ceasefire agreements and the BGF proposal.⁹¹ KNU affiliates most notably the Karen BGF (mostly ex-DKBA) accepted the BGF proposal. Others such as the KNLA Peace Council (KPC) agreed to a ceasefire but not to the BGF. This ceasefire could easily be withdrawn since the regime has declared them illegal, like all other insurgencies not accepting the BGF proposal.⁹² Although, the KPC has responded peacefully to the government's labelling, the KPC has said it will respond with force if necessary. The potential for a break in the ceasefire agreement is increasing since the regime have been recently encircling and bringing heavy artillery into strategic points in KPC-controlled areas.⁹³ The regime has also been doing this in KNU-controlled areas.

⁸⁹ Insurgency movements such as the IRA, FARC and ETA often use forced taxation or forced donations to finance the movements. These taxes are often referred to as a revolutionary tax.

⁹⁰ Kramer, *Neither War Nor Peace*.

⁹¹ South, *Burma's Longest War*,

⁹² "Karen Ceasefire Group Apparently Defies Junta Orders," Mizzima News, April 28, 2010, www.mizzima.com/news/inside-burma/3879-karen-cease-fire-group-apparently-defies-junta-orders.html (accessed August 10, 2011).

⁹³ Alex Ellgee, "Karen Peace Council Rejects BGF Proposal," *The Irrawaddy*, April 24, 2010, www.irrawaddy.org/article.php?art_id=18313 (accessed August 10, 2011).

The Thai government has been putting a lot of pressure on the KNU to reach agreements and make concessions to the Myanmar government, rather than supporting a continued conflict. The KNU has stood its ground and will not enter into a ceasefire agreement unless it reaches a political agreement first. The political agreement, according to the KNU, must first address issues and desires regarding equal rights and democracy. The KNU has long seen ceasefire agreements as being synonymous with surrendering to the government.⁹⁴ Added to this, it believes that the ceasefire agreements were deliberately created by the regime in order to create divisions within the insurgent groups. If this is in fact the case, the government has most definitely succeeded.

The KNU is one of the largest opposition groups who oppose ceasefires and make up a larger group of organizations that oppose ceasefires, including some Burman groups.⁹⁵ The KNU is a narrow view of ceasefire groups, who are viewed with contempt by the KNU. For the KNU, these groups are indistinguishable from the military junta. With such narrow reasoning, it is no surprise that this greater anti-ceasefire body has strong links with exiled Burmans that dominate the international lobby on Burma. It is a case of death or realizing their stated aims. In terms of very recent developments, the conflict in Karen border areas has continued. At the start of May 2011, between 700 and 800 refugees fled from the running battles the KNU are fighting with the Myanmar army. This is a continuation of events which began in November 2010 when fighting intensified.⁹⁶ The situation there remains unstable albeit the severity of the conflict has been played down by many commentators, stating that the refugees will have to go back once the clashes cease.⁹⁷ The problem is that there are two or three clashes per day, and the Myanmar army is planning a major offensive against the KNU,⁹⁸ as well as the KNP, this summer. This will mean that many more people will probably flee to neighboring Thailand.

⁹⁴ Saw Yan Naing, "Forever at the Frontline," *The Irrawaddy*, January 30, 2009, www.irrawaddy.org/article.php?art_id=15037 (accessed March 3, 2011).

⁹⁵ Kramer, *Neither War Nor Peace*.

⁹⁶ Naw Noreen, "Karen Fighting Forces 700 to Flee," *Democratic Voice of Burma*, May 5, 2011, www.dvb.no/news/karen-fighting-forces-700-to-flee/15534 (accessed May 4, 2011).

⁹⁷ The Irrawaddy, "Karen State Refugees Flee Latest Clashes," *The Irrawaddy*, May 4, 2011, www.irrawaddy.org/article.php?art_id=21232 (accessed May 4, 2011).

⁹⁸ *Ibid.*

Kachin Independence Organization (KIO)

Background & History

Inhabiting the northeast region of Myanmar and concentrated in the Kachin state, the ethnic group Kachin amounts to between 1 and 1.5 million. The Kachin people are not one single ethnic group but is in fact comprised of six different linguistic groups, interlinked in what Maryin Smith describes as a “dynamic clan system.”⁹⁹ Of the non-state actors operating in this region, the KIO, and its armed wing, the KIA,¹⁰⁰ is the leading organization championing the rights and interests of the Kachins.¹⁰¹

The Kachin people initially opposed the British annexation of Burma and took up arms against the newcomers. However, as time went by the Kachins accepted the British rule in Burma and, together with the Karen and Chin ethnic groups, formed the backbone of the British Burma army.¹⁰² The British rule in Burma boosted Kachin national awareness, which reached new heights during the Second World War and the fight against the Japanese. After Burma became independent, Kachins were determined to stand by the promises set forth in the Panglong agreement and accept its place in the Union in exchange for autonomy and power sharing. But, as resentments grew over the autocratic rule and the discrimination of non-Burman ethnic groups, Kachins started to organize armed resistance. Following U Nu’s decision to make Buddhism the official state religion this resistance gained pace quickly among the Kachins, a majority of whom are Christians. In February 1961 Kachin students at Rangoon University, demanding the complete secession of the Kachin state, formed KIO.¹⁰³

By the 1980s the KIO had created what resembled a state-within-a-state. Around the Kachin state the KIO had establish its presence and within its

⁹⁹ Smith, *Ethnic Groups in Burma*, p. 34.

¹⁰⁰ In the rest of the paper KIA and KIO will occasionally be used interchangeably. Observe that KIA and KIO are not differentiated and treated as the same organization and not separate entities, which they are not.

¹⁰¹ Ja Nan Lahtaw, “Peace Initiatives among Ethnic Nationalities: The Kachin Case,” in N. Ganesan and Kyaw Yin Hlaing, eds., *Myanmar: State, Society and Ethnicity* (Singapore: Institute of Southeast Asian Studies, 2007).

¹⁰² Smith, *Ethnic Groups in Burma*.

¹⁰³ *Ibid.*

areas of control the organization ran schools, hospitals and bureaucratic functions. In the eyes of the regime KIO was recognized as one of the best organised resistance movements in the country. It was then natural to target this group. By signing ceasefire agreements with other insurgency groups, by the end of the 1980s, the Burmese army was able to free up troops and deploy them against the KIO. Between 1988 and 1992, counter-insurgency measures carried out by the Burmese army forcibly relocated up to 100,000 Kachins.¹⁰⁴ In the end the KIO was unable to mobilize adequate resistance against the government troops and in 1994 put the signature on the ceasefire agreement, which granted the KIO the rights to retain its arms and exercise limited control over some parts of the state.¹⁰⁵

Grievances

Compared to many of the other ethnic groups in Myanmar, the Kachins were by the time of independence not advocating secession from the new Union. In fact, during the years following the Panglong agreement, when Burma was ravaged by ethnic struggles, the Kachin were firmly supporting the Union.¹⁰⁶ This stance was gradually altered as they felt left out from power and the nationalistic tendencies coming out of Rangoon could not be reconciled with the desires and life styles of the Kachins. Consequently, the mission of the KIO when it was founded was to gain independence for a Kachin state. Even though the name of the organization does little to hide this ultimate objective, the KIO has exhibited a pragmatic and flexible outlook when dealing with friends and foes. An example is its relationship with the CPB. Before 1976 both had been engaged in a violent conflict, but that year saw a truce between them. The top leadership of the KIO had been replaced and the new leaders were much more sympathetic to China than their predecessors. Not only did the truce result in an end to the fighting but also enabled the KIO to receive arms from China through the CPB's trading networks.¹⁰⁷ The idea of the truce was not to move towards embracing the communist ideology but more accurately, as Martin Smith points out, "an important compromise and the first evidence of a growing political

¹⁰⁴ Ibid.

¹⁰⁵ *My Gun Was as Tall as Me*.

¹⁰⁶ Martin J. Smith, *Burma: Insurgency and the Politics of Ethnicity* (London and Atlantic Highlands, N.J.: Zed Books, 1999).

¹⁰⁷ Kramer, *Neither War Nor Peace*.

pragmatism."¹⁰⁸ In the same year the KIO made a significant political reorientation and went from calling for independence to supporting the creation of a federal state, accepting the Kachin state as an autonomous but yet integral part of the future Union.¹⁰⁹ Nonetheless, the fighting between the government and the KIO continued. By signing the ceasefire agreement in 1994 KIO was able to embark on a route of stability and peace. The KIO leaders later explained that "the main policy of the KIO in 1994 was to find a peaceful settlement for the political conflict, and to solve the problem on the table, not on the battlefield."¹¹⁰ One could dismiss these words as a smokescreen but one would then ignore real changes on the ground, such as the substantial decrease of the KIA soldiers¹¹¹ and the dismantlement of advanced military training for the recruits.

The ceasefire put an instant halt to the human-rights abuses that the Burmese army had inflicted upon the Kachin population as to put pressure on the armed insurgency. However, socio-economic development of the region is lagging behind, as is the case of most other ethnic minority areas. A challenge for the KIO in the future, apart from retaining autonomy and rights for the Kachin people, will be to bring development to the area.

Economic, Military, and Political Strategies

The pragmatism and ability of the KIO to shift its alignments is significant. It demonstrates that the organization, as opposed to other ethnic groups in Myanmar, is a solely nationalistic movement, not grounded in ideology. This is one of the reasons why this movement has been able to keep itself together despite being an umbrella for a quite diverse set of sub-ethnic groups. Other explanations are: the loyal clan system which bounds the different groups together, Christianity as a defining factor for a majority of the Kachin, and the Kachin idea of prior existence as a nation.¹¹² In addition, the relative un-authoritarian structure of the KIO also has to be recognized. Not only is their bureaucracy more decentralized than other non-state actors but they have also allowed a quite vibrant civil society to evolve inside the KIO

¹⁰⁸ Smith, *Burma*, p. 331.

¹⁰⁹ Ibid.

¹¹⁰ Kramer, *Neither War Nor Peace*, p. 17.

¹¹¹ Human Rights Watch claim the figure went down from approximately 7,000-10,000 to around 5,000 soldiers. See *My Gun Was as Tall as Me*.

¹¹² See Smith, *Burma*.

territory.¹¹³ In view of the heterogeneity of the Kachin society just described there is a rationale for a plural political structure.

The KIO controls a significant amount of territory within the Kachin state, most visibly within the KIO-controlled area formalized as Kachin State Special Region number one. But the KIO territory is not a solid chunk of land but rather a patchy network of rural areas. Three-fifths of the Kachin state, including all the major towns, are under the control of the Burmese army. Adding the other major non-state actor in the Kachin state to the picture – the New Democratic Army, Kachin (NDA-K) – shows a state with multiple and overlapping interests and authorities. Local business owners, foreign companies, NGOs, and even some villages in the state are burdened by having to deal simultaneously with these three stakeholders. As Mary Callahan writes: “Kachin state is thus home to an emerging political complex characterized by constantly shifting contestation.”¹¹⁴ In this precarious environment, the KIO loyalties seem to not be primarily an end in themselves but rather a means to offset the influence and power of the government in the Kachin state. For example, NDA-K has launched incursions into the KIO areas but NDA-K has carefully avoided confrontations in order to not splinter the Kachin community and open up for the Burmese army to take advantage of such an internal conflict.¹¹⁵

Within their area of control the KIO has managed to develop a variety of services and initiated development projects; the organization runs hospitals and schools and have built roads, bridges, and hydroelectric power. It runs functionally-defined ministries and sends out officials to monitor the situation in areas under KIO control. The funding for these activities used to be raised from drug trade. Pressured by China to eradicate opium production, the organization then resorted to logging¹¹⁶ but had to quit this business after receiving major criticism for the environmental and human impacts caused by logging and deforestation.¹¹⁷ Its economy has since become more and more dependent on border trade and investments by Chinese business-

¹¹³ Kramer, *Neither War Nor Peace*.

¹¹⁴ Callahan, *Political Authority in Burma's Ethnic Minority States*, p. 45.

¹¹⁵ *Ibid.*

¹¹⁶ Kramer, *Neither War Nor Peace*.

¹¹⁷ Dr. Tu Jar, Vice-Chairman of the KIO, made this claim in “Kachin party - but not KIO - to contest 2010 election,” Mizzima News, January 13, 2009, <http://www.mizzima.com/edop/interview/1540-kachin-party-but-not-kio-to-contest-2010-election.html> (accessed May 4, 2011).

men. The infrastructure and social services provided by the KIO are by and large funded by taxes on the brisk trade from China.¹¹⁸ But the influx of Chinese and operations of Chinese resource extraction companies might create future tension. Negative sentiments are growing stronger as Chinese businesses have clearly shown that their activities in the Kachin state are by no means of exclusive benefits for Kachin people. Chinese companies are currently undertaking giant dam constructions in the Kachin state, displacing thousands of locals. The electricity generated by these dams will be exported to southern China and the central government in Myanmar will be the one pocketing the money.¹¹⁹ The growing suspicion in Kachin toward China of being purely opportunistic and not a trustworthy mediator might create a split between the two that could have serious implications. Along the Chinese borders, China is a restraining factor for both non-state groups and the Burmese army. If Chinese sympathy for the Kachin cause is waning the Burmese central government might be more inclined to go head-on-head with the KIO.

Recent Developments

In October 2010 a major shift in the relations between the KIO and the junta was publicly demonstrated. The state-run newspaper *New Light of Myanmar* labelled the KIO as “insurgents” for the first time since the ceasefire agreement, no longer referring to the organization as a ceasefire group. An article in the aforementioned newspaper reported an event that had taken place in Kachin State Special Region number 2, where five villagers had “stepped on a mine planted by KIA insurgents.”¹²⁰ The practical ramifications of this shift from “ceasefire group” to “insurgency group” were soon to follow. The junta imposed restrictions on the border trade between China and KIO-controlled areas. It also ordered the shut-down of the KIO liaisons offices across the state.¹²¹

¹¹⁸ “Burma army in tense stand-off with Kachin militia,” BBC News, October 19, 2010, <http://www.bbc.co.uk/news/world-asia-pacific-11571435> (accessed May 5, 2011).

¹¹⁹ “Cut out of Burma election, Kachin minority could turn guns on junta,” *The Christian Science Monitor*, October 29, 2010, <http://www.csmonitor.com/World/Asia-Pacific/2010/1029/Cut-out-of-Burma-election-Kachin-minority-could-turn-guns-on-junta> (accessed May 3, 2011).

¹²⁰ Wai Moe, “Junta Calls KIA ‘Insurgents’,” *The Irrawaddy*, October 15, 2010, http://irrawaddy.org/article.php?art_id=19743 (accessed April 28, 2011).

¹²¹ Thomas Maung Shwe, “War looms for Kachin as junta ceasefire crumbles,” *Mizzima News*, December 7, 2010, <http://www.mizzima.com/news/>

It seems unlikely that such a reaction from the central government would have been triggered by such a minor event as described in the *New Light of Myanmar*. If government troops had been involved it would have been an entirely different story. A crack-down on the KIO following the death of a few locals, does not make much sense. Rather, it is reasonable to believe that the government was seeking a pretext for punishing the KIO after their refusal of participating in the BGF scheme. The KIO's response to that proposal has been that it will only accept it when there are real political changes taking place in Myanmar. The KIA's chief of staff told BBC: "We will not do that [join the BGF], or disarm, until they have given us a place in a federal union and ethnic rights as was agreed in 1947."¹²² But as long as the KIO refuses to join the BG, its calls will probably be remaining unanswered. In the election of 2010 the party set up by the KIO, as well as all the pro-KIO politicians seeking to contest the election, were removed from the ballot. The people in Kachin were left with two electoral options – the Union Solidarity and Development Party, a creation of the junta itself, and an unpopular local party with close ties to the regime.¹²³

Feeling cornered and under pressure the KIO has, as many of the other non-state groups refusing to comply with the BGF order, started to establish closer links with the other groups. A number of new alliances have been formed, disintegrated, and formed again since the BGF proposal was put forward. The KIA, along with the KNU, the New Mon State Party (NMSP), the SSA-North, and several smaller ethnic insurgent organizations, created, the United Nationalities Federal Council (UNFC) in February 2011. If the ambitious plans for the alliance are realized a Union Army will be created, to which all the members will contribute with troops and resources.¹²⁴

After the KIO rejected the BGF proposal the reports coming out of the Kachin state show an organization preparing for the eventuality of war. The KIA has accelerated recruiting, new buildings have been constructed

inside-burma/4644-war-looms-for-kachin-as-junta-ceasefire-crumbles.html (accessed May 3, 2011).

¹²² Alastair Leithead, "Burma's Kachin army prepares for civil war," BBC News, February 22, 2010, <http://news.bbc.co.uk/2/hi/asia-pacific/8528985.stm> (accessed April 26, 2011).

¹²³ "Cut out of Burma election, Kachin minority could turn guns on junta."

¹²⁴ Hseng Khio Fah, "Wa, Mongla 'advised' by China to shun new alliance," *Shan Herald*, March 24, 2011, http://www.shanland.org/index.php?option=com_content&view=article&id=3525:wa-mongla-advised-by-china-to-shun-new-alliance&catid=86:war&Itemid=284 (accessed May 6, 2011).

in strongholds in the event that Liza, the headquarters of the KIO, needs to be evacuated, and Burmese troops are no longer able to freely access areas under KIO control. Meanwhile, the Burmese army is mobilizing more troops at front-line posts and supply shipments have increased.¹²⁵ The chances of a large-scale violent conflict breaking out are still improbable given the high risks a war would entail for both parties. But we are likely to see demonstrations of force flare up as the heat between government and KIA troops increases.

¹²⁵ Alex Ellgee, "Inside the KIA — Ramping-Up and Staying Alert," *The Irrawaddy*, April 7, 2011, http://www.irrawaddy.org/article.php?art_id=21090(accessed April 27, 2011).

Assessments

From what we have come to know about these three groups – UWSA, KIO, and KNU – we will now try to predict what the short-term future (that is, the coming years) holds for each of these groups. From these group-specific predictions we will draw general conclusions applicable to the whole set of armed non-state groups in Myanmar. These conclusions will highlight factors we consider to be the most crucial when predicting the future of a non-state armed group. Thus, our overarching premise and belief is that there is no single path, down on which all the armed groups are heading. The non-state armed groups in Myanmar are a diverse set of actors with different motives, strategies, capacities, etc. This will remain the case for a long time to come.

United Wa State Army

When Thein Sein was declared President of Myanmar in February 2011 the UWSA was the only armed group among the non-BFG signatories that sent a letter of congratulation.¹²⁶ This evidence of willingness to cultivate the relations with the new civil government was again illustrated when the UWSA decided not to intervene when the Shan State Army-South (SSA-S) was attacked by the Burmese army in March. Even if the UWSA simply acted upon recommendations (or commands) from China, it should not detract from the fact that the UWSA is quite clearly less concerned about building solidarity and alliances among the armed groups than safeguarding their own future.

In our view this is a very reasonable strategy of the UWSA. Among the three selected groups in this study the UWSA stands out as the group with the most promising prospects for the future. Even when taking into account all the armed groups in Myanmar, the UWSA is enjoying a position unattained by the others. The vast size of the UWSA combined with its connections to China is guaranteeing a status of “untouchable” for the Wa organization. However, this does not mean that the government will

¹²⁶ Wai Moe, “Wa Leader Vows to Fight On.”

accommodate the grievances and demands voiced by the Wa. There are clear limits to possible concessions which the 2008 constitution made clear. Forming a separate Wa state and expanding the formal Wa territory are out of the picture. On the other hand, what the status of "untouchable" does denote is that the Wa area will not be subject to intrusions by the Burmese army and that the UWSA will be allowed to continue exclusively administering and developing the region, as well as managing border trade. Why would the UWSA place themselves at the gambling table and form alliances when their situation is so much more stable? We believe that as long as the UWSA takes a passive role it will not, as opposed to some of the other non-signatories of the BGF-proposal, be targeted as a consequence of its rejection of the scheme. The most likely scenario is that while punishing other non-BGF groups, the government will quietly ignore the non-participation of the UWSA.

Despite the dissatisfaction of the Wa with the constitution, there is no reason to expect any violent confrontations between the UWSA and the Burmese army in the short-term future. Both sides are clearly aware that whoever fires the first shot will be blamed by China. For both the government of Myanmar and the UWSA, China is a friend they cannot afford to lose. China is not only a military superpower but also an increasingly important economic partner. For the UWSA, which cannot rely on drug trade indefinitely, border trade with China will form the backbone of the local Wa economy. For China the ultimate objective is to avoid any ethnic agitation along its borders. At the same time Beijing has an interest in preventing Myanmar's ethnic groups from gaining full autonomy, which could potentially stir up nationalistic tendencies on the Chinese side of the border.¹²⁷ It appears therefore that the only viable strategy for China is to stand between the UWSA and the central government to preserve the status quo.

Another factor worth taking into consideration is the homogeneity of the Wa people. The historical strategy of the Burmese government to contain the ethnic insurgency has been to divide existing groups. Given the strong cultural identity of the Wa people, the non-existence of other champions for the Wa cause, and the hierarchal structure of the UWSA, the cohesion seem almost unbreakable. The only trouble on the horizon which might pose a challenge is the failing health of the chairman of the UWSA, Bao

¹²⁷ International Crisis Group, "China's Myanmar Dilemma."

Youxiang. His power has declined considerably,¹²⁸ triggering a power struggle between the historical red-fraction (rooted in CPB) and the white-fraction (rooted in Kuomintang) of the UWSA.¹²⁹ If this struggle is not properly dealt with and is allowed to escalate, the organization might be heading for turbulence, which might be exploited by the government. Another issue for the organization will be to update its military tactics. Previous attacks on Shan insurgents by the UWSA have revealed the rather outmoded military tactics used by the Wa. As a legacy from its CPB past the army still uses Chinese human-wave attacks, which some argue is indicative of the “comparatively mismanaged and ideologically haphazard military apparatus.”¹³⁰ For example, UWSA admitted that they lost more than 700 soldiers during their month-long attack against the SSA-South in 2005, compared to fewer than 50 losses for the SSA-South.¹³¹ In the short term this is not of great concern but on a broader horizon the UWSA can only survive as an armed group in the long run if its troops are capable of deterring opponents.

Karen National Union

As explained earlier in this report, the KNU is a non-ceasefire insurgency group who promotes the notion of “no surrender.” On an ideological level this works, but on a practical level the KNU will have great difficulty in continuing a sustained campaign against the Tatmadaw. There is a whole range of problems facing the KNU in the short and long term.

Although there is still support for the KNU among the Karen people in Myanmar and abroad, there is also some resentment related to the negative impact the conflict has had on the local villages. Apart from the physical safety concerns related to the ongoing conflict, the KNU could see further decline in support due to the use of child soldiers, forced taxation and other human-rights issues. It is paradoxical that the KNU and overseas affiliates preach pro-democracy and human rights stances, and criticize the junta for

¹²⁸ Wechsler, “The news from Shan State.”

¹²⁹ Jane M. Ferguson, “Sovereignty in the Sanh State – A Case Study of the United Wa State Army,” in Nick Cheesman, Monique Skidmore, Trevor Wilson, eds., *Ruling Myanmar: From Cyclone Nargis to National Elections* (Singapore: Institute of Southeast Asian Studies, 2010).

¹³⁰ *Ibid.*, p. 58.

¹³¹ Wechsler, “The news from Shan State.”

their malevolent behavior, when sometimes the KNU is just as guilty, albeit on less severe and systematic levels.

The organization as a whole aims to promote a pro pan-Karen state, but in the local villages there is a lack of clarity when it comes to the cohesion of the KNU. In some cases, villagers do not even know which the KNU or KNU affiliate is controlling a particular piece of land. The splintering of the group has been a major factor when it comes to its diminishing authority in Karen areas.

The above problems will only be made worse with the increasing lack of support from Thailand. It is in its best interest to see a stable eastern Myanmar, increasing structural development and creating the right environment for a peacetime economy, with or without the KNU. This is especially evident with the Thai government's latest plans to build dams and roads along their western border. This realignment of interests has already seen the KNU having problems in acquiring weapons, and will continue to be the case in the future. This comes at a time when the regime has made it clear that they have no problem in continuing and intensifying their offensives in Karen areas.

Added to this, the limited numbers of fighters in the KNU will continue to decrease due to their increased reliance on diminishing Thai refugee camps and decreasing supply lines. As previously outlined, it seems reasonable to assume that these camps will eventually be closed for a number of reasons.¹³² With limited numbers the KNU will be facing a better trained DKBA offensive this summer. The DKBA have better access to weaponry, including heavy artillery, which will be difficult to counter for the KNU who rely on small arms and landmines. This regime militarization of Karen areas can be easily justified by the existence of the KNU, and will further constrain Karen communities physically and economically. Already armed with well kept small arms, the KNU may be able to sustain a longer term lower intensity insurgency focusing on minor guerrilla operations, but in the long term it will find it difficult to continue its campaign and will most

¹³² In *Burma's Longest War* Ashley South writes that "it seems likely that the camps will be closed, for three interlinked reasons: firstly, depopulation as a result of overseas resettlement..., combined with moves to better integrate the remaining population in local Thai-Karen villages; secondly, declining funding due to "donor fatigue"...; and thirdly, the desire of the Royal Thai Government for better relations with the Burma government and for greater security for investments, such as roads and dams along the border" (p. 41).

likely be defeated militarily, with the regime completing its militarization of KNU held areas in the coming years.

Kachin Independence Organization

Unlike the UWSA, whose future is seemingly predictable, the future of the KIO is an open-ended question. The state media label the KIO as “insurgents” which raises a number of questions. The KIO is reportedly responding by speeding up recruitment and strengthening their lines of defence, while the Burmese army is mobilising troops. If these reports are correct, are we then likely to see major clashes breaking out between the Tatmadaw and the KIO soon? Before answering this question, we need to expand the context a bit. First of all, the KIO is one of the major armed groups and while being greatly outnumbered by the Burmese army a head-on-head conflict will by no means be an easy undertaking for either part. Then, as in the case of the UWSA, there is China. Many analysts believe China is a restraining factor against a Burmese offensive. However, the relationship between the KIO and China is different from the one the UWSA enjoys and it is quite doubtful if Beijing would oppose an attack on the KIO as strongly as they would probably do if the UWSA was assaulted. The KIO leaders have expressed unfavorable attitudes towards China and have argued that the dragon in the north is not to be trusted as an honest broker.¹³³ They view with suspicion the deepening ties between China and Myanmar and the exploitation of natural resources and the hydropower dam and pipeline projects joint-ventured by the two governments.

Our prediction is that an outright attack on the KIO in the short term future is unlikely. Neither do we believe the KIO will join the BGF scheme, even if it will be pressured to do so. However, the organization's refusal to sign the BGF proposal will have repercussions. The labelling of the KIO as insurgents was closely followed by restrictions on border trade between China and KIO-controlled areas. As said earlier, much of the social services provided by the KIO are funded by taxes on this trade. The restrictions imposed by the government might be a part of a broad strategy to combat the KIO by strangling their sources of income. Such a move would be

¹³³ “Cut out of Burma election, Kachin minority could turn guns on junta.”

much more difficult to carry out against the UWSA, which controls a large contiguous area.

Compared to the UWSA, the KIO is in a much more vulnerable position. The cost-benefit analysis of forming or joining grand alliances with other non-state armed groups would then be based more on the "nothing-to-lose" reasoning. It is therefore not surprising to see how the formation of the UNFC, which the KIO is member of, is taking shape. However, there are many obstacles lying ahead. Will the groups be able to, despite their differences, actually make the commitments they have vowed? It is easy to predict a long and bumpy road leading to breakdown. The deficiency in mutual trust and history of cooperation will prove to be too great to set up functioning alliances between these groups. If these predictions turn out to be false, we believe that the Burmese army, like it did with the Kokang, will move quickly to put this alliance to test by attacking one member. Is it really sensible to expect that the KIO, which has previously announced that it will never strike first against the Tatmadaw,¹³⁴ would interfere and fulfil its commitments under the alliance? We do not believe this to be the case.

A more likely scenario is that splinter groups will, following the economic and political pressure we expect the government to put on the KIO, break out of the organization and form alliances with other armed groups or sign deals with the government and do incorporate into the Burmese army. After all, the ethnic pluralism and patchy territorial network of the KIO will make it hard to prevent such developments. This is not to say the KIO will disintegrate – at least in the short-term. Tom Kramer writes that "the Burma army does not have a presence inside KIO or UWSA cease-fire areas, as it does in Kokang. Government troops would have to fight their way in, as well as risk further spread of conflict."¹³⁵

¹³⁴ Zin Linn, "War in Burma? Kachin army says military must strike first," *asian.correspondent.com*, April 21, 2011, <http://asiancorrespondent.com/52945/will-burma%E2%80%99s-new-regime-run-into-the-kachin-armed-wing/> (accessed May 13, 2011).

¹³⁵ Tom Kramer, "Burma's Cease-fires at Risk: Consequences of the Kokang Crisis for Peace and Democracy," *Transnational Institute, Peace & Security Briefing* Nr 1 (September 2009), p. 5, <http://www.tni.org/sites/www.tni.org/files/download/psb1.pdf> (accessed May 2, 2011).

The Future of Non-State Armed Ethnic Groups

Drawing upon the central aspects from the previous predictions we will now make some general conclusions regarding the future for the non-state armed groups in Myanmar and identify the crucial elements that will determine these futures. It seems obvious by now that the new civil government will not divert too much from earlier policies and that they will continue in trying to strengthen the union and set up one single army. Of course, in the long run the aim is to do away with all the non-state armed groups but in the next few years this will not be realized. Judging from the past the government will “manage” the conflict, rather than “solving” it – trying to contain and divide the groups rather than eliminating them.¹³⁶ There will be no offensive against all groups but the strategy adopted by the government and the army will be specific to each group, ranging from full-scale attacks to a complete absence of military engagement, from trying to cripple a group financially to leaving the development and economic activities in an area to the group. The fundamental question is: to what degree will a non-state armed group enjoy autonomy, i.e. to what degree will the group be left alone?

The following group-specific elements will decide whether they will, in the short-term, be subject to high or low autonomy:

- Size: As in any conflict, size and ability matters. In the past, small armed groups have been exchanging arms for peace in what Morten Pedersen calls “arrangement close to outright surrender,”¹³⁷ In exchange for giving up their autonomy they have received economic assistance and land for resettlement. With no military leverage whatsoever this is usually the only feasible option to small actors. So while we would expect the small groups to either join the BGF voluntarily or be forced to do so, bigger groups will be more predisposed to resist this pressure.
- International affiliations: If a group has the support of an international actor, the likelihood of being attacked is vastly diminished. For example, China’s concern for border stability is a major deterrence

¹³⁶ This argument is drawn from Kramer, “Burma’s Ceasefires at Risk.”

¹³⁷ Morten B. Pedersen, “Burma’s Ethnic Minorities: Charting Their Own Path to Peace,” *Critical Asian Studies*, Vol. 40, No. 1 (March 2008), p. 50.

for both the border groups and the Burmese army to initiate a violent conflict. The same goes for the groups acting along the Myanmar–Thai border. Thus, the argument is not so much that support is key but rather that there is an understanding that the groups have the power to exacerbate ethnic instability if they are attacked. This is closely connected with size, but also location and ethnic composition.

- **Cohesion:** The success of the government's contain-and-divide-strategy can be largely attributed to the cohesion of a particular non-state group. A lack of cohesion will open up for splinter groups, which may or may not sign separate deals with the government. At any rate, such a fractioning will deprive the group of the power of representation, which is the ability to genuinely fight for the ethnic cause with public support. One of the major challenges for the KNU will be to counterbalance the decreasing public support. Failing to do so will detach the organization from the very people they are supposed to fight for, while also creating a fertile ground for splintering and defecting and open up the political field for the government. Cohesion is charged with many dimensions: cultural, territorial, political, etc. Every aspect that might pose a danger to cohesion and soften the organisational glue can be taken to advantage by the government.
- **Financial strength:** Endowment of natural resources and opportunity to tax border trade will be increasingly important in the future. Especially if the neighboring countries put more pressure on the groups to give up drug trafficking. Without any financial muscle it is hard to run an army. Not only that, one of the major grievances among the ethnic minorities is the lack of development. If a group does not have any financial means, or the power to redistribute capital from one sector to another (for example taxing brisk trade to finance local development projects), this grievance will persist and diminish the public confidence in the group. As a consequence, securing a steady flow of income will be a key challenge for non-state groups. In turn, the Burmese government will have to walk the tightrope between not alienating the ethnic populations by restricting the economy and not let the armed groups dissipate the Myanmar economy.
- **Alliances:** This element is a wild card. As stated previously, we do not see powerful, functioning alliances emerging. Nonetheless, if these assumptions are proved wrong even relatively small and weak

groups might be able to keep the Burmese army at bay. However, none of the ceasefire agreements seem to have included many provisions addressing the economic grievances of the minority populations.¹³⁸ The absence of such is still a current issue. Many ethnic groups feel economically discriminated and rightly so. Despite the widespread poverty in Myanmar, ethnic states are still disproportionately affected by the dire economic hardships. The economic issue is definitely putting the ability to maintain the viability of these agreements, in the long-run, to question.

¹³⁸ Callahan, *Political Authority in Burma's Ethnic Minority States*.

Policy Recommendations

To the Myanmar Government:

- Work proactively to engage with all groups, not only cease fire groups, and aim to resolve conflicting views peacefully.
- Aim to contain the UWSA in the areas they hold. Set up military perimeters around the areas to challenge any aggression directed outside of the UWSA territories, but allow continued autonomy within UWSA controlled areas. Use more appeasing tactics with the UWSA in comparison to other groups. That is, continue the approach of granting them more autonomy to the fullest extent possible whilst continuing with the BFG amalgamation.
- During the above strategies, the military should take the necessary precautions so as not to harm innocent civilians, and also to enact the rules of war so as to promote human rights. Soldiers and commanders using murder and rape as tools of war should be punished to the fullest extent possible.
- In areas where there are positive developments regarding the BGF proposal, the government should reward parties by improving development assistance and by offering more autonomy to BGF minorities. Within this, the Tatmadaw should allow for the increased inclusion of ethnic minorities into Tatmadaw forces.
- Financial benefits should be offered to persons willing to join the BGF in their respective region, all the while enacting strict laws regarding the use of child soldiers as well as the promotion of human rights.
- Continue to invest in infrastructure development, focusing on education and health care and transport. Make sure development and respect for cultural rights are felt on the ground, by allowing greater freedom for cultural expression within the Union.

To Ethnic Groups:

- Each group should reassess its ongoing reliance and support for allied exile groups, whilst pursuing dialogue with reformists within the government.
- Ethnic groups should demonstrate to the international community that the use of child soldiers will be stopped and that they can contribute to humanitarian projects aiming to improve the overall economic and development levels. This also has the potential to attract private sector investment.
- Any private sector investment should be developed whilst promoting corporate social responsibility and long-term environmentally friendly practices.
- Aim to improve cross-border activities and development assistance from neighboring countries, whilst working with organizations in Myanmar allowing local ownership.
- Armed ethnic groups should seek mutual understanding within their own organizations as well as between other, identifying common areas of interest and cooperation.
- Ethnic groups should reassess the pros and cons of continued armed struggle and the prospect of joining the BGF. Both alternatives offer positive and negative possibilities that should be weighed in light of each of the ethnic groups' particular circumstances.

To the International Community:

- International actors should carefully assess political developments in the light of Burmese history and not by the standards of a Western democratic state. Avoid simplistic assumptions and interact with the government, ethnic groups and civil society within country in order to increase understanding.
- Positive developments on the part of the Myanmar government should be awarded with engagement and by assessing opportunities in the new political structures at all levels.
- Continue to provide support for humanitarian projects with a focus on capacity building and listen to the needs of internal actors. In doing so, the international community should be aware of fragile local networks that may be harmed in the process.

- International actors should continue to promote aid to ethnic groups whilst also aiming to decrease the re-routing of aid to armed groups.
- International actors should continue to offer assistance in areas such as conflict management. As the political landscape changes in Myanmar, new opportunities should be assessed and pursued.
- Continue to highlight the use of child soldiers and develop mechanisms to identify vulnerable communities where the use of child soldiers is probable. In doing so, pre-emptive steps can be taken to reduce this outcome.

About the Authors

Christopher O'Hara is a Researcher and Project Manager (Southeast Asia) at the Institute for Security and Development Policy. He is active in projects relating to Conflict Management focusing on Southeast Asia and Northeast Asia. These projects focus on regional security issues, such as non-proliferation of nuclear weapons, ethnic insurgent activity, conflict management and energy security among others. He has a background in military and defense issues, psychology, as well as peace and conflict management.

Niels Selling was an Intern at the Institute for Security and Development Policy between February and July 2011.