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SPECIAL REPORT

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Understanding China's Response to the Rakhine Crisis

Summary

- A major humanitarian crisis has unfolded in Burma's Rakhine State since August 2017, after attacks by a Rohingya armed group on police posts were followed by retaliatory attacks against the Rohingya population.
- More than six hundred thousand Rohingya have fled to Bangladesh, and reports of human rights abuses have sparked widespread international condemnation, particularly from Western nations and Organization of the Islamic Conference (OIC) countries.
- In contrast, China's response has been largely supportive of the Burmese government—in effect affirming Burma's characterization of the attacks as "terrorism." Military cooperation between the two states has also been reaffirmed.
- Publicly stating that the root cause of conflict in Rakhine is economic underdevelopment, China has promoted its large-scale infrastructure investments in the state (including a deep-sea port, and oil and gas pipelines) as a means of conflict resolution.
- Going forward, Chinese engagement in the conflict is likely to continue to address a narrow range of issues that reinforce its own interests and narrative, but do not influence the complex drivers of the current humanitarian conflict or the Burmese government's involvement in human rights abuses, which others in the international community are calling to investigate.

Introduction

Since August 2017, a major humanitarian crisis has been unfolding in Burma's Rakhine State, where attacks by the Arakan Rohingya Salvation Army (ARSA) sparked major military clearance operations against the predominantly Muslim Rohingya population in the north of the state.[1] In response, more than six hundred thousand Rohingya have fled to Bangladesh,

About the Report

Following attacks on police posts by a Rohingya militia in August 2017, Burmese military attacks on the predominantly Muslim Rohingya population in Rakhine State have forced more than six hundred thousand Rohingya to flee to Bangladesh. Supported by the Asia Center at the United States Institute of Peace, this report examines China's interests and influence in Rakhine State and its continuing support of the Burmese government and military during the ongoing humanitarian crisis.

About the Author

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where their future remains uncertain due to their lack of Burmese citizenship. The violence has also affected Rakhine Buddhists and other populations in the state, creating tens of thousands of internally displaced persons. UN High Commissioner for Human Rights Zeid Ra'ad al-Hussein called the situation a "textbook example of ethnic cleansing."[2] However, even before August, the situation in Rakhine State was already the biggest crisis Aung San Suu Kyi's government has faced so far. A combination of ethnic nationalism, underdevelopment and humanitarian needs, and the fear of radicalization, terrorism, and separatism have created an almost intractable situation where constructive entry points for the international community have been almost impossible to find.

The crisis has provoked condemnations—directed both at Aung San Suu Kyi's government and the politically independent Burmese military, the Tatmadaw—from many Organization of the Islamic Conference and Western countries, who have demanded transparency and accountability in the government's handling of alleged human rights violations and called for an immediate, coordinated international response. However, this approach has not been shared by China, Burma's largest neighbor and closest trading partner, whose public statements have supported the Burmese government and played up fears of terrorism in Rakhine. On November 6, the UN Security Council adopted a presidential statement condemning the situation in Rakhine, but the statement's form and content were significantly watered down from earlier drafts, following China's refusal to negotiate on a potential resolution. References to statelessness and citizenship for the Rohingya and to a UN fact-finding mission were removed, while the request for a special adviser on Burma was weakened. These changes reflect the desire by the Chinese to be seen as supportive of Burmese authorities, maintaining their relationship both with the civilian government and the Tatmadaw. Refusing to endorse a UN-led investigation into the crisis also ensures that a coordinated, Western-led action does not occur on China's doorstep.

The Chinese relationship with Burma is dominated by pragmatism and shaped by China's official adherence to the five principles of peaceful coexistence, which uphold sovereignty and noninterference in other countries' affairs. Interventions in Burma's political arena are considered based on their impact on stability and, by extension, on wider Chinese interests in the country—including security and economic investments. This calculation has shifted since 2011, when Burma's new government put Beijing on the defensive by inviting new relationships with the West and placing major Chinese investment projects on hold. However, the political relationship has improved since 2015, and more recently, as active conflict has increased between the Tatmadaw and ethnic armed groups on the China-Burma border, China has found itself playing a greater facilitation role in Burma's peace process. In recent years, China has attempted to proactively define its relationship with Burma as a "friendly neighbor" interested in pursuing connections where it believes the two countries' interests align—a strategy that can be clearly seen in its interventions in Rakhine.

Economic Interests in Rakhine

Chinese influence in Rakhine is primarily economic, and there are two significant and controversial projects in the state: the Kyaukpyu Special Economic Zone, and gas and oil pipelines that cross from Rakhine to China's Yunnan province. Both projects reflect China's ambition for greater access to the Indian Ocean as well as the increased global connectivity this could provide. Both projects have since been linked to the Belt and Road Initiative announced in 2013. However, neither project has delivered significant profits. CITIC Group, the successful bidder to develop the Kyaukpyu Special Economic Zone, was forced to return to the negotiating table after the 2015 elections due to Burma's dissatisfaction with the 85-percent ownership share

China had under the original contract. Meanwhile, significant delays and capacity issues have called into question the profitability of the oil and gas pipelines.

These large-scale investments have provoked an outpouring of grievances from the local Rakhine community, who blame the projects for an increase in social problems (including prostitution and violence against women) and feel that investors have broken their promises to provide community development initiatives and protect local livelihoods.[3] The Rakhine also feel that extractive projects whose revenues flow to the central Burmese government are tantamount to theft, with Rakhine itself receiving no benefit from the sale of its own resources. Although state-level political institutions exist, and an ethnic Rakhine political party—the Arakan National Party—is the largest elected party in the state parliament, decision-making on Rakhine is dominated by the central government and by a state-level executive appointed by the ruling National League for Democracy. The lack of Rakhine participation in political institutions has further fed into the long-term hostility between the Rakhine minority and the Burmese government, which in turn exacerbates difficulties for the government and for investors alike.

Despite local opposition, Chinese investors and officials continue to characterize the investments as a win-win for Burma and China. Drawing lessons from China's own history, they suggest that economic development is the best way for a government to secure stability and legitimacy while glossing over power dynamics between the Burmese, Rakhine, and Rohingya groups. Nor has the crisis in northern Rakhine reduced the appetite for investment in Kyaukpyu. On November 19, Foreign Minister Wang Yi announced plans for a China-Myanmar Economic Corridor, stretching from Yunnan via Mandalay to both Kyaukpyu and Yangon, as well as a "three-point plan" that, in addition to calling for a cease-fire and the repatriation of Rohingya refugees, identified economic underdevelopment as the root cause of problems in Rakhine and called on the international community to focus on investment in the state.

By ignoring the range of noneconomic drivers of the conflict—including those identified by the Rakhine Commission led by Kofi Annan, whose final report was released just hours before the ARSA attacks in August[4]—China has instead aligned itself with the Burmese government's own "crisis response." In particular, the focus on economic drivers follows the framing employed by the Burmese government's Union Enterprise for Humanitarian Assistance, Resettlement and Development, a largely domestic public-private partnership set up in response to the crisis. By doing so, it stands to gain significantly in southern Rakhine, an area less affected by security concerns and with great strategic value to China's overall connectivity plans.

However, cooperation between China and Burma's national government may still run the risk of significant opposition at the state level. On the surface, there has been some willingness to address community concerns in Kyaukpyu, with CITIC presenting various community and environmental measures to be enacted in a report to the Business and Human Rights Resource Centre.[5] Still, this outreach falls far short of what responsible investment in such a sensitive context would require. There is often a failure on the Chinese side to genuinely engage with the complexity of community demands, instead blaming anti-Chinese sentiment for protests and complaining that Burma is asking to be overcompensated for projects which, from their perspective, are already mutually beneficial. From the Rakhine perspective, the Union government's willingness to use the crisis to "sell" the state to China is more likely to inflame existing grievances than to contribute to conflict resolution.

Responding to the Crisis

As noted above, China's official bilateral response to the crisis has supported the Burmese government's attempts to protect its sovereignty and national security, reinforcing Burma's

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prerogative to combat terrorism and separatism (thus echoing Burma's domestic line about the ARSA attacks) and emphasizing bilateral talks between Burma and Bangladesh to resolve the issue.[6] China's conciliatory lines have apparently improved its position with the government—and perhaps more importantly with the military, with Senior General Min Aung Hlaing, commander in chief of the Tatmadaw, conducting a four-day visit to China in late November at the request of the Joint Staff Department of China's Central Military Commission. Meanwhile, countries like the United States and the United Kingdom have ended most cooperation with Burma's military over accusations of human rights abuses. China has offered humanitarian aid to refugees through its embassy in Bangladesh, but a statement marking the delivery of 150 tons of aid on September 28 failed to mention the term "Rohingya" or make any remarks about the provenance of the refugees.[7] China is not the only government refusing to condemn Burma; other statements, including from India and the joint statement from the Association of Southeast Asian Nations,[8] have been similarly generous. These overtures stand in stark contrast to the harshly critical responses from the West and from the Organization of the Islamic Conference nations.

For China, however, direct criticism of the Burmese government is a nonstarter for three reasons. The first is often characterized as ideological: For China, whose interest in specific minorities in Burma tends to be proportional to their proximity to the China-Burma border, the status of the Rohingya is an internal sovereign affair. Publicly commenting on it would be a violation of China's official foreign policy principles, as well as setting a dangerous precedent for international commentary on China's treatment of its own minority populations. Articles in the *Global Times*, an English-language tabloid owned by the *People's Daily* (an official newspaper of the Communist Party), have criticized both the humanitarian crisis itself and the Western response to it, with one piece attacking the "arrogant" West over the assumption that Burma, and Aung San Suu Kyi, should share their universal values.[9]

Second, prioritizing its relationship with the Burmese government offers pragmatic benefits and a potential strategic opportunity for China to improve its relationship with the government and the wider Burmese population, who largely support the government's line on the crisis and believe that Western conceptions of the crisis are biased toward the Rohingya. While distrust of the West is unlikely to translate directly into decreased anti-Chinese sentiment, it does prevent anti-Chinese sentiment (and therefore a more difficult investment climate) from getting worse—protecting China's image to some extent and not undoing years of soft power outreach toward the Burmese population.

Beyond the doctrine and the pragmatism, however, lies a third reason: flexibility. One Chinese analyst suggests that the United Nations and Western nations are constrained by their adherence to universal rights, which makes it necessary to issue condemnations of the government, even though this will inevitably cause the relationship to deteriorate further and will not necessarily improve human rights outcomes for the Rohingya or other affected populations. By casting itself in the role of "friendly neighbor," China feels it is able to pursue options for resolving the crisis that are only available because of this good relationship—although, of course, this "friendly neighbor" image relies on supporting Burma's national government at the expense of seeking accountability for human rights abuses. China's occupation of the mediation space also allows it to preclude a greater level of involvement for the United Nations or Western nations in the region.

Chinese analysts point to the involvement of Special Envoy for Asian Affairs Sun Guoxiang—whose previous interventions have been responsible for convening parties, notably ethnic armed groups on the China-Burma border, to the peace process—and later Foreign Minister Wang Yi as the product of this "flexibility." Their involvement has been characterized as mediation between countries with no existing trust between them (though this may

overstate the unwillingness). Since August 25, Burma and Bangladesh have accepted China's offers to mediate, with statements from the latter suggesting that the special envoy played a role in facilitating a goodwill visit by Burmese officials to Dhaka in early October.

More recently, the development of the three-point plan has been held up as a success of Chinese mediation, although it is unclear what the plan's immediate benefits are likely to be. The first point, calling for a cease-fire, is largely obsolete at a stage where Tatmadaw operations have lessened in intensity; it would also be unlikely to affect ARSA strategy or to address vigilante violence by the Rakhine population against the Rohingya. The second point, which addresses repatriation, is more immediately relevant, although the initial agreement signed between Burma and Bangladesh on November 23 owes more to a previous bilateral agreement from 1992 than to any apparent policy influence from China. The third point, as noted above, characterizes the root causes of the conflict as merely economic instead of addressing the complexity of the situation. In this regard, it echoes a deeply held—but convenient—Chinese development narrative while leaving fundamental questions about citizenship, human rights, and intercommunal relationships off the table.

Conclusion

China's cooperation in negotiating and supporting a UN Security Council statement, as well as its offer to mediate between Bangladesh and Burma, reflects a willingness to address the crisis in Rakhine in a way that is consistent with its engagement in the peace process: supporting the Burmese government and seeking to facilitate between parties in a way that is compatible with its own interests. In Rakhine specifically, this means framing the conflict as an economic development issue, where stability can be promoted through poverty reduction and, by extension, Chinese investment. By presenting itself as an all-weather ally willing to help Burma to the negotiating table—a strategy that has required some flexibility in the way China interprets principles of noninterference and sovereignty within its foreign policy doctrine and that allows the country to maintain influence in spheres where Western intervention might otherwise take hold—China hopes to be seen as Burma's best hope for a negotiated solution with Bangladesh, as well as promoting a development narrative that is attractive to China both ideologically and pragmatically.

However, there are obvious limitations to China's approach, which focuses on the drivers of the conflict but fails to address the overwhelming human rights violations. For China, whose stated interest is to support Burma's efforts to secure peace and stability, there is simply neither mandate nor compelling interest to advocate a specific outcome for the Rohingya beyond providing humanitarian aid. It is thus difficult to see how any engagement that does not seek accountability for human rights violations nor advocate for fundamental rights for the Rohingya can have any meaningful impact on the abysmal situation of that community. China's strategic positioning on Rakhine may make it Burma's closest friend at present, but the interests that underpin that "friendship" mean the country is unable—and, most likely, unwilling—to address the fundamental issues that have led to such a profound crisis in the state.

Notes

1. United Nations, "Security Council Presidential Statement Calls on Myanmar to End Excessive Military Force, Intercommunal Violence in Rakhine State," November 6, 2017, www.un.org/press/en/2017/sc13055.doc.htm.
2. Stephanie Nebehay and Simon Lewis, "U.N. brands Myanmar violence a 'textbook' example of ethnic cleansing," September 11, 2017, www.reuters.com/article/us-myanmar-rohingya/u-n-brands-myanmar-violence-a-textbook-example-of-ethnic-cleansing-idUSKCN1BM0QF.

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3. See, among others, Advisory Commission on Rakhine State, "Towards a Peaceful, Fair and Prosperous Future for the People of Rakhine," August 2017, www.rakhinecommission.org/the-final-report/.
4. Advisory Commission on Rakhine State, "Towards a Peaceful, Fair and Prosperous Future."
5. The Business and Human Rights Resource Centre is an independent NGO that aims to advance human rights in business by supporting accountability and transparency in investment, and supporting local communities and advocates to address human rights concerns in their areas. Since 2014, the organization has run a Myanmar Foreign Investment Tracking project, which seeks to encourage public accountability for the human rights impacts of foreign companies investing or operating in Burma. See https://business-humanrights.org/en/response-by-citic-myanmar-foreign-investment-tracking-project.
6. For example, see "China to UN: We support Myanmar's efforts for stability," *Global New Light of Myanmar*, September 21, 2017, www.globalnewlightofmyanmar.com/china-un-support-myanmars-efforts-stability/; Ministry of Foreign Affairs of the People's Republic of China, "Foreign Ministry Spokesperson Hua Chunying's Regular Press Conference," October 11, 2017, www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/t1500871.shtml.
7. Charlotte Gao, "China Aids Rohingya Refugees in Bangladesh While Backing Myanmar Government," *The Diplomat*, October 2, 2017, www.thediplomat.com/2017/10/china-aids-rohingya-refugees-in-bangladesh-while-backing-myanmar-government/.
8. Association of Southeast Asian Nations, "ASEAN Chairman's Statement on The Humanitarian Situation in Rakhine State," September 24, 2017, www.asean.org/asean-chairmans-statement-on-the-humanitarian-situation-in-rakhine-state/.
9. "Is Suu Kyi to blame for Rakhine violence?," *Global Times*, September 10, 2017, www.globaltimes.cn/content/1065761.shtml/.

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