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The Myanmar Crisis: Altering Realities for Regional Actors

By Nazia Hussain

SYNOPSIS

The Myanmar crisis presents high stakes for regional actors India and China as they confront ground realities of a civil war next door. The two countries have sought to mitigate risks by relying on diplomatic manoeuvres at this juncture but could do more.

COMMENTARY

Ahead of the 2024 Indian general elections with Prime Minister Narendra Modi and his ruling Bharatiya Janata Party (BJP) seeking a third five-year term, the fallout of the crisis in Myanmar continues to be felt in India's frontier northeastern region as Chin [resistance forces](#) recently captured two towns – Cikha and Tonzang – near the border with India in Chin State. While the Modi government has steadfastly maintained formal relations with the Tatmadaw (Myanmar military), New Delhi has shown willingness to engage with ethnic armed organisations (EAOs) wielding influence along the border with Northeast India – an Indian [delegation led](#) by Rajya Sabha (Upper House of the Indian Parliament) member K. Vanlalvena met with the Arakan Army in March to raise concerns about an unfinished road network vital for India's connectivity with Southeast Asia.

Given India's strategic interests in Myanmar and concerns over Chinese influence along the Bay of Bengal, India's approach to Myanmar is unlikely to show any abrupt shift away from diplomatic cordiality with the junta, whether it's the BJP that holds office in June or the opposition party, the Indian National Congress. However, considering how civil unrest in Myanmar has stoked ethnic tensions and spillover violence in India's borderlands, and for the realisation of connectivity projects crucial to India's Act East Policy, the new government may, in consultation with the junta, play a bigger role as a mediator to broker peace between the Myanmar military

government, officially known as the State Administration Council (SAC), and the resistance forces.

India's Frontier Dilemma

The junta's surprise 2021 coup has complicated India's geopolitical and strategic plans in Myanmar. New Delhi's key foreign policy initiatives – the “Act East” and “Neighbourhood First” policies – aimed at boosting connectivity and trade with Southeast Asia requires transnational cooperation with ASEAN countries, particularly with Myanmar which shares geographical and cultural proximity to India's frontier north-eastern region. However, the spiralling crisis in Myanmar has delayed joint regional connectivity projects – the Kaladan Multi Modal Transport Transit Project has [faced delays](#) as a stretch of highway between Paletwa in Myanmar's Chin state to Zorinpui in the Indian state of Mizoram is yet to be completed.

Another connectivity project – the India-Myanmar-Thailand Trilateral Project – which will connect India's border town, Moreh, to Mae Sot in Thailand via Myanmar has also missed multiple deadlines. Around 70 percent of construction work on the highway has been completed, while Myanmar Commerce Minister, Aung Naing Oo, stated that the portion of the highway in Myanmar is only likely [to be ready](#) by 2026.

Myanmar's internal security situation has not only jeopardised India's connectivity projects but also raised concerns about the influx of refugees – both civilians and Myanmar military personnel – into India's northeast, posing a threat to national security. Since November 2023, more than 1,000 Myanmar military personnel have [crossed the border](#) into India and total [refugee arrivals](#) from Myanmar to India stands at more than 60,000 since the February 2021 coup. Migration of Kuki-Chin refugees from Myanmar has fanned the ongoing ethnic conflict in the Indian state of Manipur between the majority Meiteis accusing the minority Kukis – who share strong ethnic linkages with the Chins from cross the border in Myanmar – of allowing refugees from Myanmar to illegally settle in the hills of Manipur, threatening to create a demographic shift in the state.

To deal with the refugee influx and ensuing ethnic tensions in Manipur, New Delhi has decided to scrap the [Free Movement Regime](#) (FMR) with Myanmar that allows people living within 16 km of either side of the border to move freely without visas, and also announced the fencing of the 1,643 km-long border. The Indian government's decision to fence the border thus ending free movement of border communities and impeding their access to border markets is facing pushback not just from indigenous tribes sharing common ethnic linkages across the largely porous border but also from political leaders of the states of Mizoram and Nagaland.

Deputy Chief Minister of Nagaland, Y Patton, who belongs to the BJP, has [moved a resolution](#) in the Nagaland Legislative Assembly against the BJP-led central government's decision to fence the India-Myanmar border. Escalation of violence across the border has prompted India to call for Myanmar's transition towards inclusive federal democracy. However, New Delhi is keenly aware of its reliance on cultivating ties with the political-security power of the day in Myanmar to tackle the issue of cross-border insurgency that has plagued India's frontier northeast for decades, and to keep a check on China's ambitions in Myanmar.

High Stakes for China

China – being perhaps the most influential stakeholder in Myanmar’s current security situation – has tried to mediate a ceasefire between resistance forces and the junta, as the SAC’s diminished power over key territories undermine China’s economic and strategic interests in Myanmar. In January this year, Beijing brokered a ceasefire between the Three Brotherhood Alliance – a coalition of three ethnic armed organisations that include the Arakan Army, the Myanmar National Democratic Alliance Army and the Ta’ang National Liberation Army – and the SAC which had lost a large swath of territory in northern Shan state to the allied rebel groups. However, the Chinese-brokered ceasefire proved short-lived as [reports emerged](#) of the junta breaking the ceasefire.

Meanwhile, other EAOs have ramped up attempts to occupy territory – the Kachin Independence Army captured nearly 60 junta camps in March and gained control of a partial border [trading route](#) in Myanmar’s northern Kachin state. The Arakan Army in Rakhine State and the Karen National Union along the border with Thailand have also put the junta on the backfoot.

Prospects for border trade and implementation of the flagship China-Myanmar Economic Corridor (CMEC) – a key component of China’s Belt and Road Initiative – remain uncertain amid continued offensives mounted by resistance forces. Projects under [the CMEC](#) such as the US\$1.3 billion Kyaukphyu Special Economic Zone (SEZ) and deep-sea port estimated at US\$7.3 billion, designed to provide China with direct access to the Indian Ocean via the Bay of Bengal, have stalled because of continued fighting between the junta and the EAOs. Beijing seeks to resume construction of the deep-sea port which would provide landlocked Yunnan Province with access to the Indian Ocean, as well as allow oil and gas imports from Africa and the Middle East to bypass shipping routes through the South China Sea where it is embroiled in maritime disputes.

China has bolstered efforts to protect its substantial investments in Myanmar and its citizens working in the CMEC and border towns in light of the SAC’s recent setbacks. China’s People’s Liberation Army has conducted [live-fire drills](#) along its border with Myanmar to send a signal to both the junta and the resistance forces to adhere to the ceasefire and stop the violence from escalating across the border. As resistance forces close in around the strategically important Kyaukphyu SEZ township, Beijing, much like New Delhi, is walking a tightrope between backing the junta and engaging with the EAOs to protect its interests in a high-stakes scenario which could determine the direction of conflict.

Conclusion

With the conflict in Myanmar continuing to spiral towards a full-blown humanitarian crisis, India and China could try to use their leverage to play a larger mediating role by coordinating with ASEAN to facilitate the implementation of ASEAN’s Five-Point Consensus which, although in an impasse, remains one of the few official diplomatic processes in place that calls for immediate cessation of violence and constructive dialogue towards a peace process in Myanmar. Yet, the two powerful neighbours of Myanmar have been cautious and nuanced in applying their leverage. Until such time

when the domestic fighting hit Chinese and Indian interests on the ground directly (what that threshold is, no one can tell), there will only be diplomatic manoeuvres by Beijing and New Delhi.

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