

## **China's Concerns in Myanmar Grow**

by Victoria Herczegh - December 16, 2024

After months of fighting the junta in Myanmar, one of the country's most powerful ethnic rebel groups has captured the military's last western outpost. In doing so, the insurgency now has total control of northern Rakhine, a strategically important state that shares more than 250 kilometers (150 miles) of border with Bangladesh. With this latest development, the fighting – which has been going on since the military came to power in 2021 – has inched ever closer to Bangladesh, which has had its own domestic political violence and insecurity to deal with.

Myanmar's civil unrest has increasingly been a source of concern for China. The massive outflows of refugees can have a destabilizing effect on neighboring countries (as happened in Bangladesh) and thus on China's borders, but the bigger issue is strategic: Problems in Myanmar can prevent China from accessing essential oil and gas pipelines, trade routes and ports on which Chinese supply chains rely. A recent proposal from Beijing reflects as much. The government intends to establish a "joint security company" with Myanmar that would effectively place Chinese military personnel in the country. (Accounts differ on timing; some suggest the proposal is already in effect.) Many now speculate that this is merely the beginning of a military intervention in the Myanmar civil war.

On the surface, a private security operation in Myanmar makes sense for China. To protect the junta is to protect its own political and economic interests. It's true that Beijing has tried to maintain ties with both sides to hedge against loss and recrimination, but it recently struck several important investment deals with the junta, most of them, including crucial oil and gas pipelines, under the auspice of the China-Myanmar Economic Corridor. Now that the border of Bangladesh is in play, the junta's hold on power is in question, and China's investments are potentially in peril.

Though there's no precedent to indicate how the joint military company will act in Myanmar, other countries may offer clues. China has had similar enterprises in Africa and Central Asia, and generally speaking, they don't engage in combat. Instead, they tend to safeguard Chinese infrastructure projects and investments, especially ones linked to the Belt and Road Initiative, in the country in which they operate. Even so, company personnel are trained for combat situations, and though they aren't legally or administratively linked to the People's Liberation Army, they have connections to it, so they could have real army troops come in as needed.



Yet the constraints of military intervention need to be taken into account. The PLA has had no real combat experience since the 1979 conflict with Vietnam, and while Myanmar could be a good testing ground for an army that has well-documented **morale and organizational issues**, it could also be a waste of human and financial resources if the conflict drags out. As important, China doesn't want to risk alienating or undermining Bangladesh, a budding ally and **an important counterbalance to India's regional influence**. Until recently, Bangladesh had close economic and strategic relations with India, but that changed in August, when a popular uprising ousted the government of Prime Minister Sheikh Hasina. Members of the interim government were less cordial to India, going so far as to accuse New Delhi of supporting Hasina, who was widely seen as corrupt and authoritarian. The distrust quickly turned mutual as many in India suspected the new government of establishing ties with anti-India groups suspected of carrying out attacks on Hindu minorities. The ensuing drama created an opportunity for China to step in and strike deals with Bangladesh on infrastructure projects such as railways, ports and energy projects, and on defense cooperation.

For Beijing, the primary purpose of its outreach was to expand its footprint in South Asia and to secure maritime trade routes. It doesn't want to jeopardize these objectives by establishing itself as an occupying force so close to the Bangladeshi border. Doing so might also threaten its relationship with other nearby partners. Thailand, for example, has also been a recent target of Chinese investment and trade outreach. Like most other Southeast Asian nations, Thailand has to balance between China and the West, so even if it wanted the Chinese military stationed close to its borders, it would probably be pressured by the West to oppose it.

It is highly unlikely that China would actually intervene militarily in Myanmar's civil war. The risks are too many, and the benefits are too few. More than anything, there's no pressing need to go to war when a joint security outfit can exercise enough influence to ensure China's interests. If Beijing believes the rebels are growing too powerful, it could simply withhold the support it currently gives them – without having to deploy its armor to the borderlands. But it still benefits China to have a security contingent in Myanmar, if only to convince existing and potential allies that it can and will go to great lengths to guarantee their security.

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