

How Myanmar Fits into China's New Silk Roads

By [Pepe Escobar](#)

Global Research, August 10, 2021

Region: [Asia](#)

Theme: [Global Economy](#)

All Global Research articles can be read in 51 languages by activating the “Translate Website” drop down menu on the top banner of our home page (Desktop version).

Visit and follow us on Instagram at [@crg_globalresearch](#).

You don't argue with the Tatmadaw – the Myanmar Armed Forces. It's always their way, or the highway. Since the mid-20th century, the Chinese have come to understand it quite well.

How Beijing approaches the Myanmar maze is conditioned by four variables: natural gas; water; the drug trade; and the fractious clashes between the Tatmadaw and a dizzying patchwork of over 135 ethnic minorities.

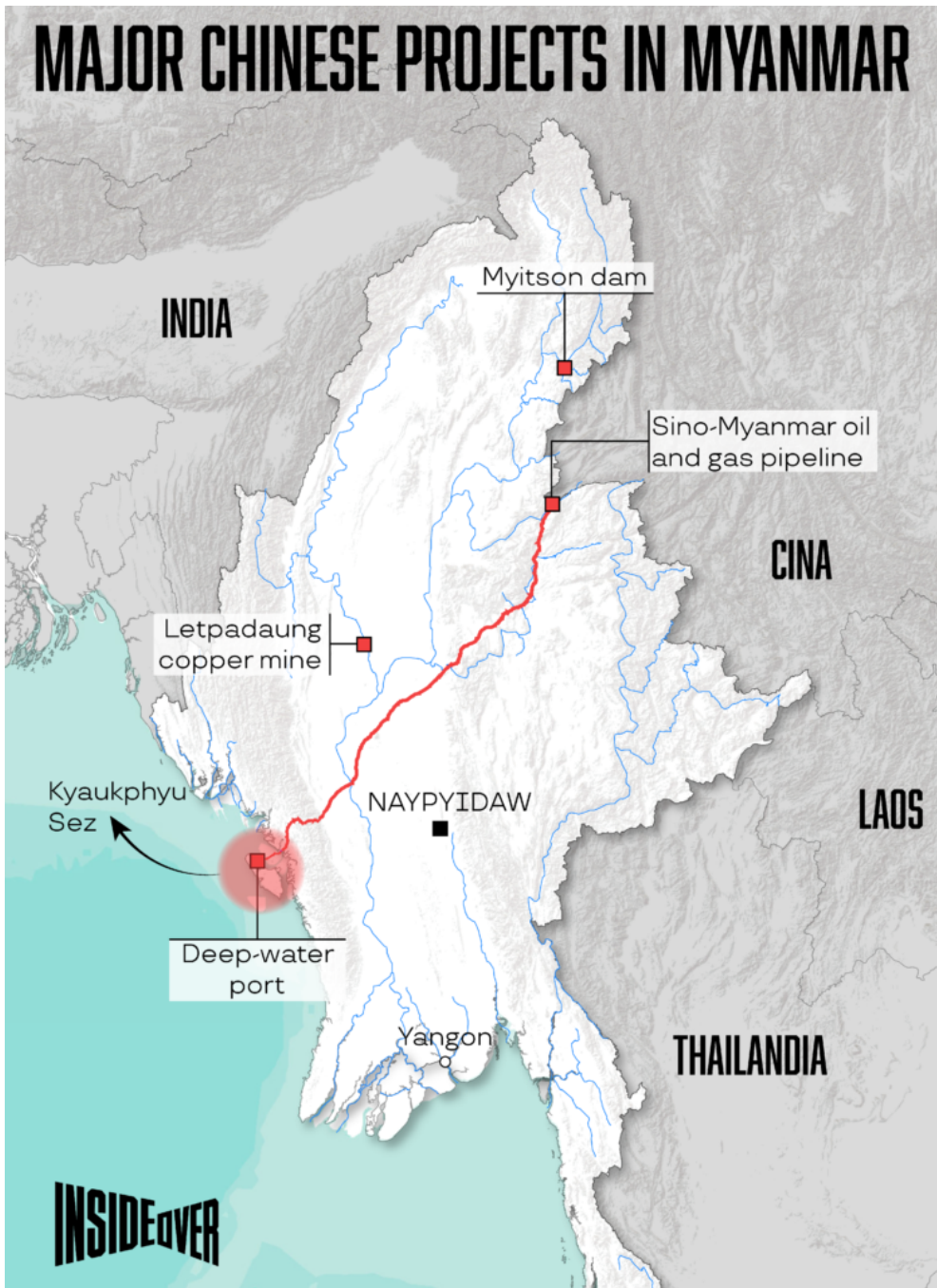
Each Myanmar ethnic group exhibits its own peculiar history, culture and language. They control vast territories, whole industries and serious militias. Myanmar's two-third majority is represented by the Bamar – also known as the Lowland Burmese. The Tatmadaw is largely a Lowland Burmese army – in perennial conflict with that large ethnic jigsaw puzzle.

The ethnic minorities live mostly in the hills and along Myanmar's porous jungle borders. Myanmar is divided into seven states – named after the seven largest ethnic groups: Kachin, Chin, Karenni, Karen, Mon, Shan and Rakhine. Alliances tend to be quite fragile, but historically the Chinese have been inclined to support a few of them in their fight against the Tatmadaw.

Drug trade in Myanmar is a virtually impenetrable matryoshka – with most of these groups connected across the Golden Triangle to partners in China, Thailand and Laos, and on top of it competing against each other.

The Shan traditionally have used huge profits in the drug trade to buy an array of weapons. There is a wealth of competing Shan groups, among them the army of the late, notoriously flamboyant drug lord Khun Sa, known as “The Opium King of Burma”; the former headhunters that compose the Wa tribe; and a bunch of Kokang Chinese who form the eastern Shan State army.

The opium/heroin business – and much of the ya ba (amphetamine) trafficking – in the Golden Triangle is now largely controlled by the much feared United Wa State Army: a 20,000-strong ultra-hardcore militia, one of the most powerful on the planet, complete with their private collection of surface-to-air missiles.



And that brings us to the Chinese angle – because many of these ethnic potentates, from Khun Sa to Kyi Myint, a.k.a. Zhang Zhiming, a former head of the Communist Party of Burma, have forged very close relations with Chinese Triads.

Yet what does the central government in Myanmar have to do with the heart of the action in the Golden Triangle? Not much. The Tatmadaw may strike the odd peace deal with these unruly actors, but they usually don't last long.

What the Tatmadaw did over these past decades was a crash course on business – learning the ropes about post-Mao China. That's how they evolved into a major corporate empire – much more than an army.

Myanmar was already on the front line when sections of the People's Liberation Army (PL) in China got into business. For instance, Yunnan province in southern China was the operating base for the top three heroin Triad families. So the first step was Burma linked to the

Chinese triads as the logistical arm of the Golden Triangle drug trade. The next step featured China building railways to link Yunnan to Burma/Myanmar.

Oil and gas star as the next piece of the puzzle. As France's Total started to expand their initial oil and gas exploits off Rakhine – formerly known as Arakan state – the Chinese had the foresight to invest in a long oil and gas pipeline linking it to Yunnan. From Beijing's point of view, what really matters is this Sino-Myanmar oil and gas pipeline from the Bay of Bengal to southern China – with the Tatmadaw in charge of security.

While China invests in copper mines and dams, but arguably its key investment in Myanmar is a new deep-water port on the Bay of Bengal, with the accompanying Kyaukphyu Special Free Trade Zone. The port and the pipeline interconnect, representing the Myanmar backbone of the vitally important Belt and Road Initiative (BRI) Southeast Asia corridor.

And that brings us to the intractable Rohingya problem.

China's absolute priority is to protect the new port plus the Special Free Trade Zone being built in Rakhine.

For quite a while the Myanmar government's income – now controlled by the Tatmadaw – has depended on the oil/gas from onshore and offshore operations in Rakhine as well as the rail/road connectivity.

The Chinese for their part are in close touch with the Kachin Army and the Kokang ethnic group. If the going gets tough, the plan is to use them as well as the Arakan Army, active in the region, to manage the Tatmadaw in case they start having funny ideas. The only thing that matters for the Chinese is the BRI corridor and the Rohingya find themselves caught in the middle of this serious power play.

The Myanmar puzzle is made even more complex by the issue of water. The Beijing leadership knows very well how strategic Myanmar is in terms of solving China's critical water imbalance. China, with 20% of the world's population, can count on only 7% of the world's fresh water. And 80% of China's water is in the south, while over 700 million Chinese and two-thirds of its farmland are in the north.

The solution has been to build 11 of the world's largest hydroelectric dams on the key rivers which flow towards China's neighbors. And this has given rise to dramatic problems, especially in the case of the Mekong, where every region below the dams, in Myanmar, Laos, Thailand, Cambodia, and Vietnam, has been extremely handicapped. And the issue is far from over: 11 more dams will be built in the lower Mekong, in Laos and Cambodia.

The relationship between Beijing and the Tatmadaw was never a bed of roses. Overall, the Chinese were seen with much suspicion at the Ministry of Foreign Relations level during the NLD years, while most Tatmadaw Generals admire China's economic power. Beijing's immutable diplomatic law amounts to non-interference in the domestic policies of its partners – so it has refrained from weighing in on whether the military coup earlier this year was actually not really a coup, as the Tatmadaw argues.

Facts on the ground spell out the Tatmadaw making a lot of money over the years by collecting fees and owning shares in Chinese deals struck in the ethnic regions. At the same time the Tatmadaw know that the Chinese, even indirectly, provide military support to quite a few militias. And drug kingpins are only able to operate smoothly across the Golden

Triangle because the Chinese allow it.

So, the relationship is undoubtedly an uneasy one. A great deal of Chinese influence in Myanmar was somewhat restricted during the NLD government. Now the whole situation is in limbo. Yet Beijing never takes its eyes off the Big Prize: BRI corridor projects should never be in danger, and Myanmar will always be an inextricable part of the New Silk Roads.

*

Note to readers: Please click the share buttons above or below. Follow us on Instagram, @crg_globalresearch. Forward this article to your email lists. Crosspost on your blog site, internet forums. etc.

This article was originally published on [Inside Over](#).

Pepe Escobar, born in Brazil, is a correspondent and editor-at-large at Asia Times and columnist for Consortium News and Strategic Culture in Moscow. Since the mid-1980s he's lived and worked as a foreign correspondent in London, Paris, Milan, Los Angeles, Singapore, Bangkok. He has extensively covered Pakistan, Afghanistan and Central Asia to China, Iran, Iraq and the wider Middle East. Pepe is the author of Globalistan – How the Globalized World is Dissolving into Liquid War; Red Zone Blues: A Snapshot of Baghdad during the Surge. He was contributing editor to The Empire and The Crescent and Tutto in Vendita in Italy. His last two books are Empire of Chaos and 2030. Pepe is also associated with the Paris-based European Academy of Geopolitics. When not on the road he lives between Paris and Bangkok.

He is a frequent contributor to Global Research.

The original source of this article is Global Research
Copyright © [Pepe Escobar](#), Global Research, 2021

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Pepe Escobar](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca
www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca