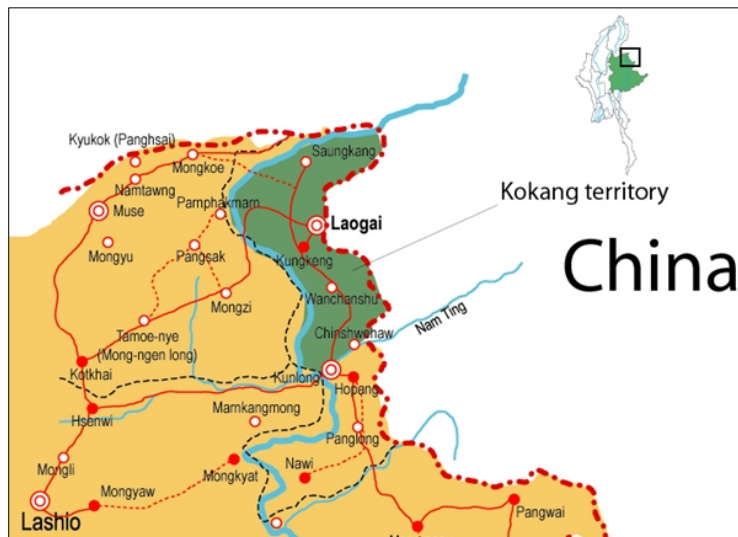


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The MNDAА offensive

Implications for the Myanmar Peace Process



In what is further evidence of a particularly unstable peace process, and perhaps a lack of will by some to move it forward, the Myanmar National Democratic Alliance Army (MNDAА) launched an attack in the centre of the Kokang region's capital Laogai (Laukkai) on 6 March. At least 30 people were killed in the assault after insurgents dressed in police uniforms launched surprise raids in and around the town. According to state media, the attacks occurred in the pre-dawn hours with MNDAА troops arriving from the East near the Chinese border and raiding and

setting fire to homes, police stations, border outposts and hotels.¹

The state media report continued,

The attacks continued when a contingent of about 30 MNDAА members disguised in police uniforms entered Yanlonekyine Police Station, Laukkai Township, about 2 am and opened fire, prompting officers of the Tatmadaw-Myanmar Police Joint Security Force to engage in a gun battle. The Yanlonekyine Police Station is a usual rendezvous point for members of the Tatmadaw and Border Security Force.

A few hours later, about 50 MNDAА armed troops infiltrated the house of U Wai San, a member of the Kokang Self-Administered Zone's Leading Committee, and retreated at about 5 am, according to official reports. The insurgents also attacked the Kyintin Hotel and badly damaged four vehicles.

The MNDAА troops earlier raided the cash counter at the Fulilight Hotel around 2:30 am and retreated to the BP-127 border checkpoint by 5:10 am. Tatmadaw forces followed in pursuit.

Simultaneously, MNDAА forces attacked Tatmadaw bases and the city of Laukkai between the BP-125 and BP-127 border checkpoints, resulting in several skirmishes.

The report also noted that,

Other armed groups were also involved with the MNDAА in the attack, according to reports. Security troops discovered 20 charred corpses and 10 pieces of weaponry after the attacks.

The MNDAА is a member of the newly formed Northern Alliance – Burma (NA-B) which also includes The Kachin Independence Army (KIA), the Arakan Army (AA) and the Ta'ang National Liberation Army (TNLA). According to a Facebook post, the MNDAА carried out the attack "to resist an enemy offensive in self-defence." Meanwhile,

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Col Tar Phone Kyaw from the Ta'ang National Liberation Army (TNLA) told The Irrawaddy that Arakan Army (AA) members may have joined the MNDA in the attacks.²

The timing and the nature of the attack raised a number of questions as it came not long after a unity meeting led by the United Wa State Army (UWSA) and also a meeting between the State Counsellor and the United Nationalities Federal Council (UNFC) of which the MNDA remains ostensibly a member.

The MNDA

In December 2014, clashes were reported between ethnic troops and Myanmar Army soldiers stationed ten miles away from Kunlong, Shan State. According to Myanmar media sources, the Myanmar Army was attacked by Kokang rebels using heavy weapons.³

The incident was particularly alarming to the Government as the MNDA had all but been destroyed in a military offensive in 2009.

In February 2015, the MNDA launched a full-scale attack on Laogai. The attack resulted in thousands of refugees fleeing to China as Myanmar Army troops fought an offensive against the combined troops of the MNDA, the Ta'ang National Liberation Army (TNLA) and purportedly troops from the Kachin Independence Army and the Shan State Progressive Party (SSPP), both of which deny their involvement.

The attack on Laogai was a particularly devastating move as it not only heralded the re-emergence of the MNDA but also further highlighted the roles played on Myanmar's eastern border by not only the KIO and the UNFC but also the role of China's foreign policy towards its neighbour.

MNDA leader Pheung Kya Shin had remained off the radar until 2012 when he resurfaced at the Kachin Independence Organisation Headquarters at Laiza. According to Pheung Kya-Shin,

They immediately gave me 100 rifles, marking the beginning of the rejuvenation of the Kokang army.⁴

The KIO had previously given logistical support and training to both the Ta'ang National Liberation Army (TNLA) and the Arakan Army (AA) to help them fight against the Myanmar Army. Therefore, it is not surprising that such support would be extended to the exiled Kokang leader for the same purpose.

Shortly after, the first batch of 5 recruits arrived at the KIA's Laiza H.Q., followed by another 10 and several veterans who were long-time drug addicts. The MNDA formed itself into 14 Battalions and soon claimed it could field a thousand troops, according to Pheung Deran, the MNDA Operational Commander, almost no one under the level of brigade commander within the MNDA had combat experience. Most soldiers had just reached the age of 20.⁵

The KIO, which is a key figure in the UNFC, supported the MNDA's inclusion in the ethnic alliance and the appointment of an MNDA representative to the Nationwide Ceasefire Co-ordinating Team (NCCT) the latter despite the fact that the Government does not recognise the MNDA and would, therefore, further diminish the NCCT's legitimacy in relation to representative negotiation.

Current conflict

According to The Office of the Commander-in-Chief, the Myanmar Army had clashed with the MNDAA 56 times between 19 January and 11 February.⁶ While such minor skirmishes, not only with the MNDAA but also the TNLA and AA, happen frequently the attack on Loagai was unexpected. According to an officer from the MNDAA's Division 211, quoted by VOA, the attack was in retaliation for a recent government attack on the Moi Taik region.⁷ In a statement released shortly after the attack, the reason given by the MNDAA was that they had attacked Laogai,

... to protest "continued military pressure" on the Northern Alliance.⁸

While there is little doubt that the attacks may have been organised to relieve pressure on other members of the NA-B it must be noted that attacks were primarily aimed at casinos owned by members of the Kokang Self-Administered Zone administration's leading officials, including its chairman Bai Xuoqian who had led the Myanmar military backed coup in 2009.⁹

Local media reports alleged that the MNDAA not only looted several casinos they also abducted some 80 female employees of Bai's casino.¹⁰ An accusation that was denied by TNLA spokesperson Ta Bone Kyaw who was quoted as saying,

The Kokang troops did not abduct the girls. They were actually evacuating them to Nansan town in China, across the border, out of concern that the Tatmadaw would do something to them.¹¹

Regardless, Tar Jok Jar, vice chairman of the TNLA, told Frontier Magazine that the attacks were most likely the result of personal disputes between leaders of the MNDAA and figures allied with the Tatmadaw.¹²

As noted in a previous background paper (A Dangerous Calculation - The Northern Alliance – Burma (NA-B) Offensives in Shan State, EBO Background Paper 1/17) there appears to be an attempt by the groups in northern Shan State to strengthen their hand by bringing China further into the peace process. While such attempts may seem to be strategically advantageous they do not take into account the fact that by doing so such groups are proffering the control of their own political destiny to yet another actor.

The Panghsang summit, organised by the UWSA, which precluded the attacks resulted in the following Panghsang Pact,

The ethnic armed revolutionary leaders attending the meeting commonly agreed on the political definition of Wa State's (UWSP/UWSA) "Panglong Spirit" that is based on its discussion paper, "Wa State's general principle and detailed demands".

To immediately withdraw the identification as terrorist groups on the MNDAA, TNLA and KIA of December 7, 2016 by the Shan State Parliament that is against the will of the people.

To immediately stop all military offensives, in order the country to be peaceful and start the reconciliation process.

Implements the principle of all-inclusiveness to all armed revolutionary organisations and urges equality-based modal negotiation. In pursuing to achieve peace, resolving political problems, employing military means and threatening attacks are rejected.

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Under the acceptance of “Wa State’s general principle and detailed demands on political negotiation”, formation of a political negotiation group, initiated by Wa State, to negotiate with the Burmese government is being agreed.

Depending on the development of the situation, the participants of the ethnic revolutionary organisations would discuss and adjust the Wa State’s general principle and detailed demands and accept it as “general political principle and detailed demands of the ethnic armed revolutionary organisations on political negotiation”.

The meeting participants of the ethnic armed resistance organisations are of the opinion, regarding the NCA as follows:

- (a) The Burmese government aim to replace the historic Panglong Agreement with the NCA could not be accepted.
- (b) The meeting participants of the ethnic armed revolutionary organisations demand that the NCA be replaced with a more justified ceasefire agreement.

The meeting participants of the ethnic armed resistance organisations call on the United Nations and People’s Republic of China to look upon as arbitrator in Burma’s peace process.

- (a) To urge for a new ceasefire agreement between the Burmese government and the non-ceasefire ethnic armed organisations.
- (b) To urge for speedy realization political negotiation, leading to the formation of a genuine federal union, based on the already signed different levels of ceasefire agreements between the Burmese government and the ethnic armed revolutionary organisations.

Regarding capital investment and developmental projects, the opinion of ethnic armed resistance organisations attending the meeting are:

- (a) China’s One Belt One Road (OBOR) policy is peaceful equal development of all neighbouring countries. This policy is necessary for Burma’s economic development and security and as well benefits the arbitrator.
- (b) It is believed that China’s OBOR policy could successfully be implemented within Burma and beneficial for ethnic areas.
- (c) The ethnic armed resistance organisations agreed that security of foreign investments will be guaranteed.¹³

After the meeting a political dialogue committee was formed with Bao Youxiang as the chair along with representatives on the committee from the UWSA, National Democratic Alliance Army (Mongla), Kachin Independence Organization, Shan State Progress Party, Myanmar National Democratic Alliance Army, Ta’ang Nationalities Liberation Army, and the Arakan Army.

Not long after this, the Peace Commission from the government and the Delegation for Political Negotiation (DPN) from the UNFC met at the National Reconciliation and Peace Centre (NRPC) in Yangon on March 3. At the

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meeting agreement was reached on 9 points which are acceptable to both parties in principle. The points included

1. Bilateral ceasefire agreement between the government-military and the UNFC;
2. To build a federal union with results achieved from 21CPC;
3. Agreement of tripartite dialogue composition;
4. Drafting and promulgation of constitutional law based on the outcome of 21CPC;
5. Advance agreement on Military Codes of Conduct (CoC) and monitoring on Terms of Reference (ToR);
6. Formation of military Joint Monitoring Committee (JMC) with representatives from government, EAOs and international figures acceptable to both parties;
7. Formation of a neutral, enforcement tribunal for NCA involving domestic and international law experts and judges that are acceptable to both parties; and
8. Developmental projects to be tackled according to Extractive Industries Transparency Initiative (EITI), in cooperation with the public and the EAOs.¹⁴

The added point addresses the Military's precondition for participation in the political dialogues by signing the nationwide ceasefire agreement as soon the eight points are agreed to.

The fact that the MNDAA attacked Laogai after the DPN/Government meeting suggests that those in the NA-B either cannot control the MNDAA or that the UWSA will use both parties to further their own interests.

The resulting conflict over leadership and direction of the process threatens to completely undermine efforts of the UNFC. To such a degree that Khu Oo Reh had to clarify that,

Whether or not the KIO (Kachin Independence Organisation) and the SSPP (Shan State Progress Party) continue to be part of us, remaining members have decided not to dissolve the UNFC. We will work together with other EAOs (Ethnic Armed Organisations) to seek a way out. We will consider other options only if our present resolution doesn't work out.¹⁵

The fact that the Northern based groups are seeking to overthrow the current peace process and start again from scratch is a particularly worrying development. It should be viewed as such not only by those eight groups that have signed the NCA, but also western based groups, the Karenni National Progressive Party (KNPP) and New Mon State Party (NMSP), both UNFC members, who have suggested they may sign the NCA.

Chinese support

While it has been suggested that there is clandestine Chinese support for the ongoing ethnic conflict actors in Northern Myanmar, especially via the UWSA, it would appear there is no support for the current conflict orchestrated by the MNDAA. The Chinese agreed to concede Kokang to Myanmar in the boundary treaty between China and Myanmar, signed in 1960, and it would appear as one analysis points out in the state affiliated Global Times that,

. . . many Chinese still believe that giving up Kokang is a great loss for China. There are even voices calling China to "recover" Kokang, similar to what Russia has done to Crimea. . . These sentiments are echoed by some rebels in Kokang's ethnic armed forces, who claim themselves "Chinese descendants." They demand that China offer direct military assistance to help them defeat the Myanmar army.¹⁶

However, such sentiments appear to have fallen on deaf ears within the Chinese Government.

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Not unsurprisingly, with over 20,000 refugees pouring across its border and trade dwindling rapidly, the Chinese Government sought to bring an end to the fighting with Chinese Foreign Ministry spokesperson Geng Shuang on 9 March urging all parties to exercise restraint and immediately cease fire in order to maintain peace and stability.

In an attempt to resolve the conflicts in the area, delegates from the NA-B including the Kachin Independence Army (KIA), Arakan Army, Myanmar National Democratic Alliance Army (MNDAA), Ta'ang National Liberation Army (TNLA), along with the United Wa State Army (UWSA) held separate talks with Sun Guoxiang, China's special envoy for Asian affairs, in Kunming.¹⁷

According to Brigadier General Nyo Tun Aung, the AA's vice commander-in-chief, Sun Guoxiang told the representatives,

... we need to have direct talks with the Myanmar [government] or, if we desire, China could mediate as a third party in discussions with the government to reduce the number of clashes and stop them from occurring along the border,¹⁸

At a meeting with the KNU and RCSS on Myanmar's peace process in Kunming on 13 February, Sun Guoxiang was quoted as saying,

China hopes that peace prevails in Burma, and would not like to say who is right and who is wrong. China would not sit as a judge, but will only push all the stakeholders in the peace process. China would like to urge the stakeholders to solve the problems at the negotiation table and will provide advice as a friend in case problems arise.¹⁹

In what appears to be a further attempt by the Chinese Government to pressure the MNDAA to cease fighting, China's state-owned Agricultural Bank of China (AgBank) suspended an account used by the organisation. Records on the MNDAA's website show it collected more than half a million dollars over nearly two years after making a "crowdfunding" appeal for donations. Donors either deposited the money directly into an AgBank account or sent it via two mobile payment services.²⁰

According to a Reuters report,

MNDAA has gathered money online since 2015, according to records on its website. It made a crowdfunding plea in mid-January, as it was being increasingly outflanked by the Myanmar military in the hills straddling the border. The plea was ostensibly for money to support refugees from the conflict, but Li Jian Hua, listed on the website as the holder of MNDAA's account with AgBank, told Reuters it was used to sponsor the group's offensive.

"The money is not meant for refugees. It's used to support MNDAA," said Li.

Since April 2015 - when the blog started publishing disclosures of donations - it has gathered \$531,853.²¹

A spokesperson from China's foreign ministry, Hua Chunying said that the Chinese government will not let any group derail relations between Myanmar and China, saying.

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We consistently persevere in not interfering in other countries internal affairs and respect the entirety of Myanmar's sovereign rights and territory. We will not allow any group or individual to use China's territory to undermine China-Myanmar relations and the border regions' stability.²²

The fact that such action has been taken further suggests that the Chinese Government's patience with some of the ethnic groups on its border is wearing thin. While there is little doubt there remains strong support from China for the UWSA, and also possibly the KIA, a number of smaller groups continue to further cause problems for relations between the two countries and continue to be seen as hindrances to peace.

The future of ethnic unity

Adding further complications to the peace process is the role played by the KIO which seems to consistently change its stance. The KIO was responsible for training and supporting the MNDAA, AA and TNLA and leads the NA-B. As head of the UNFC, it also steered UNFC policy throughout the peace negotiations. Most recently it released a joint statement after meeting with the KNU in Laiza on 16 February. The statement notes,

We urge all concerned parties to work and find ways for ending armed conflicts in line with agreements and for the participation of all relevant parties at the political dialogues.²³

The KIO, through its control of the UNFC, has constantly sought to control the process on its own terms. It was this that led to the KNU suspending its membership of the UNFC due to KIO intransigence in releasing its grip on the ethnic alliance.²⁴

The move by the KIO towards the UWSA further highlights the indecisiveness of the KIO leadership as they seek to ensure they have a more powerful bargaining position. However, as noted earlier, this move threatens to seriously cause a schism within the UNFC and ethnic unity as a whole. Both the NMSP and KNPP have suggested they are prepared to sign the NCA and while stating that the UNFC will continue, it remains unclear what role it will be able to play.

It is likely that in the future armed ethnic conflict will continue in Shan State and Kachin State as the UWSA seeks to take control of the process and thus attempt to get its own state-level recognition. It is hoped that China can use its influence on the UWSA and KIO to reign in those smaller groups that continue to engage in conflict, but such moves are likely to be resisted until the UWSA gets what it wants. It is also imperative that the Myanmar military recognise that there has to be inclusion of all conflict actors for the peace process to move on.

The shift of ethnic representation from conflict in the west of the country to the east seems to suggest that the perceived ethnic unity that had so often guided negotiations since 2010 is beginning to dissipate. The recent attacks on Laogai, the UWSA's attempt at seizing the mantle of ethnic leadership, and the inability of the military to prevent further failure of the process by bringing those excluded groups into the negotiations as soon as possible will seriously prevent there being peace in the northeast of the country.

Once more it would appear that armed ethnic organisations are unable to put a common good ahead of their own individual needs. This strategy, while seemingly suggesting that it is good for all ethnicities has a whole is likely to result in further conflict as the Myanmar army watches ethnic armed groups further separate themselves into extremely divisive parts. While it has consistently been said that successive Myanmar governments have sought to divide ethnic armed groups through a strategy of 'divide and conquer' it would appear that this same strategy is now being used by the groups on themselves.

Notes

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- ³ 'Seven killed as Kokang rebels attack military post' Eleven Media, 16 December 2014
- ⁴ Myanmar's "King of Kokang" Returns after 5 Years – His Version of the Situation in Northern Myanmar– Pheung Kya-shin, Global Times (unofficial translation), Mon 29 Dec 2014
- ⁵ Ibid.
- ⁶ 'Northern Alliance Warns Civilians in Kokang of Ongoing Clashes' Nan Lwin Hnin Pwint, The Irrawaddy, 8 March 2017
- ⁷ 'Deadly Clashes Hit Kokang Region in Myanmar's Northern Shan State', VOA, 6 March 2017
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- ¹² <http://frontiermyanmar.net/en/kokang-fighting-the-latest-setback-to-peace-process>
- ¹³ Unofficial general translation from Burmese text by Sai Wansai – February 27, 2017
- ¹⁴ <http://english.panglong.org/2016/09/21/framework-for-political-dialogue-unfcs-boycott-leads-to-peace-process-deterioration/> accessed 23 March 2017
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- ¹⁷ 'Myanmar Ethnic Militias Meet With Chinese Envoy to Discuss Kokang Conflict', RFA, 15 March 2017
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- ²³ 'KNU, KIO call for more peace efforts', Lun Min Mang, Myanmar Times, 17 February 2017
- ²⁴ Personal Conversation with KNU leaders, 31 March 2014