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To Counter China, U.S. Must Do More in Myanmar

China is taking advantage of the void in U.S. leadership in a critical arena in the Indo-Pacific

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TOPLINE

In the past three years, China has significantly strengthened its position in Myanmar and is now approaching a level of influence unparalleled in more than a decade. China can be fully expected to use its influence in Myanmar to advance its geostrategic interests in South and Southeast Asia – a significant challenge to U.S. efforts to counter China in the Indo-Pacific. To address the threat, the U.S. must take a more proactive approach to Myanmar and leverage opportunities with Myanmar's neighbors to advance U.S. interests.

THE PROBLEM

As its neighbor to the north, China has always loomed large over Myanmar (also known as Burma). But since a February 2021 coup by the Myanmar military, China has significantly strengthened its position in Myanmar and is now approaching a level of influence unparalleled in the past 15 years. China has strengthened its position by bolstering its support to ethnic armed groups on the China-Myanmar border before balancing such support by recently swinging behind the military government as it seeks to maintain influence over both sets of actors. In so doing, China is fast becoming not only the kingmaker in Myanmar, but the arbiter of checks and balances against the king it anoints.

What has been striking over the past four years is the absence of alternative international leadership on Myanmar. In the immediate aftermath of the coup, the people of Myanmar clamored for a strong international response, presence, and

approach toward the crisis, particularly from the United States. While the U.S. and others mostly in the West have imposed targeted sanctions and offered strong rhetorical support to the parallel National Unity Government and other pro-democracy forces, much of the international response has been outsourced to the Association of Southeast Asian Nations (ASEAN) since April 2021, when the bloc agreed to a Five-Point Consensus to address the crisis. ASEAN has achieved little since and no other actor, including the U.S., has demonstrated an inclination to offer practical assistance that could either bolster prospects for the military's defeat or hasten a political solution.

The United States' relatively laissez-faire approach can be explained in part by the view of Myanmar as a "boutique" issue for U.S. grand strategy with little direct impact on U.S. national security. However, the U.S. can no longer afford to view Myanmar as a "boutique" issue. The coup has unleashed tremendous chaos within Myanmar as well as regional instability and poses a threat to U.S. national interests in strategic competition with China, including the promotion of democracy and the protection of human rights.

To be sure, U.S. interests in Myanmar are unlikely to equal those of China, which views Myanmar as having a unique strategic importance. Its geographic position places Myanmar on a direct path between China and three key regions: the Indian Ocean, South Asia, and Southeast Asia. Though it values Myanmar's natural resources, China mainly sees the country as a corridor connecting China to the world.

While viewing Myanmar through a geopolitical lens is not always helpful, Myanmar is already entangled in a great power competition. As China fears the democratic opposition led by the National Unity Government is too pro-Western in its orientation, Beijing has put its finger on the scale to tilt the balance in the military's favor ahead of deeply flawed elections manufactured by the military and planned for 2025. Without deeper U.S. engagement, Myanmar could fall into a protracted state of conflict and fragmentation, supported and dominated by China.

ESSENTIAL CONTEXT

Myanmar has been embroiled in turmoil since a February 2021 military coup prompted a complex political crisis, a humanitarian emergency, and an economic collapse. In the wake of the coup, a violent crackdown on peaceful protests and civil disobedience movement participants sparked unprecedented and sustained armed resistance which has eroded the military's control on its borders as well as in parts of the Bamar heartland that had not experienced conflict in decades. As it has lost territory – and it suffered a series of particularly humiliating defeats over the past year following an offensive by armed groups along the China-Myanmar border and in Rakhine State – the

military has increasingly turned to airstrikes, weaponized drones, and a “four cuts” counterinsurgency strategy specifically designed to impose suffering upon civilians.

The impacts of the ongoing conflict have been both significant and tragic. Thousands of civilians have been killed (as well as tens of thousands of combatants) and over three million are internally displaced, while the economy has shrunk by 20%, the poverty rate has doubled to nearly half the population, and at least one in four in the country face food insecurity. The crisis is particularly acute in Rakhine State, where two-thirds of its population of three million faces starvation and 95% could fall into poverty next year. Myanmar has also emerged as a significant threat to regional peace and security given the outflow of tens of thousands of refugees to neighboring countries as well as a proliferation in transnational crime, including cyber scamming, drug production and trafficking, and arms trafficking.

Both the Myanmar military and resistance actors now view the conflict as existential. The military views its defeat as posing a threat not just to the safety of its leaders, but to the institution of the military itself, which it views as the sole entity capable of defending Myanmar’s sovereignty and holding the diverse country together. In contrast, resistance actors cannot countenance a return to a status quo ante under the military-drafted 2008 Constitution, which grants the military a preeminent role in security, politics, and the economy.

With no political solution likely in the near-term, the conflict is set to continue and, as it has evolved, China has increasingly thrown its weight behind the military regime. Initially, China was equivocal in its support. It called the coup a “major cabinet reshuffle”, continued to provide weapons to the military, pressed for major infrastructure projects under the Belt-and-Road Initiative to continue, and regularly sent high-level officials to Naypyidaw while welcoming military regime counterparts to China. At the same time, China was careful not to confer formal recognition of the military, did not welcome coup-maker and Commander-in-Chief Min Aung Hlaing to China until recently, and has allowed Myanmar’s resistance-supporting ambassador to the United Nations to remain in his post in New York.

As opposition to the military increased in strength and coherence, China grew frustrated with Min Aung Hlaing’s leadership, his inability to establish sufficient stability to enable stalled infrastructure projects to resume, and his unwillingness to address the cyber scamming industry on the China-Myanmar border that had become a significant domestic headache for Beijing. As a signal of its displeasure, China allowed the UN Security Council to pass a resolution on Myanmar in December 2022, the first since Myanmar’s independence in 1948. More significantly, in October 2023 China gave its tacit approval to Operation 1027, an offensive led by armed groups on the China-Myanmar border that made stunning advances against the Myanmar

military, particularly along the border. China eventually brokered a fragile ceasefire between the groups and the regime in January, but this collapsed in June and a second phase of the offensive made even more stunning gains; by August the offensive began to threaten Mandalay, Myanmar's second city, and demonstrated an unprecedented level of coordination between Burmese and ethnic resistance force.

Fearing a collapse of the military regime from the center and the emergence of “chaos” in Myanmar, China has swung back behind the regime with force (even if it continues to view Min Aung Hlaing as both incompetent and untrustworthy). China dispatched Foreign Minister Wang Yi to Myanmar in August, has pledged support to fundamentally flawed military-run elections in 2025 (which it hopes will sideline Min Aung Hlaing), likely augmented the regime's drone capabilities, imposed an unprecedented level of pressure on ethnic armed groups, and welcomed a series of high-level visitors from Myanmar to China, including Min Aung Hlaing's first visit to the country since the coup in November.

While the commitment of resistance actors to continue the fight against the military has been clearly established and many armed groups are now much better equipped to sustain the fight (in part because of the capture of weapons and ammunition from the military), a regime that is more fully backed by China will make it much more difficult to take and hold additional territory in central Myanmar, particularly given Beijing's pressure on ethnic armed groups to sever links with other resistance fighters.

If the Myanmar military is able to hold the center and if China is able to broker some form of settlement with the groups on the China-Myanmar border as well as the Arakan Army – both big ifs – China would be very well-positioned to advance its geostrategic interests in Myanmar and extend its influence throughout the Indian Ocean, South Asia, and Southeast Asia. That prospect should cause significant alarm among U.S. policymakers.

POLICY RECOMMENDATIONS

To counter Chinese influence in the Indo-Pacific, the U.S. must take a more proactive approach to Myanmar while also leveraging emerging opportunities among Myanmar's neighbors to support these efforts.

Take a more proactive approach to Myanmar

Develop and implement a proactive strategy. Now that China's cards vis-à-vis Myanmar are on the table, the new administration needs a proactive strategy toward Myanmar to replace the current strategy of inaction. This strategy should be predicated on a full, nuanced understanding of China's approach, endgame, and impact in

Myanmar that seizes upon ample opportunities to counter Chinese influence in the country. Half-measures, such as rhetorical support and poorly enforced sanctions, are not going to be sufficient to move the needle in the direction of the resistance and against China. To induce change, the U.S. must impose higher costs on the military and provide more meaningful support to those fighting against it. Fortunately, many of the necessary authorities, such as [Executive Order 14014](#) and the [2022 BURMA Act](#), are already in place and should be more rigorously implemented.

Appoint a champion within the USG. The new administration needs to identify a champion on Myanmar within the U.S. government. Given the significance of the issue and intensity of the armed conflicts and their impact, the Myanmar issue would benefit from daily dedicated attention from a senior U.S. government official to coordinate policy and lead initiatives. One option could be to appoint someone as Special Representative and Policy Coordinator for Burma, a position that has been vacant since 2014.

Maintain flexibility. Given the fluidity of the situation, the new administration should maintain some strategic flexibility. The proliferation of actors in the civil war has created unconventional political forces that President Trump, with his unique style of diplomacy, may be well-suited to engage; the administration should keep an open mind and be willing to talk to a range of actors, including armed groups on the China-Myanmar border. Though a political solution does not seem likely in the near-term, the rapidly changing domestic politics of the country could lead to unexpected changes of positions, perhaps even within the Myanmar military. U.S. efforts to counter Chinese influence in Myanmar are currently best served by supporting resistance actors, but U.S. policy should preserve flexibility to work with evolving political realities on the ground.

Leverage opportunities among Myanmar's neighbors

Encourage increased Indian engagement. Though India's approach to Myanmar since the coup has mostly been focused on engagement with the military, it has recently stepped up its outreach to a broader range of stakeholders. Particularly given the close relationship between Presidents Trump and Modi, the incoming administration should encourage India's nascent efforts to reach out to Myanmar's parallel National Unity Government, ethnic armed groups, and other stakeholders. Though India's approach to Myanmar and its national security interests may not fully align with the U.S., India is a key bulwark against Chinese influence in South Asia and has potential to extend its engagement into Southeast Asia.

Support Bangladesh's interim government to address the Rakhine crisis. While the incoming administration may be inclined to view Bangladesh through an India lens,

there is a real opening for U.S. engagement in Bangladesh. The interim government is generally pro-U.S. in its orientation and China is approaching the country carefully following the previous government's ouster by student protesters in August. While there is broad scope for the U.S. to engage Bangladesh, including on the economy and in implementing reforms, the U.S. is particularly well-placed to assist Bangladesh in finding a solution to the Rohingya crisis. The U.S. should demonstrate continued leadership on the humanitarian crisis in Rakhine and its spillover impacts on Bangladesh and the U.S. also could help Bangladesh work towards a political solution to the Rakhine crisis, including through its diplomatic efforts.

Nudge Thailand to look beyond the military. Like India, Thailand has mostly focused its post-coup engagement on the military. Unlike India, however, Thailand has not broadened its engagement to other actors (though it does maintain communication with some of the armed groups in southeast Myanmar and hosts a significant refugee population as well as a much larger migrant labor workforce from Myanmar). While recognizing that it has its own significant interests in Myanmar, Thailand is a treaty ally and that should provide scope for the U.S. to push the Thai government to do more to support U.S. interests in Myanmar, including through allies in the Thai parliament that are already pressing for Thailand to change tack.