

35

Burma–China: Another dam puzzle (Part 2)

(16:51 AEDT, 1 November 2011)

Several explanations were put forward to explain president Thein Sein's unexpected decision to suspend work on the Myitsone Dam project. However, on this, as in so many other areas of government activity, the thinking of Myanmar's leadership was largely a mystery. Thirteen possible reasons were put forward, but it was difficult to choose those most likely to have persuaded the president to risk the ire of the Chinese.

If past practice is any guide, Burmese President Thein Sein is probably trying to satisfy a number of aims and send signals to several different targets in announcing his decision to suspend construction of the massive Myitsone Dam in northern Burma, in which Beijing had invested heavily and stood to benefit most.¹

If that is the case, what might the reasons be for his decision? The pundits have offered a range of views, but the bottom line is that no one really knows. As always, the thinking in senior Burmese leadership circles remains a mystery.

¹ Francis Wade, 'Have Protests Succeeded in Myanmar?', *Al Jazeera*, 9 October 2011, www.aljazeera.com/indepth/opinion/2011/10/201110391126493167.html.

Bearing in mind the danger of mirror-imaging, it is important to try to put ourselves in the place of Burma's policymakers and decision-takers.² On the assumption that they are rational actors, with a nuanced understanding of the country's national and international interests, a number of possible explanations present themselves. These include the following:

1. The new 'civilian' president may be keen to demonstrate that he is not beholden to the old military leadership, which signed the 2007 agreement with a Chinese consortium for the construction of seven dams in northern Burma, the largest being Myitsone.
2. By the same token, Thein Sein's decision could be intended to demonstrate that Burma has broken with the past and, despite the questionable means by which it was formed, the new hybrid civilian–military parliament is an independent body that must be taken seriously.
3. While public opinion is unlikely to be the main driver, it cannot harm the president to be seen to be responsive to concerns expressed about the site and manner of the dam's construction, the environmental damage it will cause, its displacement of local communities and its potential downstream impact.³
4. Given that the Kachin ethnic minority stands to be hurt most by the dam, Thein Sein may be trying to lay the groundwork for a peace settlement with the Kachin Independence Army, against which the Burmese armed forces are currently fighting a bitter guerilla war.
5. Thein Sein could also be demonstrating that he is aware of the deep unease in Burma over the dramatic growth in the number of Chinese immigrants and businesses—both legal and illegal—over the past 20 years and is prepared to do something about them.
6. It could also be the case, as some have argued, that Thein Sein is trying to protect his own position in the national leadership by meeting the concerns of an anti-China faction in the armed forces.⁴

2 'Cognitive Traps for Intelligence Analysis', *Wikipedia*, en.wikipedia.org/wiki/Cognitive_traps_for_intelligence_analysis.

3 Supalak Ganjanakhundee, 'Is Myitsone a Landmark for Reform in Burma?', *The Nation*, [Bangkok], 5 October 2011, www.nationmultimedia.com/new/opinion/Is-Myitsone-a-landmark-for-reform-in-Burma-30166832.html [page discontinued].

4 Bertil Lintner, 'China Behind Myanmar's Course Shift', *Asia Times Online*, [Hong Kong], October 2011, www.atimes.com/atimes/Southeast_Asia/MJ19Ae03.html [page discontinued].

7. The suspension of the dam project—for the duration of his five-year term in office—could be an attempt by Thein Sein to open up political space for the implementation of economic and other reforms, some of which are likely to be unpopular inside Burma.
8. Another possibility is that Thein Sein is manoeuvring to renegotiate the dam contract, either to provide greater protection for the Irrawaddy River—a vital economic resource and emotive cultural icon—or perhaps to get a larger share of the anticipated hydropower. Under the current contract, 90 per cent is reserved for China.⁵
9. At the international level, the president could be making a point with the Chinese—and others—that he, the new government and Burma more generally cannot be taken for granted. They wish to be treated with respect and taken seriously as international players.
10. The Myitsone Dam decision serves as a reminder that, when they are completed, the oil and gas pipelines currently being built from the Bay of Bengal to Yunnan will be under the effective control of Burma. Should relations with Beijing deteriorate, Naypyidaw will have the means to close these critical sources of energy to southern China.
11. The suspension of such a large joint project (it is valued at US\$3.6 billion [A\$5.9 billion]) lets the international community know that Burma is not, and never has been, a client state of China. This message will not be lost on India, where the relationship has been a cause for concern.
12. A reputation for independence and a willingness to stand its ground, even against a superpower, may strengthen Naypyidaw's negotiating position with the US, with which it is currently engaged in a dialogue over reforms and sanctions. Curiously, China does not seem to have been a major factor in US thinking about Burma, but this is likely to change.⁶
13. The suspension of the dam project suggests to regional countries that, should Naypyidaw be given the ASEAN chair in 2014, it would be prepared to act in the association's best interests, even in the face of opposition from its powerful neighbour and purported 'ally'.

5 *Damming the Irrawaddy* (Burma Rivers Network, 2007), www.burmariversnetwork.org/resources/publications/13-publications/95-damming-the-irrawaddy.html [page discontinued] [now at burmariversnetwork.org/title/resources/publications/damming-the-irrawaddy.html].

6 Douglas H. Paal, *Myanmar: Time for a Change*, Asia Pacific Brief (Washington, DC: Carnegie Endowment for International Peace, 28 October 2011), www.carnegieendowment.org/2011/10/28/myanmar-time-for-change/699v.

Any or all of these factors could have been included in Naypyidaw's consideration of the Myitsone issue before Thein Sein made up his mind. There may have been others. We can be sure, however, that the decision would not have been made lightly. That said, it is important to remember that work on the dam has only been suspended. It is possible that, after a period, when the presidency changes or the circumstances are more favourable, the project will be revived, in one form or another. China is still involved in several other dam projects in northern Burma.⁷

Whatever the reasons for Naypyidaw's move, the fact remains that it will always be in Burma's national interests to share a cooperative relationship with China. And, given the geostrategic, economic and other issues at stake, it will always be in China's interests to avoid a major falling out with Burma. Both sides know this.

7 *Dam Projects* (Burma Rivers Network, 2018), www.burmariversnetwork.org/dam-projects.html [page discontinued] [now at burmariversnetwork.org/title/dam-projects.html].

This text is taken from *Interpreting Myanmar: A Decade of Analysis*,
by Andrew Selth, published 2020 by ANU Press, The Australian
National University, Canberra, Australia.