

ANALYSIS PAPER No.7

MAY 2013

TENSIONS AND CONCERNS IN SHAN STATE

INTRODUCTION

As the Thein Sein Government's peace process with its armed ethnic minorities continues, concerns remain in relation to Burma Army activities in Shan State and claims that the UWSA has increased its arsenal and is seeking an autonomous Wa State. Although armed ethnic groups, like the RCSS-SSA, have continually attempted to minimize the impact of various clashes with the Burma Army, the continuing offensive in Northern Shan State, the on-going conflict in Kachin State, and reports of a possible offensive against the Wa further threatens peace in the area and could result in both the RCSS/SSA and the UWSA being drawn into a much wider conflict.

THE SSPP AND THE CONFLICT IN NORTHERN SHAN STATE

Despite signing a ceasefire in February 2012, the Wanhai based SSPP-SSA has seen a resurgence of fighting in its areas of control. Burma Army activities have recently increased resulting in over a thousand people fleeing their homes. Most recently, in April 2013, Burma Army troops indiscriminately shelled two villages in the area injuring two people, including a baby, and destroying two houses. In total the group estimates there have been one hundred clashes with Government forces since the signing of the ceasefire agreement.

According to one senior SSPP official the reason for the recent heightening of tensions is that the Burma Army wants the SSPP to relinquish all of its bases west of the Salween.¹ The SSPP has four bases just west of the Salween: Loizay, Loi Khawk, Loilan and Loikhio.² In addition to its bases the SSPP continues to maintain liaison offices at Taunggyi, Lashio, Kholam, Muse and Namkham. The organisation also owns three import/export companies: Loi Pang, Loi Ling and Loi Kher.

Media speculation suggests that the Burma Army is either attempting to severely curtail the SSPP's ability to connect with the UWSA or that the Burma Army is preparing for an assault on the UWSA. However, there is little evidence to support either of these theories. It is unlikely that the Burma Army would launch an attack on the UWSA, but it is highly likely that the Burma Army has embarked on an attempt to increase its control of ethnic areas ahead of any kind of nationwide ceasefire and thus weaken armed ethnic groups bargaining power.

The fall of Loi Zay would be particularly worrisome for the UWSA in any future agreement as one source quoted in SHAN notes:

From Loi Zay, you can see [the UWSA capital] Panghsang clearly. Loi Zay is just like a key to enter Panghsang. This is why the UWSA has a good reason to worry . . . they don't want Loi Zay to fall, . . .the Burma Army would gain an upper hand strategically³

A number of Shan armed ethnic group sources believe that the military is pursuing its own agenda in Shan State regardless of Government dictates. Despite this, in an attempt to ease tensions in the area, the Union Peacemaking Work Committee (UPWC) met with representatives of the SSPP in Tangyan early in May. Both sides released a joint statement confirming:

- To faithfully observe the agreements reached earlier both at the state and union level
- To peacefully resolve problems arising from deployment and movement of troops by the two sides
- To avoid imposing burden on the populace by unlawful actions
- To immediately meet and resolve in a transparent manner for every problems that give rise to mutual suspicions

But, as noted earlier, there is little evidence to support the ideas that clashes will cease. While there has been a decrease in the number of clashes reported in most ethnic areas, fighting continues to be reported - most recently in Northern Shan State. (see RCSS)

Politically, the SSPP/SSA has no particular objective and instead seeks guidance in such matters from the Shan Nationalities League for Democracy (SNLD). Consequently, it is unclear about the SSPP's future should there be an all-inclusive political dialogue. It is unlikely to give up its weapons and may, should a final agreement be realised, be incorporated into a single federal union army, or become one of the many militias that operate in Shan State.

THE RCSS AND THE PEACE PROCESS

The Restoration Council of Shan State (RCSS) has in total signed three agreements with the UWPC. The RCSS signed its first agreement with the Thein Sein government on 2 December 2011. Two further agreements were also signed on the 16 January and 19 May 2012. According to Shan sources there have been at least 80 clashes since the signing of the first agreement and this is primarily due to the fact that the Burma Army has failed to notify the RCSS of its troop movements in RCSS territory.⁴

Despite the signing of an agreement there appears to have been very little done in relation to addressing territorial boundary issues or the creation, by the RCSS, of a military code of conduct.⁵ The current agreement states that the Burma Army is allowed to operate in urban areas and roads while the RCSS is allowed to operate in villages and the countryside. Consequently, exact boundaries have not been delineated and remain unclear causing confusion to such a degree that RCSS Chairman Yawd Serk sent a letter, in March 2013, to U Aung Min of the UWPC addressing the issue. Sai Hseng Mong, RCSS spokesperson also noted that:

We must be clear about as to what and how the Burma army want to do exactly. According to the agreement signed, the government has given us some military zone and construction of our headquarters; but we are unable to make it yet. The terms of agreement clearly

mentions that the RCSS/SSA is to be active in the villages and forests, while the Burma army is confined to the towns and cities. A sudden fighting broke out when Burma army, without [us being] informed, [and they] intrude into our active areas such as forests and remote areas.⁶

Despite the letter and the continuation of clashes, there appears to have been little done to address the issue. One RCSS official noted that the military was out of government control⁷ a point acknowledged by U Aung Min:

. . . we have some difficulties between government and the army. Fortunately, now many of them have been solved. Sooner or later, we will be able to carry out the tasks

However, the optimism felt by U Aung Min in relation to controlling the army may remain misplaced - as Yawd Serk noted:

Initially I thought it was locally based Burma army officers and commanders were not fully aware of the ceasefire agreement with the RCSS/SSA. But our close monitoring and observation show that lower ranking officers and soldiers were not even interested or willing to fight. But they were forced to do so by higher ranking commanders. I think it is intolerable,⁸

Most recently the RCSS has found itself mired in conflict in Northern Shan State, although the reason for this may be due to local enterprise rather than ethnic struggle. On 9 May 2013, units of the Burma Army attacked the base of the RCSS/SSA Task Force 701 in Namkham Township on the Chinese Border. Local Burmese media stated that the reason for the attack

. . . was due to the SSA's territorial expansion, forcible recruitment and collection of illegal tax⁹

The area is notorious for its lucrative logging and narcotics trade and it is likely this was the main reason for Burma Army intervention in an area in which the SSPP, the RCSS, the Ta-ang National Liberation Army (TNLA), the Namkham Myoma militia and the Panhsay militia all operate. The latter, the Panhsay militia, led by Kyaw Myint, an MP in the Shan State Assembly, is believed to be a notorious drug trafficker. According to Maj Lao Hseng an RCSS spokesperson there were three possible reasons for the attack

1) The SSA Task Force base was on the Sino-Burma border, 2) The SSA was implementing a drug free zone and 3) The SSA base was also located close to the route of Shwe gas pipelines.

But, it is more likely to be the second. In April the Panhsay militia were attacked by a group comprised of troops from the RCSS, the SSPP, the TNLA and also possibly troops from the KIA. Three bases were destroyed and 55,171 methamphetamine tablets, 6 ½ viss (10.4 kg) of opium and one penicillin bottle of heroin were eventually burnt at the Task Force 701 H.Q. Considering the loss to the Panhsay militia and the influential position of its leader, it is more than credible that the presence of Task Force 701 is a hindrance to local business activities.

THE SNLD AND OTHER POLITICAL PARTIES

The Shan Nationalities League for Democracy (SNLD) is the most popular Shan political party in the country. Closely connected to the SSPP, the party, after the release of its Chairman Khun Htun Oo from prison,¹⁰ is believed to be the strongest political force in the country. Its main rival is the Shan Nationalities Democratic Party (SNDP), or White Tiger Party, which was formed to contest the 2010 election. The main difference between the two parties is the fact that the SNDP supports a fourteen state solution (turning all divisions into states) and is more business orientated. Whereas the SNLD wants to reform the constitution and achieve self-determination within the union.¹¹ In relation to the future, the SNLD has concerns in regards to the number of armed groups currently in Shan State, and believes the militias should be disbanded. In addition, the party believes that they need a common political consensus to amend the constitution, that a ceasefire needs to be put in place, and that the Burma Army should reduce numbers and recognize military boundaries.¹²

The political situation in Shan State remains somewhat convoluted. In addition to the main Shan parties the ruling Union Solidarity and Development Party, the National League for Democracy, and the National Unity Party are all vying for votes in Shan State for the 2015 election. Despite this however, the popularity of Khun Htun Oo among the local population is likely to see the SNLD takes most of the votes.

THE WA'S SPECIAL REGION 2 AND SHAN STATE

Recent concerns have also emerged in Shan State in relation to the UWSA. A number of rumours have emerged not only in relation to the UWSA's request for a Wa State, but also in relation to the purchase of new military hardware including the purported purchase of helicopters.

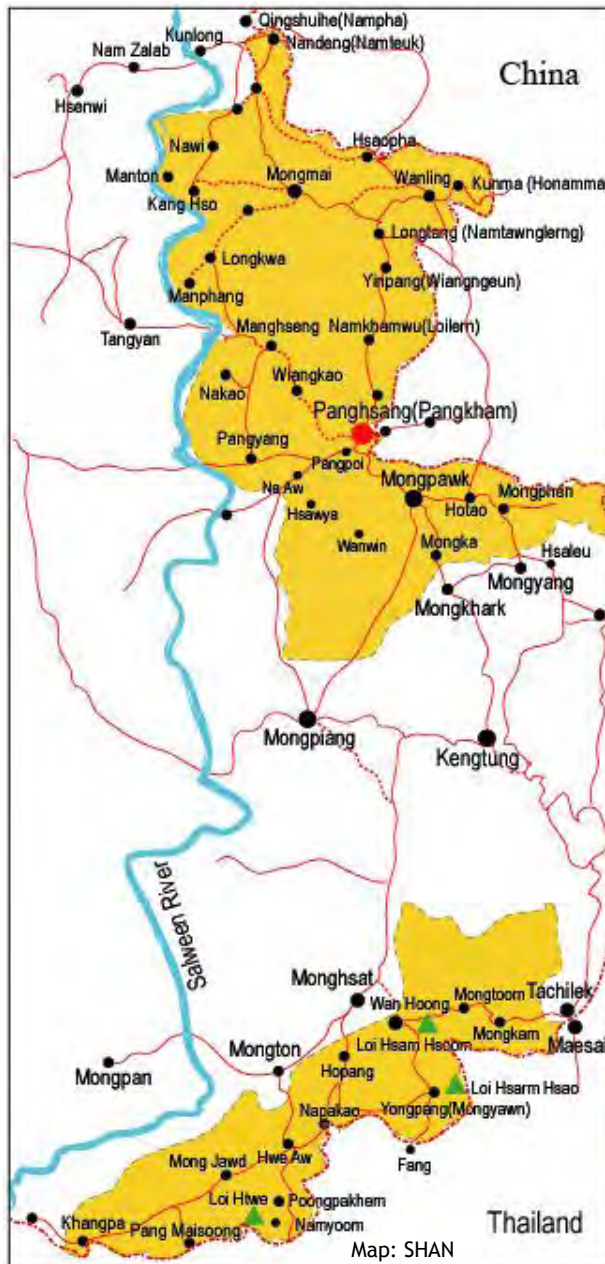
According to Shan Herald Agency for News (SHAN), Xiao Samkun, UWSA deputy chief of External Affairs, while attending the Shan-Karenni Trust-building for Peace conference in March 2013, broached the subject of an autonomous Wa State. According to the report:

'Xiao Samkun proposed [to] set up a Wa autonomous State. This sentiment has been aired to everyone who entered Wa region during the past few years. It is said that they have requested it since 1993. It seems that the Wa are determined to struggle for until it is materialized.'¹³

A further report by SHAN suggested that the matter was also mentioned by Xiao Samkun to the Government's chief negotiator, U Aung Min, on the side-lines of the conference:

. . . [Aung Min] was reported to have informed him that whether or not the Wa should have its own state must be decided by the Union Assembly

Territory claimed by UWSA



A further report from AFP reiterates the call for a Wa State according to one 28 May 2013 article:

‘The Wa self-administered region consists of six townships in the rugged borderlands of Shan state, but UWSA spokesman Tone Sann told AFP that the current arrangement was “not enough”.

. . . We want them to be acknowledged as a state,’ he said on the side-lines of a religious ceremony in northern Shan State.’¹⁴

Thus far such calls appear to have been made on the side-lines of various events and it is unclear how the Wa leadership envisions its future, either as a state or in the continuation of a special region.

In addition, a further issue occurs in relation to the Wa’s 171st Military Region which actually lies on the Thai-Burma Border. The region was set up by forcibly relocating more than 125,000 people from the northern Wa State to Mongton and Monghsat townships, opposite Thailand’s Chiangmai and Chiangrai provinces. Since its creation the 171st has consistently resisted orders by the Burmese Army to relocate back to the north.

Should calls for a Wa State be taken seriously then it is likely that the existence of the 171st Military Region will have to be sacrificed to gain a Wa State. A concession that is unlikely to be given at any time in the near future.

Perhaps, one of the biggest issues to have recently surfaced in relation to the UWSA in the rearming of the organisation by China. While such reports are extremely hard to verify they

have caused some concern in relation to the UWSA’s future. The main basis for the reports is Jane’s Intelligence Review which has a Bangkok based correspondent. In December 2012, the publication reported that China had supplied the UWSA with PTL02 Wheeled Tank Destroyers an allegation that the Chinese Embassy described as ‘ill-founded’ and ‘misguided’¹⁵ noting that:

The Chinese government holds a clear and consistent policy of respecting the sovereignty and territorial integrity of Myanmar¹⁶

In April Jane's also reported that the UWSA had purchased:

. . . several Mil Mi-17 'Hip' medium-transport helicopters armed with TY-90 air-to-air missiles to the Wa in late February and early March, according to both Myanmar ethnic minority and Myanmar government sources.

And that:

The Mi-17s reached the Wa-administered area by flying across the Mekong River from Lao rather than direct from China, according to one ethnic minority military source, who added that five helicopters had been delivered. A Myanmar government source confirmed that helicopters had reached the UWSA but said only two aircraft had been delivered.¹⁷

It remains unclear as to why the helicopters would have taken the circuitous route of travelling via Laos or whether permission for military helicopters to enter Lao air space had been given. According to one source, San Khun, from the foreign affairs department of the United Wa State Party, quoted in Burma's Eleven Media:

. . . the news was not true and the Wa did not receive any assistance from China. . . I don't want to say any more as the news was not true.¹⁸

The Chinese Embassy in Rangoon was also quick to deny the allegations in a 7 May statement:

The Embassy would like to express deep dissatisfaction over the repeated publication of unfounded information by the parties concerned as it will not only mislead the readers from Myanmar and abroad, but also discredit the strong efforts by the Chinese side to contribute to the peace process in Myanmar,

As a close and good neighbour of Myanmar, China has always played a constructive role for promoting the peace process in Myanmar by repeatedly calling and facilitating the realization of a long-term and complete cease-fire by a peaceful resolution of disputes and differences through political dialogue¹⁹

Thailand, which should be extremely concerned about the UWSA possessing helicopters especially in the 171st Military Region, was equally dismissive of the claims. One border security official stated that:

You cannot just ask China to send you gunships because the Burma Army has used gunships against the Kachins and the next target will probably be you and China says, 'Okay, here goes some gunships for you to defend yourself. It is not that simple.' . . . You need to send your officers to China first to familiarize themselves in handling the aircraft. That takes time, at least a year, unless China is ready to give you both the helicopters and their pilots.²⁰

Allies of the UWSA spoken to for this paper also stated they believe the allegations to be false. While there is little doubt that the PRC has provided weapons and training to the UWSA in the past, and continue to do so, there is little reason to believe the Chinese would risk sending military helicopters. Rather, it would appear that intensive media coverage not only of the helicopter sales, but also of the UWSA's request to have a separate Wa State could further heighten tensions in Shan State, and in a worst case scenario be designed to bring the Wa into conflict with the Government.

Notes

-
- ¹ Personal conversation with senior SSPP official, 10 May 2013
- ² 'No ceasefire for Shan army', SHAN, 19 April 2013
- ³ 'UWSA worries as tension between Shan rebels, Burma army grows' SHAN, 2 May 2013
- ⁴ 'Peace process: So many promises, few implementations', SHAN, 8 May 2013
- ⁵ Personal conversation with RCSS spokesperson 15 May 2013
- ⁶ 'We need a resolution for military dealings: Gen Yawd Serk's letter to U Aung Min', SHAN, 29 March 2013
- ⁷ Personal conversation with RCSS spokesperson 15 May 2013
- ⁸ 'We need a resolution for military dealings: Gen Yawd Serk's letter to U Aung Min', SHAN, 29 March 2013
- ⁹ Shan quoting the Myawady newspaper on Sunday, 12 May 2013 see also 'Liaison offices set up to prevent clashes: Shan leader to the military', 16 May 2013
- ¹⁰ Khun Htun Oo was jailed in 2005 purportedly for 'high treason' and 'inciting disaffection towards the Government'.
- ¹¹ Email correspondence with senior SNLD party leader, 23 May 2013
- ¹² Ibid.
- ¹³ 'Related to Wa representative's demand for autonomous state' SHAN, 22 March 2013
- ¹⁴ 'UWSA call for recognition of a Wa State', Mizzima, 28 May 2013
- ¹⁵ 'China denies selling weapons to ethnic army in Shan State', Eleven News, 29 January 2013
- ¹⁶ Ibid.
- ¹⁷ 'China 'sends armed helicopters to Myanmar separatists' Jane's Defence Weekly, 26 April 2013
- ¹⁸ <http://elevenmyanmar.com/politics/3302-uwsa-denies-it-acquired-armed-helicopters-from-chin> accessed on 31 May 2013
- ¹⁹ 'After Chinese Arms Allegations, UWSA Shows Off 'Thai' Military Hardware', The Irrawaddy, 14 May 2013
- ²⁰ 'Thai security: Wa denial of gunships deserves benefit of the doubt' SHAN, 15 May 2013