New Neighbors: Changing Relations with China, India and Thailand

Yun Sun
China’s strategic calculations and apparently unshakeable sway over Myanmar have been upended in the wake of recent political reforms.

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India has much at stake in its relations with Myanmar and has been recalibrating its diplomatic, security and economic approach.

Kavi Chongkittavorn
Why the rapid warming of relations between Thailand and Myanmar promises to be a game changer for Southeast Asia.

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Southeast Asia’s Game Changer: Thai-Myanmar Relations

By Kavi Chongkittavorn

THE RECENT DEVASTATING FLOODS in the central and northwestern regions of Myanmar were a perfect opportunity for Thailand to display its sympathy and desire for closer friendship with its western neighbor. Thai humanitarian assistance in all forms poured into Myanmar. In early August, the King and Queen donated five million baht (US$145,000) for the flood victims, a gesture followed by other members of the Thai royal family, in addition to numerous relief packages from Thai government agencies and civil society groups. Thai military planes were the only foreign flights delivering much-needed food and medicine in the flood-affected areas. Such well-publicized activities and friendly sentiment would not have been possible had Thai-Myanmar relations still been held hostage by more than five decades of mistrust. The “new trust” between the former arch enemies, which has been achieved only in recent years, is still nascent and faces numerous challenges in the years ahead.

With Myanmar’s return to the regional and international communities, its economic and strategic value has also increased greatly. Well-known firms and multinational companies have set up offices to take advantage of the region’s virgin, resource-rich market and huge population. Given Thailand’s unsettling political turbulence, Myanmar has inched ahead as a preferred place for investment. In terms of strategic imperative, major powers have already approached Myanmar to establish their footholds for the first time to capitalize on the new regional security environment. Now that Myanmar has emerged handsomely alongside Thailand’s long-established strategic position, the question is whether these two neighbours will be able to deepen their mutual trust and work together to support the centrality of the Association of Southeast Asian Nations (ASEAN), engaging outside powers and maintaining regional peace and stability.

NEW THAI-MYANMAR FRIENDSHIP AND TRUST

During the previous natural disaster wrought by Cyclone Nargis in May 2008, Thailand’s humanitarian efforts were hampered by Naypyidaw’s recalcitrance, even though Thailand was the first country to offer help during the catastrophe. It took more than a week before permission was given to provide assistance, amid the worsening humanitarian crisis and growing criticism from abroad. This time around, however, no time was lost in sending help to the flood victims. Myanmar exhibited a new attitude, offering a warm welcome to Thai relief teams. Three factors have contributed to this new atmosphere.

Beneath the media headlines, the Thai National Security Council has been assisting various representatives of Myanmar’s armed ethnic minorities with logistical support to travel from areas straddling the Thai-Myanmar border to inside Myanmar. In the past, such activities would have been considered subversive by Naypyidaw and retaliation would have been immediate. However, the warming of the Thai-Myanmar relationship since 2012 has enabled such overt collaboration. President U Thein Sein made clear when he took the reins of government back in March 2011 that one of his priorities was the country’s unity. Myanmar was eager to complete the nationwide ceasefire agreement with the armed ethnic groups before the election scheduled for Nov. 8 this year. Indeed, the prospect of a ceasefire deal enabled Thailand to play such a constructive role, at the same time quickly chipping away at the deep-seated mistrust between the Thai military and Myanmar’s Tatmadaw, or army.

Prior to this new-found rapport, Thai-Myanmar relations were characterized by so-called pood-pood laew, cheraja-cheraja (“talk-talk then negotiate-negotiate”) paradigm, from which both sides never expected any concrete results. Since the era of General Ne Win, Myanmar has never had an iota of trust in its neighbor, believing that Thai authorities had constantly tried to undermine Myanmar’s central government due to the presence of sizeable ethnic minorities living along the Thai-Myanmar border. That helps explain why bilateral co-operation over drug trafficking, illegal immigrants and border demarcation has never produced the desired outcome. What transpired between the two countries were mainly cross-border economic transactions, dealing with the mining of precious minerals and logging — some in disputed areas controlled by armed ethnic groups in exchange for Thailand’s security co-operation along the Thai-Myanmar border. This pattern of engagement has been going on for decades and intensified after the imposition of international sanctions against Myanmar in 1992.

The second factor is the personal chemistry between the Myanmar and Thai military leaders, which have pushed their relations to a new plateau. General Prayuth Chan-ocha, the Thai prime minister, chose Myanmar as the first foreign country to visit following his seizure of power in a coup in May 2014. He told President U Thein Sein that Thailand respects Myanmar’s national sovereignty and integrity and would never allow any armed minority groups to use Thai territory to undermine its neighbor. Such a timely assurance was much appreciated inside Myanmar. Since then, the two leaders have met several times at various regional and international meetings. Their relations have subsequently rubbed off...
Now that Myanmar has emerged handsomely alongside Thailand’s long-established strategic position, the question is whether these two neighbours will be able to deepen their mutual trust and work together to support the centrality of the Association of Southeast Asian Nations, engaging outside powers and maintaining regional peace and stability on several high-level informal meetings, including the Senior Staff Talks (SST), which enable the Thai-Myanmar military’s top brass to get acquainted and exchange views. Another new forum, The Navy to Navy Talks, was created early last year as part of confidence-building measures between the two navies, following numerous incidents at sea involving human trafficking.

In addition, despite the good rapport at top levels, both countries realized that more consultations and decentralization of decisions are needed at local echelons, especially at the township level. Now, the Township Border Committee is tackling a broad range of non-traditional security challenges, particularly the suppression of drug trafficking, the campaign to deter human trafficking, the question is whether these two neighbours will be able to deepen their mutual trust and work together to support the centrality of the Association of Southeast Asian Nations, engaging outside powers and maintaining regional peace and stability.

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After nearly a decade of consultation, on Aug. 11, 2014, Thailand and Myanmar agreed to waive visas for their citizens travelling by air. Early this year, Myanmar waived visas for the Philippines, Cambodia, Vietnam and Laos. This was prompted by Myanmar’s desire to promote tourism, which has brought in huge foreign exchange income since 2011. This visa-free arrangement is another clear barometer of the new confidence in their relations. Thailand, Myanmar, Laos and Cambodia are planning their own mini-Schengen visa to spur tourism to their countries.

More than 50,000 Myanmar migrant workers have been registered under the current government’s “One Stop Service” program, with co-operation from Naypyidaw. The registered workers can now go back to Myanmar and return to their jobs without penalty, thanks to improved bilateral relations. Discussions with the UN High Commissioner for Refugees have begun in earnest to repatriate the estimated 120,000 displaced persons, mainly from Karen and Shan minority groups, who have been living in several border camps spread along the Thai-Myanmar border.

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**CROSS-BORDER CHALLENGES**

Thailand shares land borders with four countries — Laos, Cambodia, Malaysia and Myanmar — but the Thai-Myanmar segment is the longest, at 2,400 kilometers, and the most problematic, because most of the boundary has yet to be demarcated due to mutual negligence since 1962. With improved bilateral ties, both countries have been able to meet and set priorities over a series of meetings at national and provincial levels. Surprisingly, issues related to border management, human-resource development, anti-drug and human smuggling, repatriation of displaced persons and workers have been identified as their top priorities.

As the Dec. 31 launch of the ASEAN Economic Community approaches, Thailand and Myanmar have realized that concerted efforts are needed to manage the porous border to promote cross-border trade and facilitate people-to-people contacts to ensure that their economic integration into the broader region will be smooth.

Early this year, Thailand set up the first of its five special economic zones around the country in Mae Sot Province to promote cross-border trade and investment. By the end of this year, there will be a total of 10 permanent border checkpoints, along with 14 temporary border passes. Both sides are also considering using e-border passes to facilitate mutual border crossing. Currently, the border pass covers areas beyond the immediate border vicinity on both sides to include nearby provinces.

As part of the economic co-operation in the sub-regional group known as the Ayewaddy-Mekong-Chao Phraya-Economic Co-operation, Thailand, Myanmar, Laos and Cambodia have to promote trade and investment facilitation, a national single window and contract farming. Between Thailand and Myanmar, contract farming is just beginning. This could be a new lucrative area for bilateral trade. Two-way trade volume last year was about US$6 billion, which is considered minuscule considering the sizeable population and markets on both sides.

Beyond the bilateral scope, growing confidence and closer ties among the top leaders of Thailand and Myanmar have convinced Japan to step in, after years of recalcitrance, to provide financial assistance to the long-delayed Dawei special economic zone. This is part of the broader East-West corridor that will link Dawei with road networks snaking through Thailand’s Laem Chabang Seaport and then move on to Cambodia and southern Vietnam. India has already expressed interest in investing in the project.

Thailand is hoping that the current state of relations will remain unchanged after the results of the November election, so both sides can now really sit down and tackle pending bilateral issues, which requires excellent ties and strong political will. Obviously, with the current Thai leaders still in place, they would have preferred the return of President Thein Sein.

**MYANMAR’S ROLE IN ASEAN**

To prepare Myanmar for its membership in ASEAN after being admitted in 1997, Thailand was the most active country in providing training and internships for Myanmar officials working on issues related to ASEAN. Singapore and the Philippines, meanwhile, helped Myanmar with English-language skills. Unlike the baptism-by-fire experience of Vietnam, Cambodia and Laos, Myanmar had 14 years to prepare for its first ASEAN chairmanship in 2014, after it opted to bypass that role in 2005 due to domestic uncertainties and a lack of preparedness. As chair, Myanmar played a leading role in uniting ASEAN’s position on the South China Sea, violent extremism and the Ebola pandemic. The ASEAN chair issued four separate statements on
the maritime disputes with strong language —
the largest number after the conflict was inter-
nationalized in 2010.

Most important, Myanmar managed to host
the largest gathering — with 3,000 representa-
tives — of ASEAN-based non-governmental
organizations ahead of the ASEAN summit in
April 2014, something nobody expected the host
would be able to pull off. Since 2005, the ASEAN
chair has been mandated to organize an inter-
face between ASEAN leaders and representa-
tives of ASEAN-based civil society groups. The
better-than-expected outcome of its chairman-
ship has greatly boosted Myanmar’s engage-
ment with ASEAN and the international commu-
nity. For instance, Myanmar has played a lead-
ing role in establishing small- and medium-sized
enterprises (SMEs) as a driving force in job crea-
tion and economic progress. The current chair,
Malaysia, is working on action plans to further
develop SMEs. As a part of the so-called CLMV
(Cambodia, Laos, Myanmar and Vietnam), Nay-
piyidaw is also constantly calling for deeper assis-
tance to bridge the gaps between them and the
rest of ASEAN.

Indeed, vast changes, especially those related
to political reforms, that have been taken place
in Myanmar have put pressure on conservative
ASEAN members such as Vietnam, Brunei and
Laos. Myanmar was the fifth member to establish
membership in ASEAN, to ensure “free and fair” elections, much
to the chagrin of its colleagues.

Myanmar’s role as ASEAN chair would have
been without blemishes if the controversial issue
of the Rohingya had been included on the ASEAN
agenda. Indonesia, Malaysia, Thailand and Bru-
unei repeatedly urged Myanmar to take up this
challenge and find a durable regional solution.
Despite ASEAN pressure, Naypyidaw argued
that the issue was an internal problem in which
ASEAN members must not interfere. Back in 2012,
at the height of the crisis, when communal con-
flict had broken out in Rakhine State where the
Rohingya minority ethnic group primarily live,
cauing hundreds of deaths and driving 125,000
refugees out to sea, ASEAN had called for a spe-
cial ministerial meeting to discuss the issue, but
this was immediately rebuffed by Myanmar.

However, during the first quarter of 2015, the
influx of boat refugees from the Gulf of Bengal
and the Indian Ocean to Malaysia and Thai-
land prompted countries in the region to work
together to stem the flow of boat people and save
those stranded at sea. At the end of May, Thai-
land called for a regional conference to address
the so-called “irregular migration,” avoiding
the use of the taboo word “Rohingya” in order
to appease Myanmar. As a result, Naypyidaw
decided to take part in the conference. The ensu-
ing conference document said that there is a
need for comprehensive prevention of irregular
migration, smuggling of migrants and trafficking
in persons. Most important, the Bangkok confer-
ence managed to get all the participants, includ-
ing Myanmar and Bangladesh, to address the
root causes and improve the livelihood of at-risk
communities. Thailand hopes that in the com-
ing months, all concerned countries will contrib-
ute financial and other resources to help stem the
flow of irregular migrants.

A NEW REGIONAL GAME-CHANGER
Since the 1960s, Thailand has played a central
role in the US-led security strategy in the Asia-
Pacific region. As one of America’s five alliances
in the region, which include Australia, Japan,
South Korea and the Philippines, its central loca-
tion in mainland Southeast Asia has made Thai-
land one of the most indispensable strategic part-
ners. During the Cold War, it was the bulwark
against the threat of communism. However, with
the fall of the Berlin Wall in 1990, the US-domi-
nated regional strategic environment began to
change, with other major powers contesting for
more influence — namely, China, Russia and
India. As far as the region is concerned, the rise
of China has posed a direct challenge to Ameri-
ca’s long-standing military supremacy.

Following the US rebalancing policy at the
end of 2011, Washington has worked diligently
to push Myanmar further for more development
and democratization. From Myanmar’s per-
spective, Washington’s overture was timely and
served both its internal and external agenda, as
part of the ongoing economic reforms and the
effort to win broader public support. After halt-
ing the multi-billion-dollar China-built Myson
Dam in Kachin State in September 2011, My-
nan has not shied away from lessening its
dependence on its longstanding patron in Beijing.
In reality, though, such actions impact very little
on the overall China-Myanmar relationship.

The economic reforms, followed by political
openness, have enabled Myanmar and the US to normalize their ties. Washington views the betterment of its relations with Naypyidaw as essential to countering China’s growing influence in Myanmar and ASEAN as a whole. In addition, the US desire to halt co-operation on nuclear and missile technology between Myanmar and North Korea also accelerated the normalization of US-Myanmar relations. As it has turned out, US-Myanmar relations continue to move forward amid growing criticism of human rights violations and the mistreatment of Muslim communities in Rakhine State. Indeed, the Obama administration has time and again credited Myanmar’s dramatic transformation to its own foreign policy initiatives.

With the unsettling political climate in Bangkok, Thai-US relations have been frozen following the May 2014 coup. Except for the annual Cobra Gold military exercise, other bilateral engagements have been suspended. Only low-level diplomatic contacts between the two countries have been allowed, despite calls from the US defence and business sectors to engage Thailand more substantially. However, US law does not allow any official contact with any country’s government that has been installed through a coup. Critics of the US stance fear China will exploit this vacuum and further strengthen ties with Thailand, especially to beef up defence co-operation and increase arms procurement, which could include submarines.

As the US and China intensify their efforts to woo Myanmar and Thailand, it is imperative that their leaders understand the realpolitik being played out at the moment. As long as the current leaders remain in power, the Thai-Myanmar status quo will continue. However, with elections in their respective countries, new domestic situations could emerge in the future that could easily alter the prevailing foundations. As such, it will weigh heavily on bilateral ties that will depend directly on their perspectives and engagements with major powers.

More than the US administration would like to admit, the opening up of Myanmar has provided Washington with a new opportunity to explore an alternative game-changer for the first time in mainland Southeast Asia. Sandwiched between two Asian giants, India and China, Myanmar commands a high strategic value. That helps explain why the US has moved fast to include Myanmar in the Cobra Gold exercises beginning in 2013. At the moment, its participation is still limited to healthcare and human resource training. It would surprise no one if Myanmar is soon allowed to join most, if not all, of the exercises.

CONCLUSION
As two Buddhist-majority nations sharing a long, common border, Thailand and Myanmar will serve as twin pillars for peace and stability in mainland Southeast Asia in the future. For the first time since Myanmar regained its independence, its bilateral ties with Thailand have achieved an unprecedented level of normalcy. As members of ASEAN and several sub-regional organizations, bilateral and collective co-operation in all areas will be further strengthened. With the expansion of cross-border connectivity that links up with regional networks, including the East-West corridor, Myanmar’s economic growth and integration with the region will accelerate. As Thai-Myanmar relations become more dynamic, they will become mainland Southeast Asia’s most important strategic partners in ASEAN and beyond.

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