

Conflict and Development in the Myanmar-China Border Region

This report by **Kachinland Research Centre** explores political, economic and conflict dynamics along Myanmar's northeastern border with China. New research highlights how increased cross-border flows of investment and commodities interact with deeply rooted conflict histories, and how local communities, ethnic armed organizations, militia groups, the Myanmar military and Chinese businesses interact in everyday life.

Key findings based on data collected in 2020-2021:



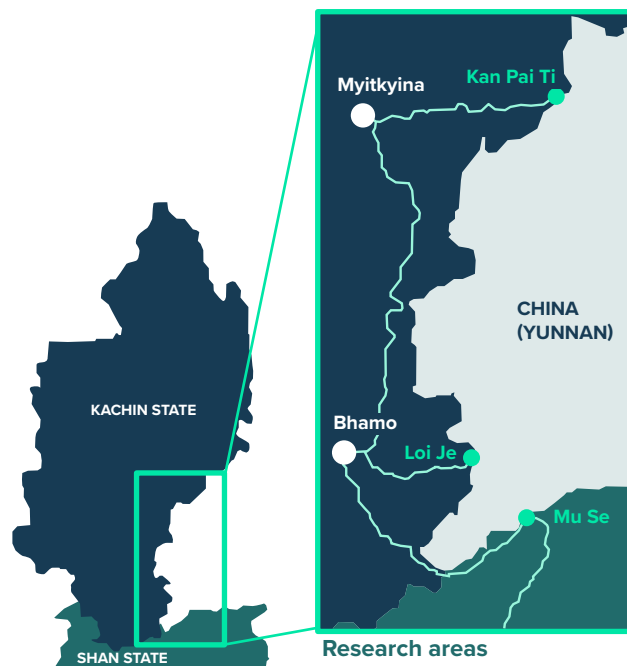
Instability and conflict led to underdevelopment and political fragmentation in border areas. Different armed actors and new militia groups emerged, establishing profitable businesses and generating revenue from maintaining control over local economies. Renewed conflict following the 2021 military coup and Covid-19 pandemic have led to deteriorating conditions in the border regions, highlighting unresolved fragility.



Following the earlier transition to market economies in Myanmar and China, trade intensified in both directions. Affordable Chinese consumer goods flooded Myanmar's border regions. Chinese businesses and authorities hold significant influence over the political economy in ways that marginalize communities in Myanmar. The rise in Chinese influence has divided local opinion.



The boom in border trade has enabled Myanmar authorities to improve and expand transport and trade infrastructure into the border regions, though political contestation between central authorities and armed groups has led to uneven social development and welfare support. Local communities also experienced environmental destruction, loss of land and corruption among authorities.



Recommendations for national and local authorities, civil society and the international community:

- ▶ Protect the livelihood interests of local communities in the face of growing Chinese business influence and megaprojects in border areas.
- ▶ Introduce economic policies that facilitate the growth of domestic markets and light industries in Myanmar, to create more job opportunities for local populations.
- ▶ In constructing border economic zones, take into account the long-term development needs of local communities, including social welfare.
- ▶ Work together with civil society to advocate on behalf of local communities to national and local authorities.
- ▶ Support independent research on the Myanmar–China border region to address the absence of reliable public data on the impacts of megaprojects and economic development initiatives.
- ▶ Provide local communities with awareness training and workshops on legal, human rights, political, economic, and gender inequality issues.
- ▶ Support skills training for youth populations that will enable them to access jobs, develop business acumen, and have increased awareness of local risk factors, including drug use.

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