COVID-19 AND CONFLICT IN MYANMAR
BRIEFING PAPER SERIES

No. 2

HOW COVID-19 AND CONFLICT INTERSECT
IN KACHIN STATE

October 2020

The Asia Foundation
SMART PEACE
HOW COVID-19 AND CONFLICT INTERSECT IN KACHIN STATE

This short briefing paper is the second in a series of practical notes prepared by The Asia Foundation as part of Smart Peace, a global initiative which combines the expertise of consortium members to address the challenges of building peace. Smart Peace works in Myanmar, Central African Republic and Nigeria, seeking to combine peacebuilding techniques, conflict analysis, rigorous evaluation and behavioral insights. The resulting lessons will help communities, international organizations and governments to implement peace strategies with greater confidence. Smart Peace is funded by the UK Government.

At a glance…

Myanmar’s Northernmost region, a zone of long-term violent conflict, rising geopolitical tensions, and great natural resource wealth, has thus far been spared the worst of Covid-19. The pandemic has also not had a marked effect on Kachin State’s conflict dynamics. But maintaining these positives is a challenge: livelihoods are shattered and formal negotiations between conflict parties are now on pause for the November election and subsequent government transition. This paper explores the pandemic’s early impact on life, conflict and peace, community organization, and local economies in this region.

- Kachin State faces particular risks associated with its long land border with China, its high population of displaced people living in over 170 camps, and recurring conflict since the breakdown of a ceasefire in 2011. 140 cases of Covid-19 had been identified across four clusters in the State in the first six months of the pandemic. The response infrastructure is weak, and there has been no sustainable cooperation or coordination between the government and Kachin Independence Army/Organization (KIA/O). Destroyed rural livelihoods are unlikely to recover soon, and the economic crisis could exacerbate social strains.

- The pandemic has unfolded against a backdrop of decreasing levels of active conflict between the KIA and Tatmadaw. There are also promising signs of improved relations between sub-ethnic minority groups. However, conflict risks remain high in neighboring Northern Shan State. The elections are a potential flashpoint, particularly if they are seen as unfair or are cancelled in parts of the State. Relations may deteriorate further as conflict resolution efforts are paused.

- Kachin State is ground zero for geopolitical struggles and domestic debates about the influence of China. The convergence and intersection of broader foreign strategies with local conflict dynamics affects both the pandemic response and conflict resolution efforts.

- The major burden of assisting Kachin people has fallen on community networks and organizations. These networks have for years suffered from insufficient resources and because sustainable political solutions to systemic issues seem unachievable. Faced with a global pandemic, they run the risk of being overwhelmed. Any redirection of much-needed international development and humanitarian support away from Kachin communities could provoke further vulnerability. In Kachin State, donors must prioritize mitigating the potentially disastrous impact of the pandemic on livelihoods, civic networks, and the social fabric of conflict-affected communities. While addressing the impacts of the pandemic, they should be alert to the risks of compromising longer-term interventions related to conflict resolution.

1 Kachin Independence Army (KIA) refers to the armed wing, and Kachin Independence Organization (KIO) represents the civilian and administrative side, of the largest and most influential ethnic armed organization in Kachin State. Hereafter, KIA is used to refer to the entire group.
A Covid-19 Crisis Avoided, but Risks Remain and Preparation is Inadequate

Initial fears that Kachin State would be hit hard by the Covid-19 pandemic have so far not materialized. An initial shock, primarily economic, was felt when China closed its own borders in January 2020, long before the rest of the world began to feel the effects of the virus. Despite its long border with China, the return of thousands of migrant workers, and the poor conditions of camps housing almost 100,000 internally displaced people, in the first six months of the pandemic 140 individuals across Kachin State had tested positive for the virus.²

When the outbreak was officially announced in Myanmar, almost everything else was put on hold — the peace process, most of the fighting, even interest in the forthcoming national elections. Preventive measures initiated by Kachin State government, the KIA and local communities between March and September included a strict lockdown and compulsory quarantine for returning migrants, implemented and monitored at varying levels.³ The closure of the border with China and restrictions on movement and work have had devastating effects on local livelihoods.⁴

The KIA and Kachin State government formed their own response committees between February and April to address the pandemic in areas under their control. In areas outside of its control, the KIA has been working with civic networks, in particular the Covid-19 Concern and Response Committee-Kachin. When tensions arose between the KIA and the Kachin State government in May, this group helped coordinate between them, after which the Tatmadaw (the national military) donated a modest amount of personal protective equipment and hand sanitizer to the KIA.⁵

Most assessments of the response in Kachin State so far conclude that local civil society networks and humanitarian agencies have reacted most effectively, working with vulnerable rural and internally displaced communities. This is evidence of their many years of experience addressing conflict-related vulnerability and local development.⁶ Kachin aid workers interviewed by The Asia Foundation commented on the poor quality of Kachin State’s public health system, which they compared unfavorably with hospitals run by the KIA in Laiza and Majaiyang.

Challenges to Coordination

Attempts at coordination between the Kachin State government and the KIA over the pandemic response have been difficult and, on occasion, tense. While civic efforts to mediate between them may help, this cannot ensure effective, consistent, sustainable coordination between the two sides. For the time being, the KIA is likely to depend on support for its Covid-19 response from civil society, Western donors, and Chinese actors.

⁵ The Peace Talk Creation Group also assisted in this effort. ‘Supplies for prevention, control and treatment of COVID-19, foodstuffs donated to KIO/KIA [Group]’ in Myawady, 21 May 2020, p.18.

In Kachin State, as elsewhere, the State government and ethnic armed organizations (EAOs) have sought to leverage Covid-19 interventions to enhance their political legitimacy. Rather than improving much needed services and collaboration, the focus has been on optics and point-scoring. This connects with a broader national trend of tension between state and non-state actors around pandemic response and communications.

A particular challenge to peacebuilding and pandemic efforts in Kachin State is the nebulous boundary between the two governance systems. Given that large areas are of mixed or contested authority, confused or blended support efforts can make it challenging to target initiatives effectively and risk diluting their impacts. Restrictions related to the government’s categorization of the KIA have prevented medical supplies from reaching many communities in Kachin State. Tatmadaw checkpoints discourage civilians from accessing government health services. As these restrictions persist, the gulf between Kachin communities and decision-makers in Nay Pyi Taw widens, with conflict-affected communities bearing the brunt of these political challenges.

Kachin State’s Increasingly Complex Conflict Dynamics

In the midst of the Covid-19 crisis a grim milestone was reached: the ninth anniversary of the breakdown of the Kachin ceasefire (1994-2011). That event led to the displacement of over 100,000 Kachin civilians, most of whom remain in camps today. Decreasing instances of armed conflict since 2011 culminated in a relatively quiet lockdown period earlier in 2020, with few reports of fighting or irregular troop movements by either the Tatmadaw or KIA. However, evolving conflict dynamics mean only an uneasy calm prevails as Covid-19 cases begin to rise again across Myanmar. Tensions between the KIA and Tatmadaw persist. Evolving conflict and political dynamics could lead to a more combustible environment, further complicating community and public health responses to the pandemic.

Mistrust and Inflexibility Set Back Peace Negotiations

The inclusion of the KIA in formal peace talks has so far been missing. It has long been a target of the government for inclusion in the Nationwide Ceasefire Agreement (NCA), since it had been a key part of the negotiations in 2015, but ultimately backed out. Today, the KIA, a member of the Northern Alliance group of non-NCA signatory EAOs, is critical to any solution involving the Arakan Army (AA) and Ta’ang National Liberation Army, the two Alliance members most actively engaged in combat against the Tatmadaw. Seeking a mutually agreed settlement is more vital than ever.

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7 For an example, see U Zaw Zaw, Director Kachin State Government, ‘Open Letter to KIO COVID-19 Prevention Committee’, 15 May 2020 (Translation by the Asia Foundation).
11 The Nationwide Ceasefire Agreement is the first attempt at a multilateral negotiated end to hostilities in Myanmar. Signed in 2015, the tripartite structure sees EAOs, the government and Tatmadaw, and elected political parties negotiate a set of Union Peace Accords that are ultimately intended for inclusion in a new constitution. In 2020 the NCA had been signed by ten EAOs.
Formal peace discussions had been curtailed even before the pandemic and the expected hiatus surrounding the election period. There is a sense that a sustainable solution is a remote prospect, complicated even further by the politicization of pandemic responses. The KIA declined to attend the fourth Union Peace Conference in August. In an interview with The Asia Foundation, a KIA officer noted that its representatives would only attend if all four Northern Alliance members were invited, if Chinese authorities attended as witnesses, and if the talks were based on public consultations. These conditions were never likely to be met but the lack of any response from the government reinforced the KIA’s reservations about its commitment to multilateral processes.

While its membership in the Northern Alliance remains a touchstone for both the KIA and the Tatmadaw, Kachin ties to the AA are increasingly fraught. Following the government’s designation of the AA as a terrorist organization, the Tatmadaw Northern Commander warned the KIA to have nothing to do with the AA and to expel its personnel from KIA bases. So far, this has not resulted in overt military pressure on the KIA strongholds of Laiza and Majaiyang. The KIA seeks to mitigate any potential fall-out, insisting its relationship with the AA is one of “political solidarity”.

Instability in Northern Shan State

Conflict dynamics in Kachin State cannot be understood in isolation from the volatile situation in Northern Shan State, as illustrated by recent events. The putsch against the Khaung Kha-based militia in March and April created a power vacuum around Kutkai, and generated perceptions of greater vulnerability among local Kachin communities as the militia had previously afforded them protection. In June, fighting between the KIA and Tatmadaw was reported in Kutkai and Muse Townships in Northern Shan State. While relative peace can be maintained inside Kachin State, conflict that flares in adjacent areas further frustrates a peaceful settlement, as the KIA insists on ensuring security for communities under its authority there.

Sporadic fighting has continued between the Tatmadaw and other ethnic armed groups in Northern Shan State, including Kachin allies, the Ta’ang National Liberation Army and the Myanmar National Democratic Alliance Army. The presence of several thousand displaced persons in Northern Shan contributes to instability in both States, as Kachin and Shan ethnic communities live on both sides of the border. The region is experiencing heightened levels of militarization, with myriad armed actors engaged in a range of largely illicit business activities through murky networks of contacts across the Chinese border. These dynamics, together with the intersection of the China Myanmar Economic Corridor through the region, lead to multiple horizontal and vertical power struggles in Northeast Myanmar, complicating the search for sustainable solutions to conflict drivers.

Intra-communal Dynamics in Kachin State

Internal tensions between clans and religious groups in Kachin State have reportedly stabilized since March, as communities have prioritized Covid-19 responses. As travel and public gatherings ceased in the first few months of the pandemic, there was a notable reduction in tensions between Jinghpaw and

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12 The Asia Foundation interview with KIA official, Chiang Mai, 29 June 2020.
13 The Asia Foundation interview with KIA official, Chiang Mai, 29 June 2020.
Shanni communities. However, the killing of two Shanni youth by KIA soldiers in July sparked renewed criticism of the KIA’s perceived unchallenged status across the State and its long-standing practices of enforced recruitment and taxation of all communities, regardless of their ethnicity or support.¹⁵

Kachin State is far from homogenous and outside actors must be alert to the complexities around seeking negotiated peace agreements and sensitive to envisioning future governance scenarios that benefit all communities. The first phase of the Covid-19 crisis may have offered some respite in active conflict, but this is unlikely to last as communities react to new and harsher economic and social realities, and as the effects of the elections and their results unfold. International actors supporting the Covid-19 response or promoting peace must be aware of the shifting dynamics between different sub-ethnic groups and internal Kachin dynamics, even as they focus on the complex relationships between the KIA and other ethnic armed groups, and escalating violence in Northern Shan State.

Geopolitics and the Challenges for Covid-19 Responses

“We are all aware of the economic delays caused by Covid-19 and our situation being placed between the power struggle of two geopolitical powers. It is [a] worrying predicament for our nation that has a lot of conflict.”¹⁶

Competing interests have gradually escalated in Kachin State, particularly between Western powers, Japan, and China, since the breakdown of the ceasefire in 2011 and ensuing humanitarian crisis. The situation is further complicated by events in Rakhine State, on the other side of the country, and by increased global scrutiny of the ways in which Myanmar’s government handles conflicts. China and the United States posit each other as threats to Myanmar’s sovereignty, and Rakhine and Kachin States are their preferred examples of the other’s duplicity. A war of words that broke out recently between their two Yangon embassies highlighted the depth of mutual hostility.¹⁷ Their efforts to exert influence, consolidate or otherwise jockey for position, have a marked effect on the peace process, conflict resolution efforts, and the delivery of effective support for victims of the conflict, as well as debates and decisions about economic and environmental conditions. In this region, broader foreign strategies converge and intersect with local conflict dynamics. These tensions will impact pandemic recovery responses.

Chinese authorities view Kachin State and the border areas of Shan State to be within their sphere of influence.¹⁸ The area is vital to the completion of the China Myanmar Economic Corridor, a major component of the Belt and Road Initiative, which includes significant infrastructure upgrades and the construction of Special Economic Zones. These projects have suffered from negative public opinion since the massive civil society backlash against the Chinese-led Myitsone Dam project in 2011. Japan and the US seek to contain Chinese influence in Myanmar. In 2019 the government of Japan pledged $5 million through the Nippon Foundation to help resettle internally displaced people, purportedly at the request of

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¹⁵ ‘Shanni Community Demands Justice For Students Killed BY KIA’ in Network Media Group, 26 July 2020.
the Commander in Chief, Senior General Min Aung Hlaing. This is perceived by many as an attempt to expand their influence and to rival China through aid support, including in relation to the peace process.19

Western governments have not stayed on the sidelines, highlighting Kachin State as one of Myanmar’s most significant humanitarian crises and directing support through a number of large bilateral and multilateral funds and program frameworks. The EU-funded, USD 22.8 million, seven-year Durable Peace Program focuses on Kachin and Northern Shan States while the HARP Facility, a four-year, USD 140 million fund by the UK government, includes the Northeast as one of its three geographical focus areas. The US government directs some support through multilateral funds and UN projects targeting peacebuilding, livelihoods support and healthcare. In addition, it reports significant direct spending in Kachin State on humanitarian and development support.20

Chinese influence over the KIA is widely reported, as is Japanese encouragement of formal peace engagement, and broad Western influence over and technical support for the formal contours of the process. None have had a significant impact and Kachin State seems to be no closer to durable peace despite these interventions.21 Geopolitical tensions are increasingly at the forefront of public discussion. Kachin leaders have claimed that the Chinese Ambassador has threatened them with ‘serious consequences’ if they move too close to the West.22 Increasing involvement by Chinese authorities in local political and humanitarian issues could heighten risks to already vulnerable populations if regional conflict escalates.23 Caught between the pandemic and global geopolitical competition, local actors are wary.

Findings from the Early Covid-19 Response in Kachin State

The first six months of the pandemic in Kachin State have revealed critical lessons for the months ahead. As elsewhere, people will find it challenging to recover from the disruption to mobility and livelihoods. The devastating effects of the Covid-19 crisis will continue with or without another lockdown and will be exacerbated if Kachin State should see greater outbreaks.

Such uncertainty risks breeding ad hoc, arbitrary responses. In crises, aid organizations that prioritize urgency may lose sight of the unforeseen impacts of their interventions. Whilst changing course to respond to new needs is understandable and provides critical relief in the face of increased vulnerability, prioritizing short-term pandemic responses over longer-term interventions is likely to dilute the impact of both in this complex environment. The defining challenge of the coming months will be addressing the risks and impacts of the pandemic without compromising on peace and conflict issues.24

Delivering Effective Community Support

The Kachin State government continues to provide emergency subsistence support, though it is insufficient and limited mainly to the urban population. The assistance provided by the community-led Covid-19 Concern and Response Committee-Kachin, local civil society organizations, churches, and

19 Yuichi Nitta, ‘Japan offers $5m for refugee resettlement in Myanmar’s Kachin’ in Nikkei Asian Review, 1 January 2020.
20 USAID Burma and Bangladesh Regional Crisis Response Fact Sheet #4, Fiscal Year 2020.
23 ‘Myanmar receives initial contribution of 4 mln yuan for resettlement of Kachin IDPs’ in Global New Light of Myanmar, 6 August 2020.
24 This section draws on interviews and primary research conducted by The Asia Foundation in Mohnyin, March 2020, and remotely, July 2020.
humanitarian organizations have tended to be one-off deliveries of essential food items. Missing so far is a coordinated assessment of who is being left out of the various relief and support efforts. Civic networks are doing the lion’s share of the work. Donor interventions should support, rather than overwhelm them or over-burden their already stretched capacity.

Any new initiative in Covid-19 response in Kachin State must prioritize gender-based needs. Women’s rights groups reported that the government had no gender guidelines for quarantine centers. In one government facility at a public bus station, men and women shared rudimentary quarters and at least one case of sexual violence was reported. Drug addiction remains a widespread problem in Kachin State. Supplies and prices of the widely used yaba tablets have fluctuated, contributing to social tensions. These challenges must be addressed sensitively with well-informed context specificity.

**Supporting Devastated Livelihoods**

In Kachin State’s 170 camps for those displaced by conflict the broader challenges of responding to Covid-19 intersect with debates about the future of the camps and the current challenges of sustaining them and supporting their inhabitants. The main burden of assisting displaced persons and several thousand migrant returnees from China, Thailand, and other parts of Myanmar has fallen on Kachin civil society and aid groups. These groups highlight urgent needs for basic health and safety provisions, as well as greater psychosocial support to target increasing stress around the lack of safety and impossibility of social distancing in camps. An even more acute divide between camp residents and local communities in both government- and KIA-controlled areas has been observed. At the same time, pressures from Chinese actors seeking progress on investment projects in the region may lead the government to make premature decisions around solutions for displaced communities, risking further harm in future. Camps, the people in them, and their status are a critical element of conflict dynamics in Kachin State.

**Signs of Disruption to the Local Economy in Kachin State**

- Paddy prices have registered a drop of up to 40%, to 5,000 MMK (USD 3.80) per basket, threatening many farmers’ abilities to repay loans, prepare for the upcoming planting season, or insure themselves against future economic shocks.
- Large-scale cattle traders continue to transport livestock, albeit at a much-reduced volume, through KIA-controlled territory to buyers in China. Small-scale traders who cannot take this risk are unable to export.
- Lockdowns and restrictions on movement also significantly affect the mining sector. Hpakant, the world’s largest source of jade, has been in total lockdown, stranding many migrant workers, with knock-on effects on local food prices. Recent landslides in mining areas underscore high risks of danger to workers. Reports indicate that illegal mining enterprises in Kachin State

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25 A robust assessment of the conditions of internally displaced persons camps in KIA-controlled areas was developed by the Joint Strategy Team, *Rapid Assessment on COVID-19 and the humanitarian situation connected with COVID-19 in KIO Controlled Areas (KCA)*, 18 June 2020.
26 The Asia Foundation interview with Kachin women’s rights organization, Myitkyina, May 2020.
28 JST, 18 June 2020.
29 ‘Union Minister Dr Win Myat Aye holds meeting on resettlement of IDPs in Kachin State’ in Global New Light of Myanmar, 24 July 2020.
continue to operate, driving further divisions on the ground and complicating prospects for seeking peaceful resolution to conflicts.

Across the State, the most profound impact of the pandemic response — largely due to the closure of the border with China, the lockdown, and the restrictions on movement — has been on livelihoods and, at times, food security. Prices of rice, pulses and oil have returned to normal according to market monitoring by the World Food Program, but the initial spike demonstrates volatility connected to pandemic-related disruptions.\(^{30}\) Low or no incomes during this period have resulted in lower levels of disposable income. There have been reports of people in Waingmaw venturing onto abandoned Chinese-owned banana and watermelon plantations to access abandoned fruits and vegetables.\(^ {31}\) Discussions around higher-level investment projects in Kachin State continue despite restrictions on movement curbing the activities of communities and organizations on the ground.\(^ {32}\) This type of perceived injustice could risk further escalation to tensions between marginalized local communities and national actors.

For farmers, selling their produce has become more challenging. Routes to important Chinese markets, which represent a huge portion of trade into and out of Kachin State, remain vulnerable to sudden closure, as has happened several times since January. The border was initially closed on the Chinese side in January, then also on the Myanmar side during the virus’ first wave in Myanmar. After reopening in August, Chinese authorities again restricted border activity, due to an outbreak in the Chinese city of Ruili.\(^ {33}\) This kind of response could conceivably continue to affect Kachin and Shan States for months, restricting the movement of people, consumer goods, agricultural and extractive commodities.\(^ {34}\)

With another wave of Covid-19 sweeping Yangon and Southern parts of the country, Kachin State also remains at risk. There, the next phase of the pandemic will play out in an altered political and economic environment. Recent improvements in conflict relations may prove unsustainable as tensions escalate in Northern Shan State, and the Tatmadaw is further pressured by the Arakan Army in Rakhine State. Geopolitical concerns and the approaching elections place added strain on the possibility of constructive collaboration between stakeholders. Meanwhile, the pandemic has decimated local livelihoods and further tests the resilience of hundreds of thousands of people who are already highly vulnerable. Existing coping mechanisms and the ability of local humanitarian and civic networks to provide life-saving support have been severely stretched by the first wave of the virus and a patchwork response.

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\(^{31}\) The Asia Foundation interview with local aid worker in Myitkyina, May 2020.


\(^{34}\) Internal analysis shared by Kachinland Research Centre, August 2020.