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View Point

Myanmar President's First State Visit to China

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The three-day state visit by the Myanmar's President U Thein Sein to China from 26 to 28 May 2011- his first state visit to a foreign country since assuming Presidency in March 2011, was significant enough to upgrade Myanmar-China relations to the level of Strategic Partnership. A Myanmar government official noted "the President wanted to visit China first because it is important both for diplomatic and economic ties". The visit came weeks after Xu Caihou, Vice Chairman of China's Central Military Commission (CMC) visited Myanmar as the first foreign military leader after the formation of new government.

The highlight of the visit was the Joint Statement signed by the Chinese President Hu Jintao and Myanmar's President Thein Sein on 27 May 2011 which notes "under the new circumstances, further promoting China-Myanmar relations on the basis of the existing friendly cooperation meets the need of the two countries to realize common development, serves the fundamental interests of the two countries and their people, and is conducive to peace, stability and prosperity of the region. On the basis of the above mentioned common political will, the two sides agree to establish China-Myanmar comprehensive strategic cooperative partnership" The Joint Statement also notes both sides will "strengthen cooperation in such mechanisms as the ASEAN Plus China, Japan and the ROK, ASEAN plus China and Greater Mekong Sub regional Economic cooperation" The president accompanied by nearly a

dozen of Union Ministers and military leaders assured President Hu Jintao that China is the 'closest and most important diplomatic relationship' for Myanmar.

Reports suggested that both leaders also discussed a plan to allow the Chinese navy to dock in Myanmar port and get direct access to Bay of Bengal and the Indian Ocean. A scholar at the China Institute of Contemporary International Relations has noted "I know India is very suspicious about Chinese navy role in Myanmar area. There is no need to worry because the Chinese navy will never take a hostile approach to India or any neighbour" However, in recent times the world has seen an increasingly assertive China. The location of Myanmar at the tri-junction of East Asia, South East Asia and South Asia has vital geostrategic significance for China as well as India. Myanmar is important for India to ensure energy security, strengthen relations with South East Asian countries and maintain regional stability. Thus, strategic experts in India keep close watch on the matter.

Economic cooperation and trade also received attention during the President's visit. The two sides signed nine agreements including aid grants and preferential aid to Myanmar. An agreement for a US\$ 763 million line of credit from the China Development Bank was also signed. China is Myanmar's largest investor with total investment of more than US\$ 12 billion with focus on natural resources and energy projects. Bilateral trade was pegged at US\$ 4.44 billion in 2010 making China Myanmar's second largest trading partner after Thailand. Trade and investment of China in Myanmar has been expanding rapidly over the past few years. Further, Hong Kong which was the fifth largest trading partner with Myanmar in 2009-10 has now surpassed Singapore and India, and has become the third largest trade partner of the country.

It has been argued that China's 'Resource-based Foreign Policy' is key to its economic growth. Myanmar is rich in oil and natural gas reserves. During Premier Wen Jiabao visit to Myanmar in June 2010 construction of Myanmar-China natural gas pipeline project was formally launched. During the visit of Myanmar's President it was reported that bilateral cooperation will be scaled up for Economic and Technological Development Zone, deep-sea port and railroad projects.

Both sides also agreed to strengthen border management cooperation and maintain peace and tranquility in the border areas because stability along the border is crucial to the growing trade and new joint projects in the area. In the past, China had expressed concerns over the anti Chinese riots in Kokang region bordering China in 2009 when around 30 thousand people had to flee to Yunan province of China following attacks on them. While the Chinese government termed them as refugees, there are many in Myanmar who believe that they were illegal Chinese immigrant and had moved across the border in the last few years. Interestingly, they had taken over local businesses causing friction with locals and thus Myanmaris are concerned about these demographic changes.

The western media, by and large, emphasized the visit as conferring legitimacy to the Myanmar's new civilian government which came to power after a controversial election, the state controlled media in China and Myanmar hailed the visit as successful. In essence, the visit was important to upgrade Myanmar-China relations from traditional *Paukphaw* (fraternal) to Strategic Partnership. The fact remains that China provides military assistance, economic support and diplomatic protection to Myanmar at the United Nations.

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