

Chapter 3

The Place: Origin of Space of Exception in Kokang

3.1 Introduction

This chapter, together with the following chapters, is based on my ethnographic field work which took place in a number of villages in Kokang Special Region. In this chapter, I will direct my attention to the environment in Kokang Special Region, which as of 27th August 2010 changed its name to Kokang Special Administrative Region, a Kokang self-administered zone in Myanmar. Located on the border between Burma and China, Kokang has many meanings to different groups of people on both sides. On the one hand, the Burmese regime considers Kokang a place very close to its neighbouring country, China, and is home to one of its ethnic groups – the Kokang Chinese, and on the other hand, it is a place where ethnic armed troops control the area, which is why the government wants to integrate it into its and disarm the troops to form a Border Guard Force. For the Chinese government, the area was once ruled by China, but due to an agreement between the Beijing government and the British in 1897, this region where many Kokang Chinese reside was ceded to British Burma. The population in the region is dominated by the Chinese and is a sensitive area in which criminal activities such as drug and human trafficking take place, plus is an important place in terms of attempting to maintain border security. Moreover, the Chinese on both sides of the border have strong social relations and the

Kokang people have relied on Chinese products for centuries. It is also a gate through which the Chinese can conduct trade and connect with other cities in Myanmar, such as Mandalay, Yangon, Lashio and other, different parts of Myanmar.

The Kokang Chinese have been living in this region since their ancestors' time, enduring several conflicts and wars in the region. They have always been in a remote area socially, politically and economically and have lived in a closed society for centuries. It was under the rule of local chieftains that the Kokang self-defense troops were organized, and after the military government took power in Burma in 1962 and centralized government administration across the whole of the country, the Kokang self-defense troops was re-organized in order to fight for the Kokang Chinese's rights as an ethnic group and for self-autonomy for the region. Later on, in 1968, they set up an alliance with the Burma Communist Party (BCP) and renamed the force the Myanmar National Democratic Alliance Army (MNDAA), which then fought for autonomy against the central government for many decades. In 1989, Kokang troops made a ceasefire agreement with the central government and since then the Kokang people have enjoyed a peaceful life far from wars or conflicts. However, they have still had to fight poverty. The Kokang Chinese are simple, agrarian people and also petty traders, and are not concerned much about politics, besides their livelihoods. The Myanmar central government has recently announced and granted local authority self-administration rights to the region, and it has become one of the seven self-administration regions in Myanmar. Though the local authorities have officially got the self-autonomy they were fighting for over many decades, I argue that the Kokang people and Kokang region has actually enjoyed self-administration for a long period. Due to its geographical location, remoteness and

language situation, the central government has never had much influence over the local administration or over local people. This chapter therefore attempts to explore in what ways this geographically isolated landscape has come to represent a space of exception, politically, socially and economically, from the central administration. Based on my research, these exceptions will be illustrated over different periods of time and I will reveal how these exceptions have impacted upon local people's lives.

3.2 Kokang Environments

Kokang, formally the first Special Region, is a self administered region in Myanmar, and represents a narrow strip of land located in the north-eastern part of Shan State, with the Salween River to the west. It borders the People's Republic of China, in the east with Zheng Kang and Geng Ma counties in Yunnan Province and to the north with Long Lin and Luxi counties. The long border with China stretches about 2000 kilometres from north to south, and geographically, about 90% of the region is covered with steep mountains. The average elevation of the ranges is around 1,200 meters, with the highest at more than 2,400 meters above sea level. Except for a plateau in the Laukkai area, the rest of the area is mountainous and little or nothing is grown. Many villages in the Kokang region are set up on the hillsides, as there are not many plains in the region, and even though some villages are far from water sources, the villagers have lived in them for generations. Some of my informants told me that the villages are set up on the hillsides simply to escape from diseases which persist in the valleys, such as malaria. Some said that because of their tea plantations, opium fields were previously on the hillsides, so the villagers lived nearby those fields.

James George Scott noted the environment of the Kokang region in the first volume of the Upper Burma Gazetteer, saying that,

“Apart from the few square miles of undulating plain near Tawnio (present day Laukkai area), there is hardly a perch of flat land in the whole state. The Salween range has nothing like a plateau on the summit. Where there is not a simple ridge it is scored by streams into a confused mass of more or less rounded hills on the back of the range. The hills are of limestone and are full of caves, some of very considerable extent. These fissures carry away much of the drainage underground and as a consequence there is everywhere a great scarcity of water in the dry months. In most places, the village climbs up the slope as in Hong Kong, or in some parts of Malta, and the houses have to be built on ledges dug out of the hillside.”

In Yang Li’s book, she cites the notes of an engineer who participated in the construction of the Burma Road in the British colonial period, who described the regions as having

“...steep gradients everywhere, with little visibility. Every step was either up or down. You could create a model of it by crumpling a piece of paper in the hand, relaxing the pressure, and tossing it on a table. Folds and creases, mountains and valleys, but try to find a level surface! Never had I seen a land so inimical to human being...And yet the Maru, Lisu and Lashi seemed to have defied nature in coming here.”

There are only a few plains upon which to develop cultivatable fields in Kokang, and the people there have worked hard over many years to develop terraced land in the deep mountain valleys. Sometimes, the vertical distance between slopes is more than six feet. The cold weather in the region is suitable for growing pears, walnuts, tea and corn, and before opium arrived and became the main cash crop for the people, many Kokang Chinese relied on tea to support their livelihoods. When opium became the only lucrative crop for the people, many tea plantations were abandoned, and thereafter people in the Kokang region were seriously involved in poppies cultivation. After poppy growing was banned in 2003, many villagers again started to make a living from tea plantations, walnuts and corn. Kokang tea is famous for its taste, but cannot be grown in all villages in the Kokang region. The Kokang Chinese also grow a number of other cash crops such as sugarcane, rubber and walnuts, which are suitable for growing in their villages. The largest lowland area in the region is the Malipa Valley or Tawnio ('Laukkai Plain'). Tawnio is a Shan word which was adopted by the British. The name Malipa is used by the Chinese because many Mali (chestnut) trees used to grow on the plain. Recently, the plain near Laukkai has become full of sugar cane plantations - one of the key cash crops for the Kokang Chinese since poppy cultivation was banned in 2003.

The region covers 800 square miles in all, and had a population of about 180,000 in the year 2000. By 2003, this had dropped to approximately 140,000, as many people decided to migrate out of the region due to the opium ban (personal interview with the local authorities). However, the estimated population for the region now is around 200,000 (2010), with 90% of the population being ethnic Han Chinese, plus with other groups such as the Shan, Palaung, Wa, Lisu, Kachin and Miaozi

(Hmong) living there also. Laukkai is now the capital town for the region, as the local administration offices were previously moved to Laukkai from Zha Zhi Su village - where the Kokang Tu Shi used to have an administration office during the British colonial period. The estimated population of Laukkai is 25,000 and it is the one and only important market town in the region. In the past, there was a market once every five days in Laukkai, and not only villagers from surrounding villages attended the market but also Chinese from beyond the border attended in order to trade. This market still operates, though there are many other daily markets operating in Laukkai nowadays. Villagers from nearby villages still go to the markets to sell their agricultural products such as vegetables, herbs and mushrooms, while Chinese petty traders sell piglets, fish, meat and other daily necessities for the people. People enjoy the five day market, as it allows them to meet with friends and relatives, and they can share information on what is happening in their villages, those from both sides of the border.

The area has developed rapidly into a modern border trade town since a ceasefire agreement between the central government and the local authorities was signed in 1989. Since then, many Chinese owned casinos, restaurants, hotels and shops have opened in Laukkai. Unlike many of the other ethnic groups in Myanmar, the people in Kokang can gamble and trade freely, as the central government has granted the area special privileges with respect to social, cultural and economic matters. The people's lives have also changed along with the development of the region under the local authority's administration. One local Kokang Chinese person explained to me the recent changes in the Kokang people's lives:

“In the past, Kokang people travelled on bare foot and on earth paths around the region, and items were carried by mules or by laborers. Nowadays, the Kokang people enjoy driving the latest Japanese made cars on concrete roads in the town and on some village access roads around the region. Girls with high heels and immodest outfits can be seen all around the town.”

If modern items represent development, then Kokang is a developed area when compared to some of the other cities in Myanmar. As a border town, many of the latest, modern electrical appliances and materials can be seen in Kokang. People spend most of their time enjoying the casinos and other entertainment activities, rather than in the fields. In the following section, I will examine how this remote area, once full of war and conflict, has been able to change into such a modern, border trade town, and within such a short period of time, plus what factors have allowed it to become a modern town, by exploring the area’s administration from a historical perspectives.

3.3 Kokang and the British (1894 - 1948)

Kokang was formerly classified as one of 49 *mongs* or townships in Hsenwi by the British government. An official report by the Shan State government in 1958 describes the area of Kokang as covering sixteen miles from east to west, and 50 miles from north to south, with a total area of 800 square miles (Sai Kham Mong 2005) During the time of the Burmese kings, the area was a state-let inside Hsenwi State, and at that time Hsenwi was divided into four areas, with Kokang included in the eastern area.

Kokang, under Hsenwi, was divided into nine *kangs* or townships. The names of these townships were:

- 1) Taw Nio (present day Laukkai)
- 2) Yang Tang (the former Kokang Zha Zhi Shu Yamen's place)
- 3) Pang Song
- 4) Pang Yang
- 5) Ken Nge
- 6) Ken Fen
- 7) Ken Pwi
- 8) Maw Htai (west of the Salween River)
- 9) Mong Hawn (west of the Salween River) (Sai Kham Mong 2005)

After the British government occupied Burma in 1885 and annexed Shan State in 1887, the Kokang area was still under Chinese control, so this area where many Chinese people resided became a subject of discussion between the British and China in terms of territorial concessions. A convention was held between the British and Chinese government in Peking on 24th July 1886, at which the British commissioner rejected the Chinese claims for a port on the Irrawaddy, and instead made a proposal which emphasized British claims over Kainghung and Meunglem (both in Yunnan). The commissioner also stated that in order to secure a satisfactory settlement, Kokang, inhabited mainly by the Chinese, should be ceded to China. In return for the British claims over Kianghung (Jinghong) and Meunglem (Monglian) and the ceding of Kokang to China, he insisted China should accept the proposed frontier, withdraw all claims of authority over the Kachins, agree to suitable border arrangements and

waive the decennial mission, and the British would accept a watershed border between the Salween and Nmaikha rivers as a frontier (Sai Kham Mong 2005).



3.1 Markers Showing Border Agreement between the British and the Qing Dynasty
 Photo source - <http://blog.ifeng.com/2545888.html>

The ceding of Kokang to China was confirmed at a meeting held on March 1st 1894 in London between Britain and China. As per Article 111 of the Convention agreed at that meeting, the Hsenwi State and the Kokang area east of the Salween were ceded to China; however, the Kunlong circle and ferry port remained under British control. Moreover, the Kyaing Hong (Jinhong) and Keng Tung areas, and Mong Lin in Shan State, were also ceded to China. The condition of the agreement was that without first informing and gaining approval from the British government, the Chinese would not be able to transfer this land to any other party; however, the Chinese broke the agreement by ceding Kyaing Hong and Mong Lin to the French (Tun Naing 2000, Sai Kham Mong 2005).

Kokang came under China under the agreement, but had to pay tribute to Hsenwi each year; however, under a further agreement made between the British and China in 1897, which modified the convention of March 1st 1894, Kokang and Hsenwi were returned to the British because China had broken the agreement. The

Burma gazette also mentions that since 1893, Kokang had been included in the Kunlong area, which formerly was a separate area, lying as it did on both sides of the Salween (Sai Kham Mong 2005).

Kokang had been administered quite independently prior to 1897, although accepting some form of Chinese control. Sometime after that date it was placed under North Hsenwi. Kokang under Hsenwi was administered by a *Heng* or district official, who was a Chinese from the Yang family, who had ruled Kokang for several generations. The Kokang and the Shan, Palaung and Kachin hill tribes had been under the hereditary rule of the Yang family for nearly 300 years. Before the British colonization of Shan State, Kokang suffered frequent attacks from Hsenwi, but had never acknowledged its authority, and the Heng dealt directly with the British.

The Kokang region was officially placed under the control of Hsenwi State by the British government, when they implemented a “divide and rule” policy in order to control Burma. The British allowed many ethnic areas to rule by themselves - Shan State included. Shan State was divided into many parts which were ruled by its own Sawbwas. The Kokang region came under the North Hsenwi State, but the Shan Sawbwa did not have much influence over the Kokang region which had had its own Tu Shi system for centuries. The Kokang had to pay tribute to Hsewi State, even though the area was under the control of the Tu Shi Guan, who was named *Heng* in Shan. Later on, the status of the Kokang ruler Heng was raised to that of a *Myosa*¹ by the Hsenwi Sawbwa. As a result, the region was totally under the control of the Tu

¹ Myosa in Burmese is “chief of town”. There are three ranks of chiefs in Shan State where recognized by the Burmese king and later by the British administration. These ranks were [Saopha](#) or Chaofa (Shan for king or chieftain) or Sawbwa in Burmese, Myosa (“duke” or chief of town), and Ngwegunhmu (silver revenue chief).

Shi Guan, even though it was a part of Hsenwi State. The relationship between the Kokang people and their Myosa (Tu Shi Guan) had been one of a large, extended family since the Myosa's ancestors' time, and this relationship continued until the end of hereditary system in Shan State, which also affected Kokang's administrative system.

After the British visited Kokang in 1892, it was again divided into seventeen 'circles'². The biggest village had 400 to 500 households and the smallest only had a few households. Each village was administered by a *He Tou* (伙头- village head) who usually was the relative of the Sawbwa, or had the same family name as the ruling family of the Yang. The village heads were responsible for security, the collection of taxes from the villagers under the overall rule of the Myosa. People were allowed to own weapons and guns for their safety and in general Kokang was a safe and secure place. The British cooperation consisted mainly of keeping peace around the border, establishing boundary posts, demarcating the frontier and solving frontier trading and border problems such as civil and criminal cases. The Kokang Myosa was fully authorized to rule the whole Kokang region and the area's administration was fully independent, though it was a state under Hsenwi.

The status of Kokang as a state under Hsenwi changed during World War II, which led to the separation of Kokang from North Hsenwi State (Sai Kham Mong 2005). Due to Japanese penetration into Burma during the War, the Kokang Myosa, Yang Wen Pin, raised a force of home guards - known as the Kokang levy or defense force and which had a strength of 1500 in 1942 - to defend against the invading

² The seventeen circles were: Naw Lu, Tao Shui, Shan-to-tsai, Malipa (Tawnio), Mu-ku-kaw, Zha Shi Shu (Sati-hsu), Hon-shi-to-kaw, Nan Kaw, Man Lor, Chwin fan, Ying Cheng, Kawng Ai, Fa mu chong, Yang taw Shang, Maw Htai, Pang-chong and Pang Yawng

Japanese forces (Sai Kham Mong 2005). When the Japanese troops reached Kunlong, the Hsenwi Saopha wrote several letters to Kokang Myosa asking him to proceed to Hsenwi and meet the Japanese. Dissatisfied with the meeting's result, Kokang Myosa escaped to Gengma on his way back from Kunlong, and contacted his men, asking them to mobilize troops for the defence of the State against the Japanese. Yang Wun Pin also sent a representative to meet the Chinese army stationed at Gengma, hoping they would also fight against the Japanese, as the Kokang troop itself was in no state to fight against the Japanese. However, this request was unfulfilled, the Chinese Consular General telling him that it was not within his power to modify the existing political arrangements, though China and Britain were allies.

One 20th August 1942, Kokang Myosa asked the British Assistant Military Attache for military aid and arms, a request also turned down by the Government of Burma on the grounds that "Kokang was a Chinese Operational Area and that distribution of arms was a matter for the Chinese Army Commander". Instead, the British government paid money to the Myosa for the hire of mules during the Japanese advance. On September 12th, Kokang Myosa was informed that the Chinese would assist the Kokang in their fight against the Japanese. General Chiang acknowledged that Kokang was British territory and that Yang Wun Pin was a British Officer, but China and Burma were allies, so the Chinese said they would assist Kokang in its defense. Thereafter, Kokang Myosa proceeded to procure arms with his own money and money he had borrowed from other Kokang elites to arm his defense force (Yang Li 1997). The Kokang Defense Force or home guard, together with the Chinese Army, thereafter fought against the Japanese for a total of fifteen months and successfully stopped the Japanese from invading Kokang. Many soldiers were killed,

so in memory of these fallen soldiers a monument was erected by the Sawbwa, which can still be seen near Tar Shwe Tan village today.



3.2 Monument for the Kokang soldiers killed in Japanese War
Photo source – New Kokang

After World War II, there was a tense relationship between the Kokang Myosa and the Chinese government. The Kokang Myosa was arrested by the China Nationalist Party and sent to a Kunming court on allegations that the Kokang troop had not supported and protected the Chinese troops in Kokang during the Japanese war, that Chinese officials were killed by the Kokang, that the Kokang Myosa had made contact with the Japanese and that the Kokang did not fly the Chinese flag or sing the Chinese anthem in the area. Myosa's second son, Yang Zhen Cai, reported to the British government about the arrest of Myosa, after which he was handed over to the British and China requested that he not be allowed to Kokang while their troops were still there. The British government agreed to their request and sent Myosa to India on April 27th 1944. Myosa was then awarded an OBE (Order of the British Empire) during his stay in India (Tun Naing 2000) and he returned back to Kokang

after the War. Kokang Myosa was able to report to the British government about the social, economic and political situation in Kokang while he was in India, and after that the administration of Kokang was left completely in the hands of the Myosa, without any interference from North Hsenwi state or even from the government.

After the war, the Kokang Myosa requested the cessation of Kokang from Hsenwi, and two representatives from Kokang - Yang Che Je and Jimmy Yang, advocated for internal autonomy at the Frontier Areas Committee of Enquiry in Maymyo³, and said that Kokang would abide by the decision of the Supreme Council of United Hill Peoples (SCOUHP)⁴ to form part of the Shan Federation, only if Kokang was granted internal autonomy and its status raised to that of a Sawbwaship. In 1947, with the assistance of Major General Pearce and Mong Meik Sawbwa, Hsenwi Sawbwa agreed to let Kokang separate from Hsenwi State, but Kokang had to share the tax payable for the Kunlong ferry with Hsenwi. Kokang Myosa agreed on the condition and finally Kokang became one of the 33 Sawbwaship areas in Shan State. Yang Zhen Cai, the second son of the Myosa Yang Wun Pin became the first Sawbwa of Kokang. He was an educated leader, and tried to develop Kokang by promoting education, the economy, infrastructure, culture and the social sector in the region. Moreover, the British and Shan State governments recognized the Kokang Defence Force or Levy because they had successfully resisted the Japanese invasion.

Some 400 men of the Levy force were retained after the war to guard the Burma-

³ The Frontier Areas Committee of Enquiry was formed in 1947 to find the best method of associating the frontier people with the new constitution for Burma. The object of the Committee was to achieve the early unification of the frontier areas and Ministerial Burma with the free consent of the inhabitants of those areas.

⁴ SCOHHP was formed in 1947 to get the consensus of the minorities in Burma on the question of forming the Union of Burma after the attainment of independence.

China border along the Kokang frontier. When the border between Burma and China came under its control, only 90 men of the Levy were retained. All the expenditure for retaining the Levy was paid by the Frontier Areas Administration of the British government, until 1947. With the approval of the Head of Shan State, the Kokang Levy force was increased to 890 men in 1950 (Sai Kham Mong 2005).

3.4 Independent Burma (1948 - 2009)

On January 4th 1948, Burma gained independence from Britain and more than 100 years of colonial rule ended for the people of Burma. Since then many political changes have occurred in Burma/Myanmar, and these changes have also affected Kokang people's lives and their region. Early on after independence, several rebellions occurred among different ethnic groups, as well as by the Communist Party; conflicts also occurred in the Kokang area and this complicated the politics of Shan State. The administrative system in the remote Kokang region changed frequently; nevertheless, people in the region enjoyed self-autonomy, as the area was far from the central government's administration and due to the communication and transportation barriers in terms of other areas of Myanmar.

3.4.1 Kokang during the Sawbwaship Period (1948-1959)

Kokang was self-administered throughout World War II and the Sawbwa was able to maintain his hereditary rule over the region soon after Burma gained independence in 1948, though this rule was terminated in 1959, along with the reign of all the other hereditary rulers in Shan State, when the central government decided to centralize government administration, a time when the 33 Sawbwas in Shan State

had to relinquish their hereditary rights over their area. Prior to the termination of Kokang Sawbwa's hereditary right to rule, the Kokang defense force participated in many wars fighting for the area's security.

In 1949, a major political change took place in China, after Mao Zhe Dong's Communist Party launched attacks on Chiang Kai Shek Nationalist Party (KMT). The KMT were defeated by the Communist Party and some units fled across the border into Kokang and Wa, as well as elsewhere in Shan State. To protect the area from invaders, Kokang Sawbwa re-organized the Kokang defense force on March 1st 1949. After that, in Kokang every adult man of fifteen years and over was voluntarily accepted for military training – to be ready to fight for their area's security or self-defense. In October 1952, Kokang formally received notice from the Burmese government that it was to repel the invaders, and in response, the Kokang Sawbwa closed all the ferry ports on the Salween River and all transportation routes in 1953. While government troops guarded the west bank of the Salween to monitor KMT movements, Kokang defense troops secured the region by themselves.

By February 1953, Kokang territory was free from the KMT invaders, so Kokang Sawbwa started to focus on area development activities. Many young people from Kokang were thus selected to attend military training in Lashio, and among them 30 soldiers became members of the Union Military Police (UMP). In November of the same year, a delegation led by the Secretary of the Home Ministry was accompanied by 30 members to visit Kokang - the first visit ever undertaken by a senior Burmese delegation to the Kokang region. The Secretary acknowledged the Kokang's loss of life and property during the Japanese war and the KMT invasion, but as the central government was newly formed, it could not give much support to the Kokang.

Kokang Sawbwa urged the Secretary to convey to the Myanmar central government his request for equal rights and opportunities for the Kokang Chinese, the same as those enjoyed by other citizens in Burma. The Sawbwa also reiterated Kokang's desire for autonomy based on its unique geographic location, differences in language, culture, customs and religion from the other population areas, plus its different traditions and economy from other parts of Burma.

The political situation in Burma became more complex with the change of the administrative system. The caretaker government led by General Ne Win in 1959, besides centralizing administration and annulling the authority of the regional Sawbwas, also introduced many significant changes in the political history of Shan State. Shan State handed over some parts of the area along the Burma-China border to the central government, and Burma and China also reached an agreement on the demarcation of the boundary. Moreover, 33 Sawbwas in Shan State were ordered to relinquish their hereditary power as a consequence of the centralized administration. The date for surrendering the power of the Shan Sawbwas was fixed as 27th April 1959, the location - Taunggyi. A couple of years later, the Chinese government cooperated with Burma to survey the border and officially demarcate it in 1962. Until then, there had just been an 'area of control', that was not officially recognized by either government (personal interview with Mr. Shu).

The Kokang Sawbwa and his people received this information and soon after they prepared to defend Kokang territory and its people. State officials, including village headmen, declared that they would not work under the administration of centralized government. In order to protect the rights of the Kokang Chinese, the Sawbwa said he would not relinquish his power and recruited about 5550 Chinese to

defend Kokang and the entire Chinese population in Lashio District. Some 3000 weapons were also donated by the KMT in eastern Shan State (Sai Kham Mong 2005).

The Shan State government sent a notification to the Kokang Sawbwa asking him to to relinquish his power, after the rest of the 32 Shan Sawbwas had already signed the agreement in Taunggyi. The Kokang Sawbwa at last agreed to relinquish his power, but not to the Shan State government, but to the Burmese Army Commander stationed at Maymyo on 17th May 1959, based on the request of the Kokang people⁵. Moreover, the Kokang Sawbwa refused to receive the commuted pension granted by the government to all the Shan Sawbwas - he was the only Sawbwa who did not receive the compensation money and claimed that no amount of money could compensate for the Kokang people not having self-determination. This was one of the main reasons why the Kokang took-up armed resistance against the government – in their desire for self-autonomy (personal interview with a Kokang national convention delegate). The hereditary system of administration in Kokang was stopped completely when the Sawbwa relinquished his power to the central government.

⁵ The requests were: 1) that teaching in Kokang schools must be done in Chinese, 2) that the system of tax collection used by the Sawbwas should be continued, 3) to legalize the Kokang National Registration Certificates issued by the Sawbwa office, 4) to retain the Kokang Levy force, 5) to legalize poppy cultivation and the opium trade, and 6) for Kokang to be a part of Burma and to be ceded from Shan State.

3.4.2 Post-Sawbwaship Period (1959-1965)

The Kokang Sawbwa stood-down on April 1st 1959 - moving to settle down in Lashio. After this surrender of power, the administration of Kokang was placed under the Security Council formed by the Frontier Area Administration (FAA). The former administrative function under the Sawbwa was replaced by the District Security Council of Hopang, but the Chinese inhabitants of Kokang regarded only ex-Sawbwa Yang Zhen Cai as their ruler (Sai Kham Moong 2005).

The FAA began to implement development activities in Kokang, and in order to ease travel in the area, started to construct sealed roads to link Kokang with Kunlong and other villages. Moreover, many new schools were built and more Burmese teachers were recruited for the region. Water reservoirs, bridges and healthcare centers were built to improve the lives of the local people. Even though the government conducted various development activities in the region, it did not have much influence over the local people due to communication problems. Almost all the people in Kokang region are Chinese and they know no other language other than Chinese. As a result, it was difficult for the FAA staff to carry out their development activities with the participation of the local villagers. Many bright Kokang young people were selected to go for agriculture training in Lashio, in order to grow other crops and replace the opium which had been cultivated in Kokang for centuries, since the British defeated the Chinese in the Opium Wars and created a big market in China. At first, the British wanted to export opium from Bengal to China to overcome a trade deficit, but then the Chinese were clever enough to realize that it was already growing in the south of China, in peoples' gardens, and although it was not a big cash crop they could develop it into one. So, in the middle of the nineteenth century opium

poppy started to be grown commercially in China. The British did not object to this at all and probably imported some from Kokang into the rest of Burma (more came from Kengtung, but maybe from Kokang it got to Lashio and then south from there - Dr. Ronald D. Renard). It was a difficult task to replace opium as it had been grown by the Kokang Chinese since their ancestors' time. The British never outlawed poppy growing east of the Salween, as profits from the opium sales helped run the colonial government. As a result, bright boys were not only trained on how to replace opium, but also how to cultivate other cash crops.

In 1960, Burma and China government signed an agreement on demarcation of the China-Burma border, based generally on the 1897 agreement between China and the British government. Soon after the agreement was signed by Zhou En Lai and U Nu, officials from both sides conducted a survey for the demarcation of the border. In total 44 boundary posts were set up in Kokang along the China-Burma border, starting from post number 102 at Hong Ai Chin Mu Lin running from north to south and ending up at post number 145, called Chin Shwe Haw. The Myanmar government considered that the Kokang self-defense force should be disarmed as there were no more frontier disputes or conflicts occurring in the region. In the end it was decided only to keep 300 soldiers for the area's security and that they would be trained by the central government (Tun Naing 2000).

3.4.3 Burma Socialist Programme Party Period (1962 - 1988)

On March 2nd 1962, the military government, led by General Ne Win, seized power in Burma, and the former prime minister U Nu defected to Thailand and tried to regain power from there. The military government had taken power in Burma and put all states under military administration, but facing dissatisfaction with the centralization of government administration, the Kokang defense troops were reorganized by Jimmy Yang, the second brother of Kokang Sawbwa. He came back to Kokang from Lashio and discussed with the local people the issue of Kokang's future. Many young Kokang people could not accept the rule of the military government and were happy to fight for their freedom, so in 1963, the Kokang resistance force was reformed with 1500 soldiers. Later on, the resistance force's name was changed to the 'Kokang Revolutionary Force', its aim being to fight the Ne Win regime. Several meetings were held on the issue of the administration of Kokang between the central government and the Kokang resistance force in Lashio. Finally in 1965, 300 soldiers from the Kokang resistance force surrendered their arms to the central government and the rest of the force, led by Jimmy Yang, fled to Thailand with the help of the KMT forces. Some forces left in Kokang were led by Peng Jia Sheng and later on they joined the BCP. The military government formed an administrative committee on June 15th 1965 for the management of Kokang, and since then the area has come under the military administration again. The central government encouraged local Kokang Chinese to work as government staff and become involved in their area development activities. Some of the young educated Kokang people became members of the Ne Win Socialist Programme Party, but the government's development activities were stopped due to the political changes that took place in Kokang between

1966 and 1969, when several armed groups such as the Kokang Revolutionary Force led by Jimmy Yang, the Myanmar *Tatmadaw*, the BCP and the Kokang Youth, backed by the Myanmar government, emerged in the smaller Kokang and the people's simple life was disturbed once again by these armed groups. The Kokang people refer to that period as 'San Guo' (三國 - three countries), as there were three armed forces in existence led by the Kokang people, the Jimmy Yang led Kokang Revolutionary Force, the Peng Jia Sheng led Communist Party Force and the Luo Xin Han led *Kakweye* troops (New Kokang 2010, Yang Guo Zhen, Fu Yan Kun 2007, Xiao Su).

In the late 1960s, the headquarters of the Communist Party in central part of Burma was crushed by government troops, and some leaders of the Communist Party took refuge in China with the support of the Chinese Communist Party; where they established BCP headquarters on the Burma-China Border. They first occupied the town of Mongko on the west bank of the Salween River in northern Shan State in 1967 (Tatmadaw Thamaing VI: 75), then in 1969 the 404 Regiment with four battalions was formed in Kokang, and Peng Jia Sheng was appointed as the commander of the 404 Regiment. He was later promoted to be Commander of the Northeast Military Region (Tatmadaw Thamaing VII: 170-171). In that year, Kokang, Wa and Kachin sub-states came under the administration of the BCP (Tatmadaw Thamaing V: 208-209), and the Chinese language was still the official language in Kokang and the Chinese currency was used as the main currency. Many shop, restaurant and road signs were all in Chinese (personal interview with a former BCP member).

In order to prevent the growing power of the BCP in Shan State, the military government encouraged local people to form the Ka Kwe Ye (home guard. The

leftover Levy force in Kokang under Luo Xin Han (also known as Lo Hsing-han), with some 1400 men, was reformed into the Kakweye⁶ and remained under the supervision of the Tatmadaw. Together with the Myanmar Tatmadaw, the Kokang Kakweye troops fought the BCP several times between 1969 and 1973. Kokang, Wa and Kachin states became the battlefields for clashes between government troops and the BCP. The most famous battle between the BCP and the Tatmadaw was the 40-Day Kunlong battle and many Kakweye troops were killed. In 1973, the military government began to dismantle Kakweye in Shan State and asked the soldiers to join the Tatmadaw, after which the Kakweye troop was disbanded, but only 200 Kokang men joined the Tatmadaw. Some of the Kakweye groups failed to respond to the government order to surrender their arms and instead became insurgents. The Kokang group under Luo Xin Han fled into Thailand where they joined with the Kokang revolutionary force on the Thailand-Burma border (Tatmadaw Thamaing VII:200). Luo Xin Han was arrested by the Thai authorities and handed over to the Burmese government in 1973, after which he was placed in jail for several years, being released in 1980.

Peng Jia Sheng was the only leader left to fight for the self-administration of the Kokang region, but the hope for Kokang self administration would not come about easily, as the BCP had been weakened by the reduction in aid from the Chinese Communist Party. Moreover the central government launched several attacks against

⁶ The policy to form the Kakweye (People's Volunteer Forces) was laid down at the conference of the Commanders of the Burmese Army held in 1964. It was the consensus of the Commanders that the question of defense should not be concerned with only the Tatmadaw but also the people of the country. Volunteer forces were thus formed in the insurgent-infested areas to help the Army whenever military operations were launched against the insurgents. By 1968, volunteer forces numbering 67,736 men were formed in 212 townships and 1831 villages (Tatmadaw Kanda : 83).

the BCP, including the Mong Yang battle which was a total failure for the BCP, such that it was not able to make another attack on the government forces. Peng Jia Sheng planned to quit the BCP as he thought that its central committee was controlled by the Burmese, and that the members of the ethnic groups had no voice in it. The Kokang group gave the following reasons for quitting the BCP:

- 1) Many Burmese controlled the BCP Central Committee
- 2) The lack of development in Kokang during the twenty years under the BCP
- 3) Segregation between the Burmese and non-Burmese among the Central Committee Members
- 4) Loss of faith in and reliance on the BCP after defeat in the CC Wan Tapan battle of 1986/87
- 5) Ability of the Kokang to subsist on its own with an opium-led economy
- 6) Encouragement and promise of aid given by the Chinese Communist Party withdrawn from the BCP (Sai Kham Mong 2005)

By March 1989, Peng Jia Sheng declared that Kokang armed troops would quit the BCP, and the BCP headquarters in Kokang was subsequently closed down. More recruits for the Kokang force were taken on and it was re named the 'Myanmar Nationalities Democratic Alliance Army' (MNDAA) or simply the 'Kokang troops'. Funding for the army was raised through the sale of opium, and as a result, opium cultivation was expanded in the region. The MNDAA urged the central government to grant the following to Kokang prior to developing and signing a ceasefire agreement:

- 1) To give equal rights and self-administration to all nationalities
- 2) To establish trade centers in Mongko and Kokang
- 3) To agree to a ceasefire and to retaliate only when government troops start fighting
- 4) Although disliking communism, the political situation had compelled Kokang to make an alliance with the BCP; Kokang will cede from the alliance if Burma is making headway towards democracy
- 5) Kokang will not demand secession from the Union (Sai Kham Mong 2005).

A verbal agreement was made between the Kokang leaders and the government (Secretary 1) during peace talks in March 1989, based on the following points:

1. Equal rights for the people of Kokang, like other nationalities
2. Promotion of education, health and communications in Kokang
3. Acknowledge Kokang's culture and literature
4. Security and administration in Kokang to be left with the Kokang authorities
5. Government troops posted in Kokang to be withdrawn and replaced by Kokang forces. Government to help if Kokang was attacked by the BCP
6. Sell 50,000 bags of rice to the Kokang

Since this agreement, the Kokang people's decade long fight for self-autonomy with the central government has halted and they have been able to enjoy a peaceful time of social, cultural and economic development under a local administration.

3.4.4 Establishment of the Kokang Special Region (1)

Kokang, under the MNDA led by Peng Jia Sheng, became the first insurgency group in Myanmar (renamed from Burma) to sign a ceasefire agreement with the military government, in March 1989. After that, the area became the first Special Region in Myanmar, and the central government developed privileged policies towards the Special Region, allowing local authorities to control and rule the region. It was now under the self-administration of local Kokang authorities and the region was renamed Kokang Special Region (1). As a result, the two decade long fight with the central government and the Kokang troops for self autonomy had fully ended. Since that time, the ceasefire has normalized the Kokang people's lives in the previously war-torn areas. At first the area was fully under the administration of the local authorities led by the Kokang-born Chinese, Peng Jia Sheng. As soon as the local armed troops signed the ceasefire agreement with the central government, the local authorities started to focus on the area's development, which had been neglected for centuries due to the many wars. Moreover, the central government not only granted self-administration rights to the local authorities, but also granted economic privileges to the Kokang people, allowing them to conduct business across the rest of the country. After 1989, Kokang people were therefore allowed to move freely in the region and travel into government controlled areas once again.

However, due to the Kokang local authorities' lack of political awareness and knowledge on education, minimal management capabilities and resource management skills, the development of Kokang region and the local people's lives did not happen as expected; moreover several internal conflicts occurred in the region due to competition in terms of power and wealth among the local authorities. These internal

conflicts and wars also destroyed the local people's lives yet again and slowed down the area's development activities. In actual fact, the Kokang authorities had not really had the chance to focus on their area's development in the past as they had been participating in civil wars and conflicts. Not only were people's lives destroyed by the internal conflicts, but the local authorities had to surrender administrative power over certain parts of the region to the government, due to internal conflicts among the Kokang people.

When the MNDA signed a ceasefire agreement with the central government in 1989, Peng Jia Sheng called back some old cadres and reformed the MNDA armed forces for area security purposes, and he took-up the position of Chief Commander of the MNDA and Chairman of the Special Region Administration Committee as well. As most of the authority members were also members of the BCP, the Kokang administration followed the BCP system of the time. Same as the other Myanmar government controlled areas, Kokang Special Region was divided into districts, townships, village tracts and villages under the overall administration of the local committee. There is one district, one town and one Special Economic Zone in the Kokang Special Region, these being Kokang District, Laukkai Town and Chin Shwe Haw Special Economic Township. Within Kokang District, there are four townships: Dong Shang, Xi Shang, Chong Shang and Gong Zhang. There are five village tracts in the Chin Shwe Haw Special Economic Township area, and under Laukkai Town there are five quarters: Jing Xiang, Shuang Feng, Yang Long Zhai, Dong Cheng and Shuang He. Laukkai Town is the center of Kokang's administration, economy, transportation and culture, with a total population of 80,000 residents and

with a mobile population of 50,000 (New Kokang 2010). All the heads of the administration departments and village tracts are cadres and members of MNDA.

As soon as the Special Region was established, the local authorities started to focus on area development and improvement of the people's standard of living. The soldiers from the armed forces who wished to go back to their homes or villages were allowed after the ceasefire agreement, on the condition that they be ready to re-join the force when they were needed. Many soldiers were re-united with their families and most of them returned to cultivating the poppy fields, as cultivating opium was still the only source of cash income for people in the region after the ceasefire agreement. The Kokang people had been growing poppies for centuries and many were involved in the opium trade. As a result, they did not change or involve themselves in other, alternative crops cultivation as the profits to be gained from selling opium were higher than for any other crop.

Opium became a serious problem in Kokang in the early 1990s; it was famous in the Golden Triangle area and this made Kokang well known among people in the outside world – as opium growers, smugglers and drug traffickers. The opium growers from Kokang lived in relatively poor conditions. The poppy growers were poor because many of them also smoked opium, and not only did this make them lazy but it also meant they used up the opium they produced. As a result, even if they were growing top grade golden opium from Qiu Tou San (the Nine Headed Mountain) close to Ta Shwe Htan Township⁷, and selling it for as high as 6,000 *yuan* (\$563) per kilogram (in the peak year of 1996⁸), they were only producing one to two kilos, yet

⁷ Site of the old *yamen* or palace, where the Yangs settled in the seventeenth century.

⁸ At the current *yuan*/dollar exchange rate of \$1 = 8.2 *yuan*.

smoking one of these, meaning they only had a little left to sell. Usually it was the men who smoked, meaning less household labour available and an inability to produce very much. It was the traders and middlemen who therefore made the money (Dr. Ronald D. Renard). Several Kokang leaders, including Peng Jia Sheng, were known as drug lords and the Kokang armed forces were believed to survive on opium money. In order for the international community (especially China) to accept Kokang as an opium free zone, Peng Jia Sheng decided to eliminate opium poppy cultivation in the region, a crop which local people had relied on for their livelihoods for centuries. He therefore made a very difficult decision, as most of the people in the region were opium growers and their livelihoods depended on it. In the past, the Kokang Levy had been responsible for the security of the drugs when being transported by the mule caravan traders, though they did not really get involved in the trade themselves. After the ceasefire agreement, the authorities and the Kokang took part in opium poppy cultivation, production and trade, plus a number of them became famous drug lords in the Golden Triangle.

Soon after Peng Jia Sheng's decision to eliminate drugs was known, the Kokang leaders divided into two groups. One was Peng's group, who wanted to eliminate opium and live in alternative ways, and the other was led by the deputy commander of MNDA, Yang Mao Liang, a Chinese who had migrated to Kokang in the 1960s. Yang thought that opium was the main source of income for the people and was needed for the survival of the armed group. A short time later, a conflict occurred among the Kokang authorities - on December 6th 1992 - the first and biggest internal conflict to ever have occurred among the Kokang people. The Deputy Commander of MNDA, Yang Mao Liang, who was involved in the drug trade, did not agree with

the Peng's opium eradication plan, plus they had both disagreed previously over staff arrangements within the administration committee (New Kokang 2010). In this dispute, the deputy commander of Yang Mong Lian's group received support from the Wa army of 1500 soldiers⁹, in order to fight with Peng's group. In February 1993, Peng Jia Sheng - with 600 men, was defeated and fled out of Kokang, and Yang Mao Liang officially took over leadership of the MNDAA and thereafter controlled the whole regional administration. More than 30 Kokang people were killed during this two-month internal conflict.

While Yang Mao Liang was in control, he tried to continue working on the development of the Kokang region in order to improve the living standards of the Kokang people. However, due to the fact that he himself was involved in the drug trade, the relationship between the Kokang and China became tense at this time. In 1994, the brother of Yang, Yang Mao Xian, was arrested in China for drug trafficking, and so Yang Mao Liang moved Kokang troops to the Chinese border checkpoint and asked the Chinese government to release his brother. The Chinese government responded to his request by shutting the border which affected the local Kokang people's daily lives, as almost all their daily necessities had to be imported from China. Due to this incident, the Kokang people's level of trust in Yang Mao Liang decreased in terms of the region's future development.

On August 1st 1995, there was an internal conflict again in Kokang related to staff arrangements, which started when the Kokang's West Salween area commander in Kutkai, Mong Salat, was transferred to work as the officer in charge for the

⁹ (<http://baike.baidu.com/view/2766006.htm#sub2766006>). At that time the relationship between the Peng Jia Sheng and Khun Sa groups was close. The Wa were helping government troops to fight Khun Sa's group in Southern Shan State, so the Wa helped Yang to defeat Peng Jia Sheng's group also.

Kokang's Myitkyina sub-office by the MNDA's commander. Unhappy with this arrangement, Mong Salat organized his troops and started to fight, in response to which Yang sent all his men and troops to west of the Salween to fight with the Mong Salat group.

Peng Jia Sheng took this internal conflict as a chance for him to re-enter into the Kokang, and with the support of the Mong La Special Region (4) Army, Peng again fought with Yang Mao Liang's Kokang troops - on 22nd October 1995. In order to increase their chances against Peng's group, Yang Mao Liang requested the help of the Myanmar government's military, so met the Lashio area commander in Kutkai and came up with three ways to resolve the Kokang conflict, as follows:

- (1) Request government support in the fight against Peng's group, after which the Kokang region will be jointly administered with the government
- (2) Kokang troops will be disarmed and transformed into a government police group under the guidance and control of the central government
- (3) Request the government to allocate land to the Kokang people in the government administration area, after which the Kokang region will be surrendered to government administration

The Lashio area commander agreed to the third request and sent seven battalions to help Yang. On August 26th, the government troops gained control over Mong Ko, which is on the east bank of the Salween River, the first time in 30 years that government troops had crossed the Salween and managed to hold on to bases on

the east bank. After that, the level of autonomy of the Kokang authorities' over the region was reduced, as Myanmar government had sent a military battalion to be based in the mountainous area, between Laukkai and Chin Shwe Haw - about 42 kilometers away. The reason government troops were stationed in that area was to maintain border security¹⁰. Since then, one has been able to see government military soldiers in some parts of Kokang. Peng Jia Sheng again took up position as the chairman of Kokang administrative committee, and his second brother Peng Jia Fu became the commander of the MNDAA.

On December 20th 1995, government and Kokang troops and Peng Jia Sheng formed the 'Kokang Temporary Administration Authority' to control the Special Region. The central government agreed to phase out its battalions from Kokang, as soon as the area was stable, but this never happened. The Peng led Kokang Chinese group was responsible for the administration of the Kokang area along the Myanmar-China border, while government military troops were given control over the highland areas of Kokang. The Kokang authorities were granted a certain degree of autonomy, as the government administration did not have much influence over the region or the Kokang people. The local Kokang authorities had already introduced some development policies in order to develop the region and promote the living standards of the Kokang people, and the significant development of social, cultural and economic factors in the region could be seen within a decade of the local Kokang authorities taking over the administration.

¹⁰ <http://www.kokang0988.org/index.php?file=content&id=34>



3.4 Local Kokang Women Selling Agricultural Products at the Laukkai Five-day Market



3.3 MNDA Kokang Troops at the Ceasefire Agreement 15th Anniversary Ceremony (11th March 2006). Photo – New Kokang



3.5 The Kokang Plain and Surrounding Hills
Photo – New Kokang

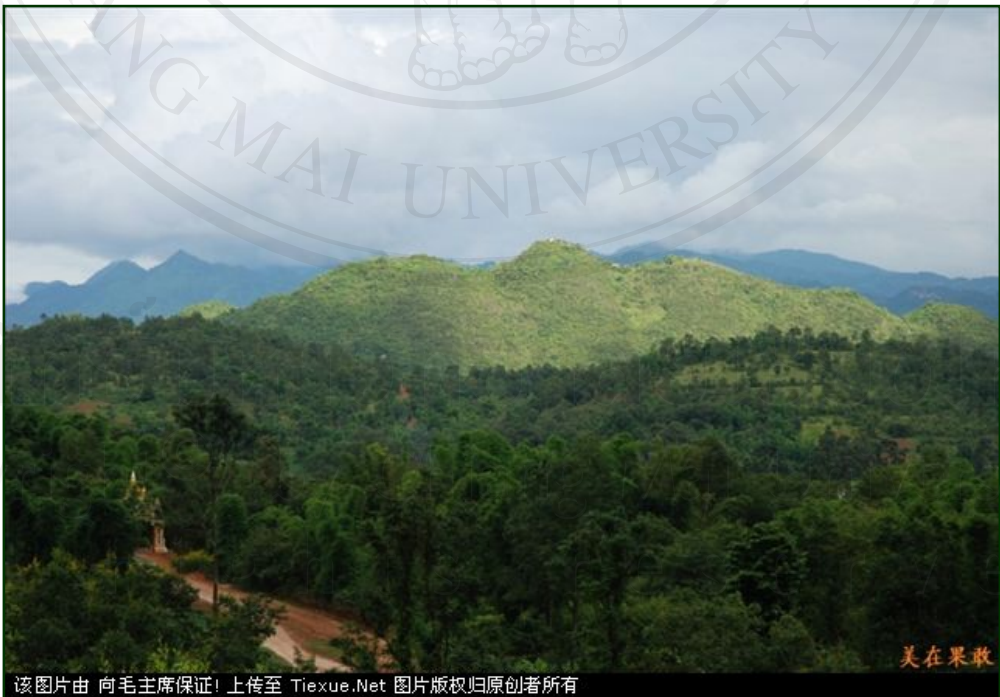


photo source – New Kokang