Burmese Squeeze

By Tarun Khanna

The quiet battle between China and India.

Orange-robed, serene Buddhist monks recently engaged in the unserene business of unseating the junta in Burma. And the stoic Aung Sang Suu Kyi is engaged in an awkward, and very public, pirouette with the generals. But a quieter battle has been underway for two decades in Burma, entirely undramatic, but profoundly consequential. Its quiet nature should not obscure the fact that it is a slugfest. In one corner, China. In the other, India. Sino-Indian competition for influence in the common hinterland of the two countries is heating up, and will get a lot hotter.

The influence is being leveraged for economic reasons—to sell cellphones, two-wheelers and sundry merchandise, and to source energy and natural resources—and for geopolitical reasons, for China to secure a route for energy that is an alternative to the vulnerable Malacca straits. Burma is now heavily dependent on China and India. In 2006, almost a fifth of its exports and 40% of its imports were to or from these two countries, each of these numbers rising from 3% a couple of decades ago.

For a long time, it might have seemed obvious that India would take the lead in competition for Burmese "hearts and minds"—and energy contracts. The historical and cultural ties between the two countries are long and deep. Burmese schoolchildren are taught that their country started when an Indian prince established a kingdom at Taguang, north of Mandalay, several thousand years ago. Much later, the British exiled Burmese King Thibaw to India and the last Mughal Emperor of India, Bahadur Shah Zafar, to Burma. And cosmopolitan Rangoon—more immigrant than immigrant New York of the time—had a population that was more than half Indian in the time of the British empire. Strong Indo-Burmese ties, thanks to warm personal relations between leaders Jawaharlal Nehru and U Nu, survived the demise of the British empire.

But more recent events have given China a chance to wedge its way into Burmese officials' affections, and Beijing has seized the opportunity. While India actively supported the 1988 pro-democracy movement, China thumbed its nose at world opinion, cozying up to the generals in return for timber, raw materials and sea lane access. China runs interference for the generals in international forums, and Burma has been a recipient of Beijing's arms largesse, in a "middle rung" of recipient countries, primarily behind Pakistan and Iran.

The result of all this within Burma is clearly visible in Mandalay, a major city that lies almost exactly between China and India on the map. In short, there is no residual Indian influence in Mandalay. More than a fifth of the population is Chinese. Mandarin pop tunes can be heard on the street. The more austere India-inspired Buddhist pagodas have given way to gaudier Chinese ones. Indian merchants, once the lifeblood of the Burmese economy, have long vanished.

Nor is this purely a phenomenon in urban, if that is the word, Burma. Jaspal Kaur Singh, a third-generation Burmese of Indian origin, now a professor in the United States, remembers a large number of Indian Sikh temples, or gurudwaras, in remote northern Taunggyi during her childhood. Over the last two decades, northern Burma has been Yunnanized, Yunnan being the southwestern Chinese province bordering Burma. Illegal immigration from China has been widespread since the late 1990s, following an earlier opening to tourism of the Old Burma Road connecting Burma and China, and the later expansion of drug trafficking and arms shipments. A million-odd Chinese have crossed into Burma. Lashio, a Burmese city on the Old Burma road, now has a population more than half Chinese.

It would be shortsighted to view such changes as inevitable, or necessarily permanent. After all, a dominant Indian presence was summarily reversed some decades ago. Relations with the government could change especially easily if and when the junta falls. But neither China nor India is laying the groundwork for a positive relationship with a post-junta democratic regime.

China's longstanding support for the junta would be an obvious hurdle to friendly ties with a democratic government. But India is not being proactive either. New Delhi's response to its fading influence has been to throw its support of Burmese democracy to the winds, and to try to match China in embracing the generals. Alas, that is a losing battle. India is congenitally incapable of deploying hard power. Too many competing power centers in the government and bureaucracy work at cross-purposes to each other, checking and balancing each other into paralysis. Compared to a top-down approach from the relatively monolithic one-party Chinese state, there is no contest.

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India's true strength lies in projecting soft power. Unstinting support of democracy, for example, is far likelier to work in the longer run as the junta runs out of steam. India should not squander an opportunity to lay useful groundwork in this regard. Even other tools of soft power will likely work better. Bollywood, for example, has a large following in Burma, and the over hundred thousand Burmese refugees in India will likely embrace India over China. Trying to play China's game against China is folly, not to mention unprincipled. It will no more work than if China tries to project only soft power against India's tactics.

There are other theaters where a version of this Sino-Indian movie is playing out. As China and India compete, for example, for Iran's affections, will the West's posture remain effective? Is the competitive amorality of the sort in Burma inevitable? It is not, if India reaffirms its principles. And a principled approach by India might even help Burma's monks. Burma is a movie trailer for what the 21st century will be like when it is rejiggered by Chinese and Indian power. That is because Burma is the first place where China and India are the primary actors, and where their different styles collide.

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Hot Air in Bangkok

By Indur Goklany

The U.N.'s climatocrats get it wrong on global warming.

After five days of contentious discussions in Bangkok, governments from nearly 200 countries last week agreed to an agenda for further talks to forge a new United Nations global warming agreement. One sticking point has been developing nations' insistence that industrialized countries should take the first steps in reducing emissions and should help finance reductions in developing countries. But this represents a serious misreading of the underlying economic situation.

The theory behind the "developed countries should pay" model was articulated by Yvo de Boer, executive secretary of the U.N. Framework Convention on Climate Change: "The problem of climate change . . . is a result of rich countries' emissions, not the result of poor countries' emissions. The historic responsibility of this problem lies with industrial nations."

Yet although greenhouse gas emissions can be blamed on nations based on the location of emission activities, these emissions are the effluvia of civilization and all its activities. In today's interconnected world, economic activity in one country helps provide livelihoods and incomes for many inhabitants elsewhere, and vice versa. A substantial portion of economic growth in developing countries is attributable to trade, remittances, tourism and direct investment from industrialized countries.

For example, remittances, mainly from the United States, Britain and the oil-rich Gulf states, account for 13% of Bangladesh's GDP. Absent economic activities that directly or indirectly fuel such contributions to developing countries, U.S. emissions might be lower, but so would jobs and incomes in developing countries like Bangladesh.

These linkages have had hugely positive effects. Greenhouse-gas-fueled economic activity has enabled today's rich societies to invest in agricultural, medical and public health research that has raised crop yields and lowered hunger in developing countries; to devise effective medical interventions to address old diseases like tuberculosis, malaria, diarrhea and smallpox and new diseases like AIDS; and to provide aid in times of famine or other natural disasters.

Absent such economic activity, human capital would have been lower worldwide. Consider, for instance, the millions of non-Americans who have been cycled through universities in the U.S. who then returned to advance their native countries' economic and technological development.

Some might argue that one should not take indirect effects of greenhouse-gas-producing activities into consideration: Only direct effects should be considered. But the notion of assigning responsibility or demanding compensation for climate change is itself based on indirect and inadvertent outcomes. Industrialized countries did not emit greenhouse gas emissions just for fun. There are clearly benefits.

So if the U.S. contribution to global warming, for instance, could be estimated, the next step would be to estimate the net harm caused to, say, Bangladesh. This requires estimating both direct and indirect impacts not just of climate change but all greenhouse gas-producing activities on Bangladesh.

This raises some serious questions, including: Had there been no greenhouse gas-producing activities in the U.S., what would have been Bangladesh's GDP and level of human well-being? How would that affect life expectancy, which is currently 62 years but was only 35 years in 1945? Would Bangladesh's hunger and malnutrition rates rise? How many Bangladeshis were saved in the 1960s and 1970s because of food aid from industrialized countries? How much of its increase in agricultural productivity is due to higher CO_2 levels, or indirectly due to efforts enabled because the U.S. was wealthy enough to support them? If future agricultural productivity declines due to climate change, how do you subtract past and present benefits from future harms?

Clearly, it's premature to assign "responsibility" to industrialized countries for net damages to developing countries, since we don't know whether those damages have, in fact, been incurred. Even if one could assign responsibility for climate change, it does not follow that it would be "fairer" if industrialized nations were to expend resources now on ambitious mitigation measures, based partly on the premise that it would reduce future climate change risks for developing nations. The same resources would, in the short- to medium term, provide greater and faster benefits to precisely those nations by reducing existing—and generally larger—climate-sensitive risks and vulnerabilities such as hunger, malaria and the threat of cyclones and other extreme events.

The U.N. climatocrats owe it to the people of the developing world to consider these trade-offs before they charge ahead with their ambitious new agenda.

Mr. Goklany, a fellow at the Cato Institute, is the author of "The Improving State of the World," (Cato, 2007), from which this op-ed is excerpted.

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