

The Dangerous Allure of Burma's Rare Earths

By Gregory B. Poling

KEY TAKEAWAYS

- The Trump administration has been approached with at least two proposals advocating a shift in the U.S. approach to the 4.5-year Burmese civil war to access the country's rare earths.
- The military junta in Burma is losing ground quickly, and engaging with it would be damaging to U.S. long-term strategic interests, offering little to no gain at exorbitant cost.
- The United States must continue to support resistance organizations as authorized by the BURMA Act and use its leverage to encourage a more unified opposition to junta rule.
- The United States must work to convince partners such as Bangladesh and India to reconsider their respective strategies toward neighboring resistance groups.

BACKGROUND AND CONTEXT

In late July, Reuters **reported** that the Trump administration received two different proposals to shift U.S. engagement in the ongoing Burmese civil war in order to access Burma's substantial reserves of rare earths. The administration has demonstrated little interest in engaging in the crisis in Burma so far. It has, however, shown a persistent interest in securing U.S. access to critical minerals, including in war zones like Ukraine. There is concern that the rare earths issue could spark the wrong kind of interest from the administration in the Burmese civil war. On July 25, the Department of the Treasury unexpectedly **lifted** sanctions on several Burmese entities, including known arms traffickers to the junta still sanctioned by Canada and the United Kingdom. This has led to concern that the administration might explore a rapprochement with junta leader Min Aung Hlaing's regime for access to critical minerals.

Department of the Treasury officials **denied** any political motivation. The slightly less worrying explanation, then, is that no senior administration official was aware of the impending decision or how damaging it would be. Either way, this suggests that policy entrepreneurs in the administration, focused on accessing rare earths, could try to push outreach to the junta in the future. That would damage both long-term U.S. strategic interests and undermine eventual access to those rare earth deposits.

LEGISLATIVE AND POLICY IMPLICATIONS

There is bipartisan concern for the ongoing situation in Burma, and Congress has consistently opposed engagement with the junta. In the 119th Congress, Representative Claudia Tenney (R-NY-24), joined by a bipartisan group of 16 cosponsors, **introduced** H.Res. 106 to call on the UN Security Council to impose an arms embargo on Burma. On July 15, Representative Nikema Williams (D-GA-5) introduced H.R. 4423, the No New Burma Funds Act. The act **calls** for the U.S. executive director at the International Bank for Reconstruction and Development to push for a continued pause on disbursements and financing commitments to the government of Burma.

On July 22, Representative Bill Huizenga (R-MI-4), along with a bipartisan group of 15 representatives, **introduced** H.R. 3190, the "Bringing Real Accountability Via Enforcement in Burma Act" or the "BRAVE Burma Act," calling for the appointment of a Special Envoy for Burma, extending the sunset provisions of the 2022 BURMA Act, and encouraging sanctions on additional entities supporting the Burmese junta. Continuing political and financial pressure toward the junta could go a long way in supporting resistance actors toward creating a more stable, democratic Burma.

RECOMMENDATIONS

Should the U.S. government consider active engagement in Burma, it should do so on the side of the resistance.

- The United States must communicate to relevant resistance actors that, should such a unified resistance emerge, they would enjoy greater financial and diplomatic support from Washington, including access to Burmese government funds currently frozen in the United States.
- The United States should restart foreign assistance to resistance actors that had previously been provided support from USAID.
- The United States should strengthen efforts to convince Burma's neighbors, especially Bangladesh and India, to reconsider their stances and engage more productively with the resistance actors that control their borders.

CHALLENGES AND RISKS

There are three reasons that outreach to the Burmese junta is the wrong way to secure access to rare earths:

1. **Accessing the minerals would be all but impossible due to logistical constraints.** Burma's rare earths mining is concentrated in Kachin State in the north of the country. Nearly the entire state, including the rare earths mines, is controlled by the Kachin Independence Organization, which seeks independence from the junta. There is no viable path to the sea for rare earths exports, and certainly not one controlled by the junta.
2. **It would amount to a big bet on the losing side of the civil war.** The junta is not winning. The situation in Burma is often falsely dubbed a stalemate. The junta has steadily lost ground to the disparate resistance forces over the last four and a half years and currently controls only about 14 percent of the country's territory.
3. **It would place the United States' hopes on a Chinese proxy regime more likely to prioritize Beijing's interests.** If the United States were to help prop up the junta in exchange for future access to rare earths, it would severely undermine long-term U.S. strategic interests.

Additional Resources

Gregory B. Poling, "The Dangerous Allure of Myanmar's Rare Earths," CSIS, *Commentary*, August 1, 2025, <https://www.csis.org/analysis/dangerous-allure-myanmars-rare-earths>.

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