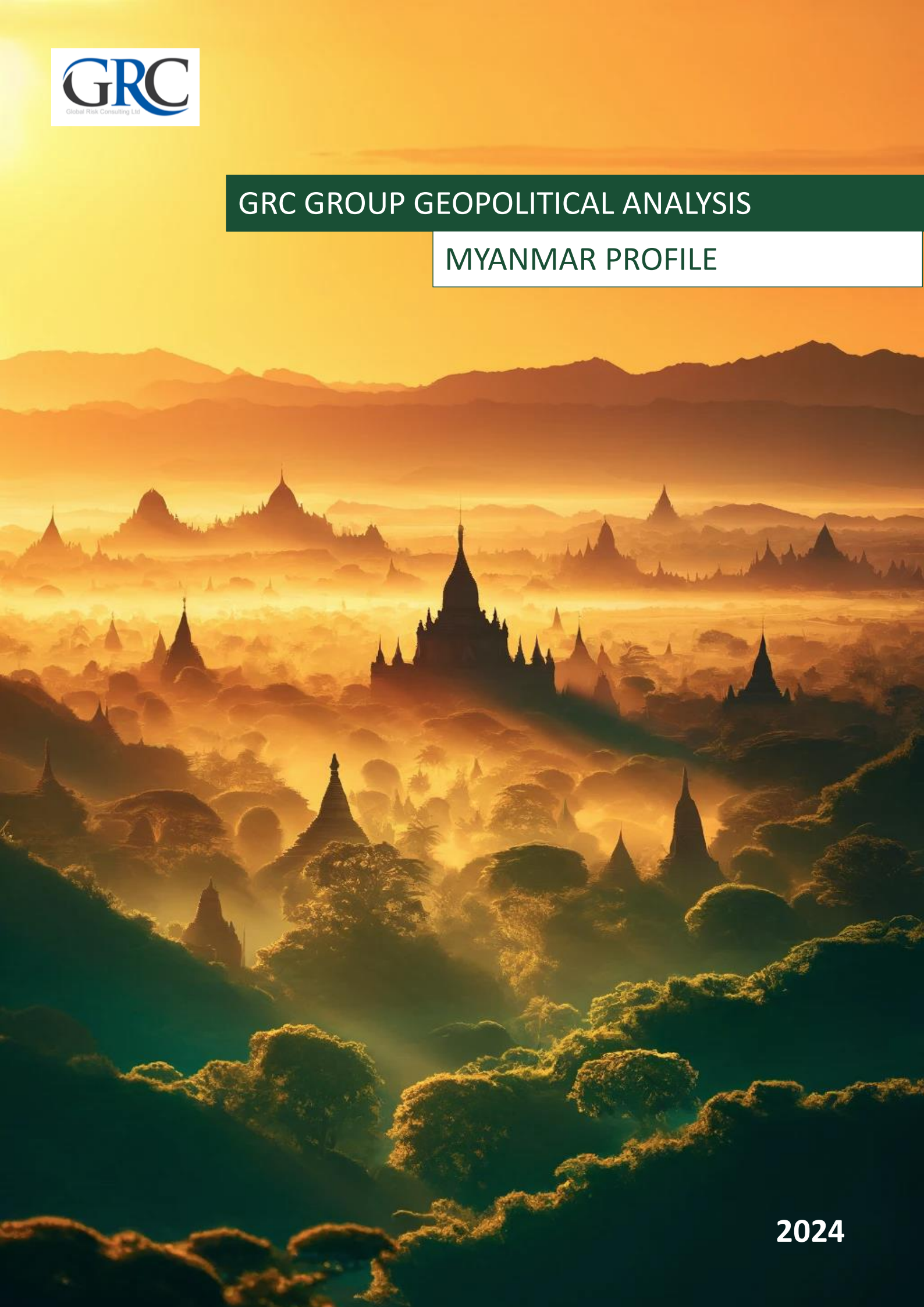




GRC GROUP GEOPOLITICAL ANALYSIS

MYANMAR PROFILE



2024

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Myanmar – Civil War Past and Present

Global Risk Consulting (GRC) Group
Geopolitical Analysis

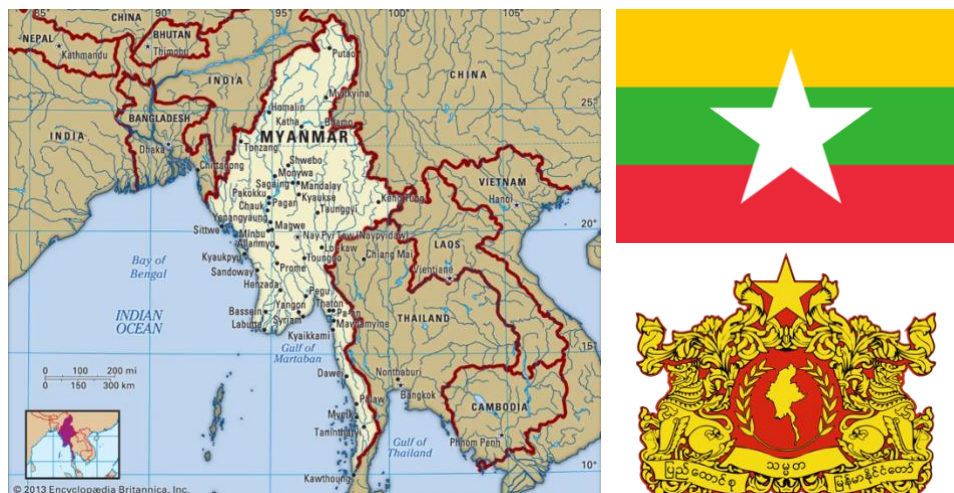


Figure 1: Myanmar Map, Flag, and State Seal of the National Unity Government.

Background

1. (U) Myanmar, formerly Burma, is a land of approximately 135 distinct ethnic groups. The majority, at just under two thirds of the population, are the Bamar people for whom the country used to be named. The Bamar people occupy the central lowlands and river lands of the country, along with the most populated cities, Yangon, Mandalay, and Naypyidaw. The rest of the country and its borderlands, which are mostly mountainous and forested, are home to numerous ethnic minorities. These geographic conditions and lack of reliable infrastructure have led to these ethnic minorities forming “ethnic enclaves” based in semi-isolated rural areas. Importantly, following independence from the United Kingdom in 1948, the newly formed democracy drafted into constitution the right for ethnic minority states to have the future opportunity for federated authority, or independence from the union as a whole.

2. The ethnic minority states developed the fledgling ethnic armed organization (EAO), leading to minor insurgencies, however a full-scale war was kept at bay by the constitutional promise of independence and autonomy. During 1948 to 1962, the Chinese Nationalist Kuomintang (KMT), having lost the civil war in China to Mao’s communist party, fled their homeland and deeply established themselves in neighboring Myanmar’s ethnic Shan State in order to maintain a base of operations against the People’s Republic of China (PRC).

3. Funded by opiate production under warlords such as Khun SA (aka Chang Chi Fu) and supported by Thailand, Taiwan, and the CIA, the KMT launched steady operations against the PRC and the Myanmar state military (Tatmadaw). This in turn led to the Tatmadaw retaliating not just against the KMT, but also against the Shan State peoples for allowing the KMT to live amongst them.

4. This situation lasted until 1962, when most of the KMT had been evacuated from Myanmar, and some of the states populated by ethnic minorities, such as the Karen and Wa

people began calling on their constitutional right to secede. Concerned with losing international credibility, access to mineral wealth and control of a drug market worth approx. just under USD\$1 billion, The Tatmadaw under General Ne Win staged a coup of the democratic government, suspended the constitution, and tightened their grip over the country. Between 1962 and 1988, Ne Win, the Tatmadaw, and its Burmese Socialist Program Party led an era of tyranny, stagnation, isolation, and superstition. Following a catastrophic financial situation and an absurd monetary policy, the country collapsed financially. This led to mass uprisings by the Myanmar population in 1988, with hundreds of thousands of people protesting in the street. The protests greatly embarrassed the Tatmadaw, and in a desperate attempt to end them utilized military force, killing thousands of protestors.

5. As a partial concession to the people of Myanmar, the Tatmadaw allowed a national election in 1990. Aung San Suu Kyi and her National League for Democracy (NLD) won by a wide margin (59% against the military's 21%). The Tatmadaw promptly voided the election, imprisoned Aung San Suu Kyi, and continued their former policies until 2010.

6. In 2010 the Tatmadaw once again acquiesced to a national election, which the NLD boycotted. However, this time the Tatmadaw's political party (USDP) fielded a moderate candidate, who began to undertake some earnest policy changes that helped open the country up economically, socially, and diplomatically. As part of these policies, Aung San Suu Kyi was released from house arrest and given freedom of movement.

7. In 2015 another national election was held, this time with Aung San Suu Kyi's NLD participating. Despite the Tatmadaw's legally mandated reservation of 25% of parliamentary seats for themselves, the NLD won a supermajority against the military and the parties that supported them. The new NLD government continued reforms and maintained the perilous task of not upsetting the Tatmadaw, who retained control over the nation's police and military.¹

Current situation

8. In 2020 the national election garnered the NLD even more votes than in the 2015 election. This proved too much for the Tatmadaw, who promptly launched another military coup and re-prisoned Aung San Suu Kyi. Mass protests were sparked across the country, with many government workers, doctors, teachers, and other civilians boycotting participating in the economy or cooperating with the military government.

9. The deposed civilian government largely fled into exile and formed the National Unity Government (NUG), maintaining themselves as the legitimate representatives of the country. The NUG has also established an armed militant wing labelled the People's Defence Force (PDF). In contrast to many of the EAO, the PDF accept Bamar peoples into their ranks,

¹ A prime example of this was Aung San Suu Kyi's refusal to condemn the Tatmadaw's decision to cleanse the Rakhine state of Rohingya inhabitants in 2016. Following a flare up of sectarian tensions between the Buddhist majority and the Muslim Rohingya earlier in the decade, the Tatmadaw began a campaign of destroying Rohingya townships and forcing nearly one million people to flee across the border to Bangladesh.

maintaining a goal of being a coordinated multi-ethnic, all-of-nation fighting force to overthrow the Tatmadaw.

10. The PDFs aligned themselves with several sympathetic EAOs, whose populations have increasingly begun to support the idea of a federalised and inclusionary state. While the PDF initially lacked funding, military experience, and adequate firepower, their coordination with sympathetic and experienced EAOs has rapidly stabilised their position against the Tatmadaw.

11. Unwilling to risk returning to an economically backward and oppressive government has motivated many EAOs beyond merely supporting the PDF, with several EAOs breaking their ceasefire agreements and carrying out military operations against the Tatmadaw again.

12. The Tatmadaw has since felt the strain of fighting on multiple fronts. 46% of Tatmadaw's most recent budget was spent on *personnel costs*, where low morale, high defection, and high corruption appear to massively sap its effectiveness. Another 32% of the budget is spent on operations and procurement. Much of this funding includes sourcing warships, anti-air systems and airpower from China and Russia, with seemingly little going towards effective ground force equipment.



Figure 2: Young members of the PDF - Al Jazeera 2024
<https://www.aljazeera.com/news/2024/2/1/blood-and-sweat-myanmar-resistance-fights-to-overturn-military-coup>

13. Both domestic civilians and international businesses have engaged in boycotting Tatmadaw's two major multi-business conglomerates, MEHL and MEC. This, in addition to COVID-19, has disrupted natural resource harvesting, and denied cross-country trade access, limiting the Tatmadaw's ability to effectively fund their forces.

14. Between 2020 and mid-2023, the PDF and various EAOs made some ground against the Tatmadaw in respective geographic areas. The Tatmadaw made very few gains and have largely been on the defensive.

The China problem

15. While this was occurring, an already imperfect relationship with China has been further strained by the Tatmadaw's inability and unwillingness to reign in Chinese crime syndicates operating in the border towns, primarily Laukkaing. The Chinese state media has stated that more than 100,000 people in Myanmar are involved in telecom scams daily. In addition to this, the criminal syndicates run kidnapping, illicit prostitution, and gambling rings.

16. Until recently, several of the towns were run by the Myanmar Border Guard Forces (BGF). Officially under the command of the Tatmadaw, the BGF employs local minority personnel, and enjoys a degree of independence from the centralised government. Control of these towns is lucrative for both the Border Guard Forces and the centralised Myanmar government, as hefty bribes are paid to them by the criminal syndicates for tolerance of their activities. The inability of the Tatmadaw to reign these syndicates in appears to have caused China to tacitly give allowance to the EAOs and PDF to take control of the situation.

17. China has no shortage of influence in the area. It is one of the few cooperative partners the Tatmadaw has left. However, despite this apparent alliance, China heavily funds, arms, and influences the United Wa State Army, a 20,000 strong EAO in Shan State, who is actively engaged against the Tatmadaw.

18. On the 27th of October 2023, an alliance of three EAOs² (dubbed the Three Brotherhood Alliance) together with the PDF launched Operation 1027. The operations and town seizures have effectively deprived the Myanmar government of most of its Chinese border access in Shan State. The Tatmadaw control of border crossings to China, which they rely heavily on for military supply, is now limited to approximately six out of nineteen border crossings points, with their access to the few they control extremely limited due to geographic, logistic, and military issues. The operation is unprecedented, as it's the first time since the 2020 coup that multiple EAOs have coordinated their efforts with a goal of overthrowing the Tatmadaw, who seem to not be able to provide an effective response.

19. Several other EAOs across the country have begun launching offensives of their own. Some in conjunction with the PDF, and some as opportunistic measures. The Karenni EAOs located in the east near the Thia border claimed to have downed a Tatmadaw fighter jet; the Chin EAOs and the PDF seizing one of the few Indian border crossings. On paper, the various EAOs and PDF in Myanmar claim to field over 200,000 soldiers. In comparison, the Tatmadaw contains 150,000 total personnel and 19,000 in reserve, and while mandatory conscription was announced on February 10 2024, it is yet unknown how effective this will be in bolstering Tatmadaw numbers in the face of mass defections.

20. The key to the shift in military power hinges on the motivation and level of cooperation of the EAOs and PDF. The EAOs have historically served the singular purpose of protecting the interests of their respective ethnic groups and little more. When unified and coordinated, even the smaller EAOs can make gains against the Tatmadaw.

21. Recently, the Tatmadaw's waning strength presented an opportunity for the EAOs to

² The Three Brothers Alliance consists of: the Arakan Army, Myanmar National Democratic Alliance Army, and the Ta'and National Liberation Army

curry favour with China. Since October 2023 several EAOs, encouraged by China, have launched coordinated attacks against the crime syndicates in Laukkaing and at the end of January 2024 the remaining three leaders Bai Suecheng, Wei Chaoren, and Lui Zhengxiang were handed over to China. The EAOs are likely capitalising on China's dissatisfaction with the Tatmadaw propping up activities in Laukkaing and may look for more opportunities to develop a relationship with their largest and most influential neighbour in the coming months as they look to consolidate their gains.



Figure 3: Myanmar hands leader of crime syndicate back to China - BBC 2024
<https://www.bbc.com/news/world-asia-china-68150555>

Major stakeholders and their influence:

ASEAN

22. The Tatmadaw's coup and ongoing human rights violations pose an 'elephant in the room' for members of the Association of Southeast Asian Nations. While adhering to various degrees of democracy and human rights commitments themselves, most ASEAN members view the questionable legitimacy of the Myanmar government and its international unpopularity as a sore spot for the group. Their inability to do more than diplomatically nudge the Tatmadaw has demonstrated their limited willingness or possibly effectiveness as a group on the world stage. Timor Leste has even declined acceptance into ASEAN after a decade long application, on the grounds that ASEAN had not done enough to convince the Tatmadaw to end their campaign.

China

23. Highest on China's regional wish list are orderly and cooperative neighbours. Having their requests for judicial cooperation snubbed by a far less powerful neighbour has drawn its ire. Second on China's wish list is strong trade and a healthy export market. China will likely flex its political muscle as much as necessary to achieve the former without necessarily having to give up the latter. Ultimately, China publicly maintains a broad policy of non-interference in other nations' domestic issues. Out of principle, China likely doesn't care whether the Tatmadaw or NUG reign as the government in Myanmar, as long as it gets its way in areas that directly impact China. If the EAO and PDF prove able to cooperate with China to its

satisfaction, China might continue its recent policy of implicit support or potentially allow a further flow of much needed modern arms through the United Wa State Army into the hands of the PDF and its allies.

Tatmadaw

24. With few states willing to cooperate with them, China's tolerance of the PDF and EAO likely isn't enough to change the Tatmadaw's desire for Chinese support. If anything, it may make the Tatmadaw think twice next time about not prioritising the wants of China. The Tatmadaw's policies in the previous decade have shown a general willingness and tolerance for some degree of power sharing. Unfortunately, there's not enough overlap with any other internal stakeholders for a satisfactory and stable situation. A degraded economy, broad military losses, and a status as an international pariah are certainly not making it comfortable for the Tatmadaw to rule. It's not a position the Tatmadaw have been historically unfamiliar with, but the sheer instability of the country means that the Tatmadaw will never get to rule with an iron fist for as much or as long as they want.



Figure 4: Tatmadaw Armed Forces Day - Al Jazeera 2024
<https://www.aljazeera.com/news/2024/3/26/backs-to-the-wall-myanmar-military-prepares-to-mark-armed-forces-day>

NUG

25. In a complex nation with ever changing alliances, groups, and dynamics, it's not easy to predict the future life of the National Unity Government or its People's Defence Forces. The PDF's willingness to recruit large numbers of Bamar people into the civil war against the government and its coordination with any EAO willing to share their goals has posed a significant threat to the Tatmadaw. Despite recent gains, it's unlikely that the PDF will be able to muster enough force and momentum to topple the government militarily. The largest towns seized by the PDF so far only contain between 15,000 and 50,000 people. It's still a far cry from cities of several hundred thousand in the Bamar heartland, where EAO allies may be less willing to operate due to limited interests. If the PDF continues to build effectiveness and entrench themselves as a unifying force across the country, they might be able to force the Tatmadaw into the worst military situation it's ever experienced.

EAO

26. With such a wide diversity of EAO across Myanmar, it's difficult to paint them with any brush of singularity. Some have historically allied with the Tatmadaw, waging war on its behalf in exchange for de facto autonomy. Others have willingly abided by ceasefires and attended numerous talks with the Myanmar government to negotiate a degree of autonomy. Some EAO clash with other ethnic groups, and even their own, for control of territory and influence. There's been a general trend in recent decades of EAO moving away from their original goals of independence towards a federated model with delegated authority. This development is evidenced by widespread support for Aung San Suu Kyi's National League for Democracy, even in minority areas with ethnicity based political parties. While the EAO may not be overly willing to march armies against Bamar cities, their coordination may deprive the Tatmadaw of any remaining access and power they have near the country's borders.

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Intelligence is key to understanding the risks that threats pose to your interests and, by utilising a variety of products, GRC provides a wide range of intelligence services to advise and assist you in understanding those risks. Services include:



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With our experience operating in dynamic threat environments, we aim to keep you updated on current and developing threats.

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Similarly, should you be undertaking critical operations, we are here to assist you in recognising critical vulnerabilities that may develop to assist your overall security.



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In a world of increasing uncertainty crises can often develop rapidly and with minimal forewarning.

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GRC Group Systems



SecIntel



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