

POLICY BRIEF

The Deepening Crisis in Myanmar

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Cover Photographs:

State Administration Council Chairman Prime Minister Senior General Min Aung Hlaing receives member of the CCPCC Secretariat, State Councillor and Minister of Public Security Mr Wang Xiaohong in Nay Pyi Taw on 31 October 2023. (Source: <u>The Global New Light of Myanmar</u>)

Pro Tem President U Myint Swe presides over the meeting 3/2023 of the National Defence and Security Council of the Republic of the Union of Myanmar on 8 November 2023 in Nay Pyi Taw and Senior General Min Aung Hlaing puts forward the explanation to the meeting. (Source: The Global New Light of Myanmar)

Chairman of State Administration Council Prime Minister Senior General Min Aung Hlaing addresses SAC meeting 6/2023. (Source: Senior General Min Aung Hlaing/Official Website)

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Introduction

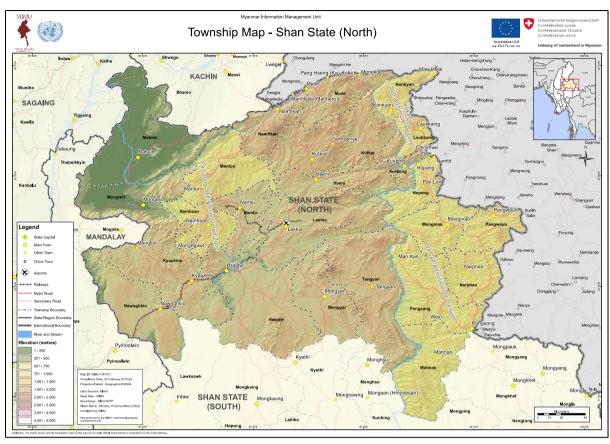
The crisis in Myanmar is deepening. The launch of the '1027' operation on 27 October, 2023, by the 'Brotherhood Alliance' of three of the ethnic armed groups in the Shan State in North East Myanmar has had a significant impact on the power equilibrium in the country. From all accounts only half or even less than half of the country's 330 townships can now be characterised as stable under the military regime. (The regime itself had indicated in January this year that 132 townships were facing unstable conditions then).

The Shan state which is mostly a hilly plateau with higher mountains in the north is area-wise the largest of Myanmar's 14 provinces, comprising seven ethnic states and seven Bamar dominated regions. It is also home to the largest number of rebel ethnic armed groups (EAGs). While the state appeared relatively less affected by disturbances that followed the February 2021 coup, the well coordinated 1027 operation has resulted in the loss of military's control of several towns bordering China including a key trading point at Chinshehaw. Trade has also come to a halt at the main 105 mile border trade zone, near Muse, which is the main overland trading point with China. Senior General Min Aung Hlaing (MAH), head of the military regime, explained at the regime's State Advisory Council meeting on November 30 that rebels aided by 'foreign drone experts' used over 25,000 drone-dropped bombs forcing some military posts to abandon due to excessive strength of resistance fighters¹. The military responded with the imposition of martial law in eight of the townships of the northern part of Shan state.

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¹ https://www.seniorgeneralminaunghlaing.com.mm/en/29746/chairman-state-administration-council-prime-minister-senior-general-min-aung-hlaing-addresses-sac-meeting-62023/



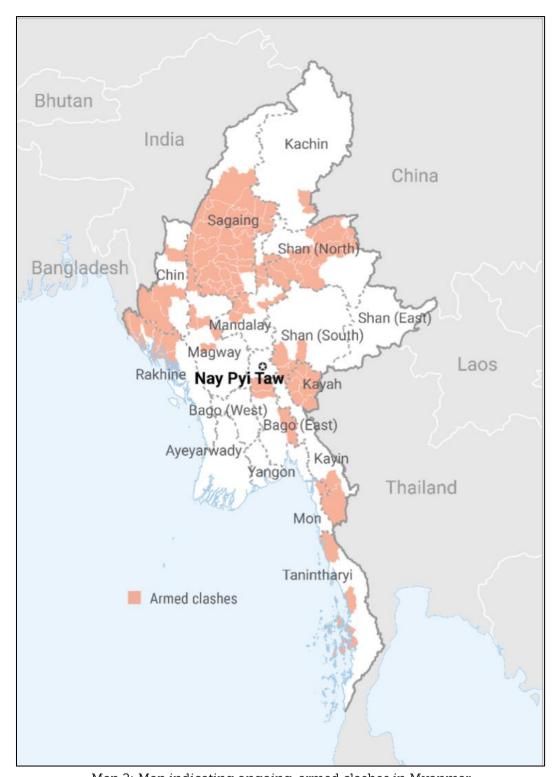


Map 1: Northern Shan state indicating also the Kokang, Palaung and Wa self-administered zones (Source: <u>Myanmar Information Management Unit</u>)

These rapid turn of events has given a shot in the arm to the rebel groups fighting the military regime in other areas. EAGs in the Kachin, Karen, Kayah, Chin and Rakhine ethnic states as well as the Bamar dominated PDFs (Peoples Democratic Forces) in the Sagaing, Magwe and Bago regions have all captured more military and police outposts in recent weeks in their respective areas of operations. The PDFs are sponsored by the coup ousted National Unity Government (NUG) comprising elected MPs dominated by the National League of Democracy. Ethnic armed groups like the Kachin Independence Army (KIA) and the Karen National Liberation Army (KNLA) are providing them training support, facilitation of arms and are even joining in, in some of PDF operations. In all, as per the estimates of UNOCHA² (UN Office for coordination of humanitarian affairs), some 578,000 people have fled their homes since the start of the 1027 operation, bringing the total number of people displaced after the coup in Myanmar to about 2 million people.

² https://www.unocha.org/publications/report/myanmar/myanmar-intensification-clashes-flash-update-9-8-december-2023





Map 2: Map indicating ongoing-armed clashes in Myanmar (Source: <u>United Nations Office for the Coordination of Humanitarian Affairs</u>)

The 'Brotherhood Alliance'

The brotherhood alliance itself comprises the Myanmar National Democratic Alliance Army (MNDAA of the Kokang ethnic group of Han Chinese descent), the Ta'ang National Liberation Army (TNLA of the Ta'ang ethnic group also



called Palaung) and the Arakan Army (AA of the Rakhine state) each of which have a trained soldier strength exceeding 10,000 men. While the three appear pursuing different territorial and political ambitions they have seen common benefit in coordinated fighting and along with the KIA are also part of the loosely formed 'Northern Alliance-Burma'.

The Kokang group

MNDAA is led now by the son of Pheung Kya Shin, who was evicted from the Kokang self administered zone in 2009 by the Myanmar military, and replaced with the head of the military's border guard force (by MAH himself when he commanded that region then), is seeking to return and get to administer the Kokang zone on the China border. Interestingly, this region, particularly its capital Laukkaing, has grown vastly in recent years and become known as a den for gambling³, drug and human trafficking and cyber scams, that could not have happened without the military's knowledge. It had also become a source of concern for several of Myanmar's neighbours including China even as investments from China by Chinese criminal gangs appeared to have been the main source for these illicit activities. The Tatmadaw (another name for Myanmar military) however did not deal with these effectively, and some say its elements were also complicit in the corruption, despite concerns expressed by China whose citizens were also getting defrauded by the scams. So when the brotherhood alliance declared that eradication of these scams was one of the 1027 objectives, China, which maintains close ties with these rebel groups, may well have given tacit acceptance to their plans.

The Ta'ang National Liberation Army

The TNLA based in the Palaung self administered zone is another EAG that has vastly grown in numbers from 2009 onwards and is seeking to expand its territorial control. It has been mainly responsible for the attacks along the Mandalay-Lashio-Muse highway and the 105 Muse trade zone. For groups like the TNLA the aspiration⁴ is to acquire a status and autonomy like the WA self administered zone in the Shan state that is practically fully locally governed including having its own army of 30,000 personnel (UWSA - United Wa State Army). TNLA may also be aspiring to carve out a greater Palau Land that encompasses adjacent townships in which Palau people live. A direct land link

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³ See a photoshot of Laukkaing night view

⁴ A detailed account of TNLA's evolution and its aspirations could be in the report of the International Crisis Group accessible at https://www.crisisgroup.org/asia/south-east-asia/myanmar/b177-treading-rocky-path-taang-army-expands-myanmars-shan-state



to China could also give it a slice of the toll from the trade traffic passing through.

The Arakan Army

The AA, although its area of focus is the Rakhine State in the west of Myanmar, was established in the Kachin State in the north in 2009 and received training from the KIA. The troops moved substantially to the Rakhine State in 2015 or so, but several of its cadres are still present and receiving training in the northern Shan and Kachin States and they also frequently join in their operations. While AA's activities heightened in Rakhine State from 2018 onwards (it was also declared a terrorist organisation) it had arrived at an informal ceasefire with the military in November 2022. That temporary truce however was broken with its participation in the 1027 operations and AA reviving fighting in the Rakhine State itself from November 13 onwards. It has since claimed taking over Tarawaing and Honeblu bases in Paletwa township of Chin state that falls in the area of the Kaladan project under implementation by India. Similarly claims have been made about the seizing of two guard bases in Done Paik and Chein Kasr Li on the trade route to Bangladesh.

How do these recent incidents add up?

How do all these add up in terms of the military regime's durability and of Myanmar's own future? Will China come to its rescue in reining in the militant ethnic groups? Forced to a corner, will the Tatmadaw be more amenable to the initiation of a dialogue among all the parties involved as envisaged by the ASEAN's five-point consensus? What may be the future lines of action of the resistance forces including the NUG? What should India be doing in the circumstances at a time when the refugee flow also continues to rise both in Mizoram and Manipur states? Answers to these questions can only be speculative at this stage but there are some pointers.

With two thirds of the country populated by the majority bamars and one third by the different ethnic groups there is a rule of thumb necessary condition in Myanmar for any ruling Bamar led dispensation to keep effective control. Either keep the Bamars themselves largely together and if that is not possible then at least make peace with the ethnic groups or keep them divided. Thus during the Than Shwe led regime from 1992 to 2010 when the NLD of Aung San Suu Kyi (ASSK) led the resistance, even if non-violent, the Tatmadaw was able to arrive at ceasefire agreements with several major ethnic armed groups, which helped. And from 2011 onwards as the country was transitioning towards democracy, initially under Thein Sein and later under ASSK's NLD, the



Bamars generally held together even as the military tackled the violence that erupted during this period in the Kokang, Mongla, KIA and other areas as also the Rohingaya crisis. During this period ten ethnic groups had also signed the National Ceasefire Agreement (NCA) as part of the peace process then launched by President Thein Sein that was followed up during the NLD government.

Presently such conditions do not prevail in Myanmar. While the military may have expected the resistance to peter out with time from exhaustion this has not happened. Several of the Bamar dominated regions continue to see violent disturbances. The military has also not been successful in forging more ceasefire pacts with the ethnic groups. Although the eighth anniversary of the signing of the NCA was held with great fanfare in Nay Pyi Taw on October 15, 2023, attended also by India, NCA now has three less signatories. The Karen National Union, the Chin National Front and the All Burma Student's Democratic Front have walked out of the NCA and have resumed fighting the military. Moreover, EAGs with the largest armies like the UWSA, KIA, MNDAA, TNLA, AA and the Shan State Progressive Party all of which are also part of the the coalition named Federal Political Negotiation and Consultative Committee (FPNCC) have shown no readiness to sign the NCA.

Meanwhile there was an indication a few days ago that a temporary truce has been worked out⁵ in the Northern Shan state between the brotherhood alliance and the military, at the instance of China. However reports about continued fighting by the TNLA⁶ and AA are still coming. Even if the temporary truce gets observed the question remains for how long.

Possible scenarios in the coming months

This brings us to the larger question of possible scenarios that can unfold in the coming months and over a medium term.

Continuation of the present approach - one scenario

One scenario could be for the military to continue pursuing what it has been doing including using air power and artillery in the hope that it can still overcome resistance. Even on earlier occasions when Myanmar's military was challenged it ultimately prevailed. The military is also honed to fighting

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⁵ See

https://www.fmprc.gov.cn/eng/xwfw_665399/s2510_665401/202312/t20231214_11202549.html

 $^{^6}$ See for example https://thediplomat.com/2023/12/myanmar-ethnic-alliance-continues-gains-despite-china-brokered-ceasefire/



insurgency and understands the tactics and strategies of the EAGs spread across a wide variety of terrains. That said, judging from the performance of the military regime since the coup in February 2021 till when it was regarded invincible, it is far from clear it can successfully contain the combined resistance coming from both the PDFs and the EAGs. The military also appears somewhat overwhelmed by the large scale use of drones by the EAGs. More likely, therefore, is that the continuation of the present approach by the military may fetch only diminishing returns with areas under its control steadily shrinking. This is particularly so when the post coup soldier losses by the military have not been small and there are also reports about declining Tatmadaw morale and some desertions. Pro tem President Myint Swe's blunt warning on November 8, 2023 at the National Defense and Security Council meeting that if the government did not effectively manage the incidents happening in the border region the country will be split into various parts⁷ is also particularly telling, even as he may have said it with a view to rallying popular support for the Tatmadaw.

Arriving at ceasefire agreements with the EAGs?

A second possible scenario could emerge from the regime taking initiatives to arrive at ceasefire agreements with the warring EAGs that may allow it to then focus attention on dealing with the resistance in the other areas particularly in the Bamar dominated ones. Considering however the territorial gains made by each of the EAGs in its respective region, they will have their own individual demands for autonomy and control on those territories and avenues for income earning which may need to be negotiated as part of those ceasefire deals. The regime may also require some assistance here from China in nudging these groups to the table and moderating their demands. China's special envoy for Myanmar Deng Xijun has been in regular touch with the EAGs. China's Minister for Public Security Wang Xiaohong has also made recent visits to Myanmar.

What may also be needed to push these negotiations forward are one or two skilful senior negotiators from the regime like Prime Minister Khin Nyunt of the Than Shwe era, who helped reach ceasefire agreements with the UWSA and KIA in the nineties. China may also see some gains for itself in these groups bordering it gaining greater autonomy. It has significant influence over them and this may help secure its own economic interests and maintaining border stability. Of course this would mean weaning away these ethnic groups from giving any support to the NUG or the PDFs. Whether the EAGs would agree after

⁷ See https://www.gnlm.com.mm/national-defence-and-security-council-of-the-republic-of-the-union-of-myanmar-holds-meeting-3-2023/



working closely with the NUG and its affiliates during the last couple of years also remains to be seen. The drawback in this approach is that some of the autonomy elements agreed with the different ethnic groups as part of temporary deals may become permanent as has happened in respect of the Wa territory. China's influence may also further mount.

Military regime agreeing to a dialogue?

A third scenario that presently looks unlikely but may be more appropriate for ensuring Myanmar's long term autonomy, territorial integrity and economic development is the military regime agreeing to a dialogue involving all its national stakeholders including the NUG, as indeed envisaged under the five point consensus of the ASEAN. It could be held with ASEAN's help or there could be other facilitators. It may to need to start with some clear steps by the military towards bringing about national reconciliation. It is also very likely that not only the military, but also the NUG and perhaps also the EAGs, may put forward their own pre-conditions for entering into such a dialogue, including about aspects on which each side feels there can be no compromise. Certainly all of this will need ironing out before any serious dialogue can begin. A tough call at this stage but possibly more enduring.

What can India do in the present context?

What is it that India can do in the present context? Perhaps little except conveying the government's own assessment frankly to the military regime in Nay Pyi Taw in closed door discussions. We would also need to share our concern regarding the fighting that has taken place very close to our border near Moreh in Manipur and near Zhowkowthar in Mizoram. Perhaps all this has been done during the Foreign Office consultations held with Myanmar in New Delhi on December 6 when a wide range of issues including those covering the situation along the border and security as well as concerns related to transnational crimes were discussed. India also reiterated its support for Myanmar's transition towards a federal democracy. Separately, in view of the evolving situation in Myanmar, India has issued a travel advisory on November 21 advising Indian nationals to avoid non- essential travel to Myanmar and for Indians in Myanmar to take precaution and avoid travelling to the regions affected by violence and also to avoid inter-state travel by road.

The entry of over 50,000 refugees who have come into the states of Mizoram and Manipur is a matter of concern to us. Dealing with it in a humanitarian way will be important. At the same time ensuring that there are no illegal activities



by some elements among them indulging in arms smuggling or drug or human trafficking or interfering in our internal affairs will be essential.

It may also be necessary for India, if this has already not been done, to reach out at some levels to the EAGs of Myanmar (or their political formations) which are active close to our border and which have shown some staying power, such as the AA and the Chin National Front, and keep up communication channels. Some reports have also suggested that the PDFs in the Sagaing Region are using the bases of some of Indian rebel groups taking shelter there. Keeping a tab on this would be important too, exploring also if the ongoing crisis in Myanmar can be used as an opportunity by us in settling our own rebel ethnic causes politically. Involving groups like the NUG in some Track 2 or even Track 1.5 discussions would also help us in getting their assessments and perspectives.

Conclusion

The crisis in Myanmar is deepening. The 1027 operation by the Brotherhood Alliance and the surge in fighting seen in other parts of the country in its aftermath have resulted in a shift in the power equilibrium. The EAGs and the PDFs are feeling energised. This brief looks at three possible scenarios that can unfold in the coming months: the military continuing with its present approach; the military concluding ceasefire agreements with the ethnic armed groups so that it can then focus on dealing with resistance in other areas; and the military regime agreeing to enter into dialogue with all stakeholders. Each of them carries challenges and ramifications. While India continues to engage with the regime it may also be time for India to keep lines of communication open with some of the armed ethnic groups active close to the Indian border. Addressing the refugee influx, meanwhile, in a humanitarian but also secure manner will be important. Converting this crisis into an opportunity for settling some of our own ethnic rebel issues in that area also needs exploration.



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