

## Myanmar in 2021

### *The Military Is Back in Power*

#### ABSTRACT

Parliament did not have a chance to convene under the newly elected National League for Democracy administration. Before the first parliamentary session was to take place in early February, the military detained the leaders of the incoming administration and took control of the executive. It justified its actions by saying elections in November 2020 were fraudulent and the Union Election Commission had refused to investigate possible irregularities in the vote. Although the military said new elections would be held within two years, its rule might not be temporary.

**KEYWORDS:** military takeover, civil resistance, insurgencies, foreign policy

#### POLITICS

##### Military takeover

In November 2020, the National League for Democracy (NLD) won Myanmar's second post-transition elections with 83% of the seats in the House of Representatives (Pyithu Hluttaw) and House of Nationalities (Amyotha Hluttaw) combined. Its main challenger representing military interests, the Union Solidarity and Development Party (USDP), won 6.9% of the seats. These elections were a clear sign that most citizens wanted the democratic transition to continue (Reny 2021: 138).

In early February, hours before parliament was to convene, the military detained NLD leaders U Win Myint, Aung San Suu Kyi, and their ministers, along with many other parliamentarians. U Myint Swe, a former general, was

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appointed acting president, and a state of emergency was declared. The army claimed elections in 2020 had been fraudulent. NLD offices around the country were raided by the military. A State Administrative Council (SAC) led by army chief Min Aung Hlaing was formed. The SAC appointed new ministers, some of whom had been ministers and high officials in U Thein Sein's administration (2011–2015). Members of the Union Election Commission (UEC) were also detained and replaced by military-appointed members. Following an investigation, the UEC found evidence of massive voter fraud and cancelled electoral results. The UEC held a meeting with political parties regarding new elections. All 91 registered parties were invited, but only 53 attended. The NLD, the Shan National League for Democracy, the Arakan National Party, and many other ethnic parties were among the 38 parties that did not attend. The UEC raised the possibility of institutionalizing proportional representation. With this adjustment, the USDP would likely win many more seats in parliament than in the earlier first-past-the-post system.

In response to the coup, parliamentarians from the NLD and other ethnic parties who were elected in 2020 and not taken away by the military created the National Unity Government (NUG) and the Committee Representing Pyidaungsu Hluttaw (bicameral parliament, CRPH). The NUG vowed to end military rule and create a democratic federal union and a federal army. Both NUG and CRPH were banned by the SAC and labeled terrorist organizations. They rely on citizens' donations for their budget. As the army's violence escalated against civilian resistance to the military takeover, the NUG created People's Defense Forces in all of Myanmar's states and regions. Leaders of the earlier NLD administration, U Win Myint and Aung San Suu Kyi, are not involved in the creation of these organizations. It is the first time in Myanmar's history of organized resistance to military rule that Aung San Suu Kyi does not lead the opposition movement.

The military said new elections would be held within two years but two factors suggest its control of the system will not be temporary. Officials in central-level departments and in local administrations were replaced with military-friendly bureaucrats. Reshuffles at the village and ward levels were accompanied by reforms of the political system. Village and ward officials are no longer elected by citizens but chosen by military-appointed township councils. Rumors also suggest the SAC will disband the NLD before next elections are held for corruption in past elections and its links to a terrorist organization (the NUG). If the NLD were truly disbanded, the opposition

might not be ready to compete effectively in elections against the USDP and other USDP-friendly parties. New elections might be a reproduction of elections in 2010 which the NLD boycotted and the USDP won. These elections are generally not regarded as having been democratic—not only because the NLD did not take part in them, but also because foreign journalists could not follow elections locally and election monitoring was not allowed. Interestingly, the new chairman of the UEC, U Thein Soe, also headed the UEC in 2010.

Could this coup have been avoided? The military claimed a reason for its interference was the UEC's lack of cooperation when it requested an investigation on possible fraud in elections. The UEC rejected the claim that elections had not been fair. The military asked the NLD to dismantle the commission, which it refused to do. Replacing members of the UEC would probably not have sufficed to prevent the coup since the military's ultimate claim was that elections were fraudulent. What the USDP and the military wanted were new elections, and the NLD would have opposed it. The NLD's reform of the UEC would have likely only postponed military interference. Most importantly, because the military remained in control of defense-related matters following the transition and had veto power over any constitutional amendment, the NLD administration could not place checks on its actions. In ideal circumstances, the NLD would have been able to ensure the army leadership's subservience and respect of democratic rules of the game. This would have required cleaning up the military – that is, possibly dismissing early on officers who might have opposed and reverted democratic reforms. The NLD had no control over military appointments.

## **SOCIETY**

### **Civil Resistance**

Soon after the takeover, society began to organize to pressure the military to hand power back to the civilian leadership. Millions of citizens from all walks of life took part in a peaceful civil disobedience movement. Over six hundred police officers joined the movement, and two thousand military officers resigned in solidarity with the opposition. State officials from various departments were dismissed for taking part in the movement and breaching civil service rules. In September, hundreds of thousands of government employees

still refused to work. Over 9,000 citizens were detained since the takeover and over 2,000 were subsequently freed. More than 1,000 people were killed in resisting the military.

Resistance took a violent turn as a member of the SAC was attacked in April, telecom towers were bombed, a military vehicle was blown up in Yangon, and local officials newly appointed by the military were murdered. Most importantly, PDFs were formed as citizens sought to defend themselves against security forces' arbitrary use of force. Armed clashes occurred in over 30 of Myanmar's 330 townships. These townships are in Chin, Kachin, Kayah, and Karen States, and in Bago, Sagaing, Magwe, Mandalay, and Tanintharyi regions. PDFs have armed themselves with hunting rifles, grenades, land mines, and other homemade weapons. On the ground, they have been effective at fighting the military. Yet the army is bound to win because it has air force capacity and far more soldiers.

### **Insurgencies**

The Karen National Liberation Army (KNLA), the Kachin Independence Army (KIA), the Restoration Council of Shan State (RCSS), the Chin National Front (CNF), and the Karenni Army (KA) have openly opposed the military takeover. The takeover was in fact an opportunity for these groups to reignite old conflicts with the central government. The KIA and the KNLA seized several outposts controlled by the military, triggering counterattacks—including bombings—of localities under their control. Clashes were also provoked by the military trespassing into insurgent territory. Armed conflict resurged in Chin and Kayah States which had been relatively conflict-free for many years. Clashes in Kayah and Karen States created a humanitarian crisis as approximately 150,000 citizens had to leave war zones.

The military takeover clearly undermined the progress the central state had made in securing peace with non-state armed groups since U Thein Sein's administration. Some of the organizations that have fought the military since the takeover (the KNLA, RCSS, and CNF) are National Ceasefire Agreement (NCA) signatories. They have expressed their support of the NLD's elected administration and the NUG and did not attend Armed Forces Day in March. The RCSS and the CNF have also publicly refused to continue peace negotiations with the military. Non-state armed groups have supported citizens' resistance movement against the military regime and sheltered resisters.

The KA (not an NCA signatory), the KIA, and the KNLA have trained civilians in PDFs and fought the military alongside them. These armed groups are no longer just involved in waning insurgencies against the state; they are now active parties in a civilian resistance that is unlikely to end until the military steps down. Some NCA signatories—the Arakan Liberation Party and the Democratic Karen Benevolent Army—have agreed to continue peace negotiations with the SAC. Ironically, one of the groups which still refuses to sign the NCA—the United Wa State Army—did not openly condemn the military takeover.

### **Rakhine State**

In 2020, Rakhine was Myanmar's most unstable state. This was no longer true in 2021 as the armed conflict between the Arakan Army and the army stopped. The military in fact made the surprising decision to remove the terrorist label placed on the Arakan Army following its takeover. Both parties nevertheless clashed in November when the military trespassed into insurgent area. Clashes were minor.

Naypyidaw also passed a law that punishes genocide although it is unclear how the SAC plans to address the International Court of Justice's requirements for preventing further violence against Rohingyas.

### **ECONOMY**

Myanmar was in a state of financial lockdown following the military takeover; banks were closed as staff refused to work in solidarity with the civil disobedience movement. The SAC threatened to penalize financial institutions that did not resume their activities. Some multinational enterprises left Myanmar. Japan's Kirin and RMH Singapore ended their joint ventures with Myanmar Economic Holdings Limited (MEHL). Norwegian enterprise Telenor also decided to close up shop. Some major investment projects, including the creation of an industrial park by Singapore, the establishment of a Toyota production center in the Thilawa Special Economic Zone, and a hydropower development project involving Électricité de France, were interrupted. Hundreds of thousands of workers in the clothing industry and in construction lost their jobs. Exports declined dramatically with factories having had to close for some time. The value of the kyat fell by 60%, which means profits from

exports are much lower and overseas goods significantly costlier. Foreign financial creditors (the World Bank and the Asian Development Bank) have withheld payments to the Myanmar government for development projects.

The SAC laid out its Myanmar Economic Recovery Plan, which is a significantly modified version of the NLD administration's draft Myanmar Economic Resilience and Reform Plan. The plan prioritizes supporting local enterprises, making goods locally, better regulating online commerce, and boosting foreign investments. Unlike the earlier administration, the SAC can make decisions on new special economic zones or investments projects without legislative approval. It also signaled that increasing foreign investments is a top priority when, a few months after the takeover, it replaced members of the committees overseeing China's investment projects, including the Kyaukphyu Special Economic Zone in Rakhine State and cross-border economic cooperation zones in Kachin and Shan States. These industrial complexes are close to war zones where insurgents have been fighting the central government. Kanpiketi Business Park on the border between Kachin State and China was approved by the Myanmar government in May. The zone will be controlled by a local militia, the New Democratic Army.

## FOREIGN POLICY

The United States, the United Kingdom, and the European Union have imposed sanctions on some members of the SAC and their families. Sanctioned leaders cannot travel to the US, the UK, or the EU, and their assets there are withheld until Myanmar returns to democracy. Sanctions were also imposed on the military's conglomerates, MEHL and Myanmar Economic Cooperation (MEC). These conglomerates either own or partly control enterprises in different sectors. EU sanctions target all of these enterprises. US sanctions target the ones owned by MEHL or MEC or in which either conglomerate has at least a 50% stake. Sanctions forbid targeted enterprises from doing business with US, UK, or EU enterprises. US sanctions also prohibit sanctioned Myanmar enterprises from being involved in any transactions in US dollars. Members of the US Senate suggested multinational companies which continue exploring oil in Myanmar should not make direct payments to the state-run Myanma Oil and Gas Enterprise. Exploration fees should be placed in a special account the Myanmar government would access only when democracy is restored.

Russia and China have vowed to work with the SAC. In June, Min Aung Hlaing was in Russia and met with defense minister Sergei Shoigu as Myanmar and Russia seek to expand their military partnership. Min Aung Hlaing did not meet with president Vladimir Putin, however. Similarly, Naypyidaw and Beijing deepened their economic cooperation with Myanmar's approval of new investment projects involving China. Beijing's special envoy for Asian affairs, Sun Guoxiang, paid Myanmar a visit and met with Min Aung Hlaing in September. Both Russia and China pressured the UN Security Council not to condemn the military takeover, but they did not veto its decision to condemn the military's violence against protesters. China deems sanctions on Myanmar's military wrong. It would not make much sense for Beijing to impose sanctions on an economy in which its stakes are high. Despite their different stances on the SAC, both the US and China have held separate talks with the NUG.

The UN does not recognize the SAC and, so far, the military has been unsuccessful in appointing a military-friendly UN representative. A hundred and nineteen countries at the General Assembly agreed on a resolution interrupting weapons exports to Myanmar. China, Thailand, and Russia were not among those states. ASEAN held a special meeting among its members in Jakarta in April to find a solution to Myanmar's political crisis. Min Aung Hlaing was surprisingly at that meeting but not invited to ASEAN's subsequent meeting in October. Erywan Yusof, ASEAN's special envoy to Myanmar, called for a ceasefire to facilitate the provision of foreign aid. Myanmar said it would not reject foreign aid but a ceasefire remains unenforced. Yusof also asked to meet with Aung San Suu Kyi but his request was denied. Although all members of ASEAN have agreed on five steps for the restoration of democracy, each country has its own position on the new military leadership. Singapore, Malaysia, and Indonesia do not support the SAC. Thailand, which is currently under a form of civilianized military rule, could not have condemned the takeover, but Prayut Chan-Ocha said he would support ASEAN's program in Myanmar.

## COVID-19

The NLD's first administration had planned to launch a nationwide vaccination campaign against COVID-19 in early February, but the military takeover postponed it. The healthcare system was temporarily paralyzed as

medical staff were actively involved in the civil disobedience movement. Government effectiveness in managing the pandemic declined markedly following the takeover as hospitals were empty of staff and significantly fewer COVID-19 tests were conducted every day. Many people infected with the virus were forced to cure themselves at home. Myanmar's vaccine supplies – most of them from the UN, India, China, and Russia – were shorter than planned and far from sufficient to vaccinate Myanmar's 54 million people. Myanmar was not among the Southeast Asian countries the United States donated COVID-19 vaccines to. The NLD had projected that 40% of citizens would be vaccinated by the end of the year, but the SAC is far from that objective. A third wave of infections was reported in May, and this time many more citizens were infected than in the waves sparked under the NLD's administration. Infections were reported in 296 townships and a lockdown was imposed in 45 of them. The rapid increase in infections suggested that the SAC was negligent in containing the epidemic.

Non-state armed groups have taken part in the campaign to contain the virus. With China's support, the KIA vaccinated close to a third of locals in its jurisdiction. The Arakan Army imposed a lockdown in Rakhine State to control the spread of the virus.

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#### REFERENCE

- Reny, Marie-Eve. 2021. "Myanmar in 2020: Citizens Have Voted for the Democratic Transition to Continue, but Democracy Remains Far Ahead." *Asian Survey* 61(1): 138–43.