

Beyond the Month of July

- ❖ This analysis is for the month of July and the first week of August.

The month of July is significant for the fall of the Military Council

The month of July is set to be a pivotal month in Myanmar's political landscape. In July, the leader of the Military Council appointed himself as acting president and extended the state of emergency for six months. This move has only reinforced public perceptions of it as a "mad coup," with many in his own supporters of the coup questioning the rationale behind his self-appointment: Min Aung Hlaing's move has led to increased discontent within his own supporters of the Military Council, which is already grappling with daily defeats and mounting casualties.

Shortly after Min Aung Hlaing took on the role of interim president, the MNDA seized control of the North Eastern Military Command and the city of Lashio. Among those who initially supported the military takeover, discontent and criticism of Min Aung Hlaing have grown. On social media, particularly in military-affiliated Telegram channels, there has been a rising tide of condemnation regarding his leadership and perceived incompetence. Nationalist extremist Wirathu, a military supporter, even mocked Min Aung Hlaing, suggesting that all military officers should raise the white flag in surrender.

Min Aung Hlaing's choice to declare himself interim president, especially following substantial defeats and the subsequent loss of the North Eastern Military Command, has sparked criticism from even his own supporters of the Military Council. His appointment raises speculations about potential desertions among top level military officers, the possibility of an assassination attempt on Min Aung Hlaing, and the risk of further coups, which could lead to fragmentation within the Military Council.

Analysis of China's Ambiguous Involvement

China's involvement in Myanmar during July, particularly in the second wave of Operation 1027, was ambiguous. While China is becoming more engaged in Myanmar's affairs, the specific nature of its involvement—whether in support of the Military Council or the Three Brotherhood Alliance—remains unclear. It seems that China's actions are primarily driven by its own interests.

In June 2024, China invited former President Thein Sein to China, and in early July, it extended an invitation to Soe Win, the Vice Chairman of the Military Council. Reports have emerged suggesting that China is seeking Min Aung Hlaing's removal from power. Although these claims regarding China's desire for Min Aung Hlaing to step down have not been fully verified, it is presumed that China's dissatisfaction with the current leader of the Military Council may stem from the Military Council's violations of the Haigen Agreement and the subsequent resurgence of fighting in northern Shan State.

At the same time, China was displeased with the resurgence of fighting in northern Shan State and pressured the MNDAA to cease hostilities. As a result of this pressure, ten days after the fighting began, the MNDAA announced a temporary suspension of its offensive from July 14 to 18 to honor the meeting of the Central Committee of the Communist Party of China. However, on July 19, the MNDAA resumed its offensive but was compelled to declare a unilateral ceasefire from July 19 to July 31 at China's request. The second phase of Operation 1027 ensued due to the Military Council's violations of the Haigen agreements, leading to military expansion and territorial incursions. Consequently, fighting persisted, and by the end of July, the MNDAA successfully captured Northeastern Regional Military Command and the city of Lashio.

On July 9, shortly after fighting resumed in Lashio, China closed border trade in areas controlled by the Brotherhood Alliance. This trade shutdown put pressure on the Brotherhood Alliance based in Myanmar's enclaves along the China border; however, the Alliance was well-prepared, and the closure did not impact the battle's outcomes. Additionally, China cut off telephone lines and electricity supplies to Lauk Kai, the capital of the Kokang region. While border gates in areas controlled by the Brotherhood Alliance were closed, the Muse Gate—the only border gate controlled by the Military Council in northern Shan State—remained open.

In the second week of July, leaders of the Brotherhood Alliance were summoned to China for a meeting, during which concerns were raised about the involvement of the People's Defense Army (PDF) in the fighting, as reported by Myanmar Now. Given that the NUG and PDF are perceived by China as influenced by the U.S., China has pressured the Brotherhood Alliance to refrain from cooperating with them.

At the end of July, coup leader Min Aung Hlaing made a speech in response to the MNDAA's takeover of the Northeast Regional Military Command. During his address, he hinted at Chinese support for the Brotherhood Alliance, suggesting that the RMC's takeover was enabled by this assistance, although he did not directly name China. Concurrently, the Military Council's social media propaganda portrayed the situation as a foreign invasion, framing the MNDAA's actions as part of China's encroachment. They organized protests against the MNDAA's control of the Northeast Military Command, characterizing it as a Chinese-led invasion.

On August 8, Deng Xijun, a special envoy from China, visited Nay Pyi Taw for discussions with Min Aung Hlaing. According to the junta's official statement, their talks centered on preparations for upcoming elections and ensuring stability at the border and throughout the country. A meeting between the Military Council and the Three Brotherhood Alliance was scheduled for August 1 at the Haigen Hotel in Kunming, Yunnan Province, but Military Council boycotted it.

China's actions during July and the first week of August have left its position ambiguous. It remains unclear whether China is aligned with the military council or the Brotherhood Alliance. The Military Council's accusations suggest some level of Chinese involvement in the 1027 operation, and the March 2024 report from the International Crisis Group (ICG) indicates Chinese hand in the operation. However, it would be inaccurate to assert that China is fully backing the Brotherhood Alliance, as evidenced by its unilateral decision to shut down power and phone lines and close border trade points in areas controlled by the alliance. Clearly, China is exerting pressure on both sides. The Chinese government does not want the United States and European countries to get involved in Myanmar's affairs, assuming that only it has the right to influence the country's future. It is believed that China's mediation plan involves facilitating a meeting between the Military Council and Aung San Suu Kyi to establish an interim government, organize elections, and return power.

Since the coup, China has been urging the Military Council to meet and dialogue with Daw Aung San Suu Kyi. While the China has made significant efforts to engage with her, the Military Council has consistently refused to allow such a meeting. Although China has attempted to mediate Myanmar's conflicts, progress has been hindered by the short-sightedness and stubbornness of coup leader Min Aung Hlaing. Furthermore, the Military Council's violations of the Haigen Agreement and their subsequent losses in battles have contributed to a growing sense of discontent with Min Aung Hlaing's leadership from China's perspective.

China's approach to negotiations centers around Daw Aung San Suu Kyi and the military, operating within the framework of the 2008 Constitution. The National Unity Government (NUG) and key organizations involved in the current Spring Revolution, such as the CRPH and NUCC, are largely excluded from China's considerations. Similar to its separate dealings with Ethnic Resistance Organizations (EROs), China has facilitated distinct negotiations between the Military Council and these EROs. Additionally, China has accused the NUG of being influenced by the United States

and has pressured the EROs to refrain from cooperating with them. Given these factors, China's intervention strategies appear unrealistic and unlikely to succeed.

China is primarily concerned about its interests in Myanmar, particularly regarding its Belt and Road Initiative, and seeks to resolve the ongoing conflict swiftly. Consequently, it seems that China has opted to prioritize the Military Council's promised elections, even when its preferred negotiation conditions remain unmet. Nevertheless, China has not abandoned the possibility of dialogue between the Military Council and Daw Aung San Suu Kyi. Therefore, during the visit of the Chinese special envoy on August 8th, it is believed that discussions extended beyond just the elections and the stability of the border region.

Losses of the Military Council in the Month of July

In July, the Military Council suffered defeats in every battle across Myanmar. Throughout the month, there were 355 conflicts, resulting in the deaths of 1,384 Military Council soldiers—significantly more than the 35 revolutionary soldiers lost during the same period. When Operation 1027 commenced, the Military Council was caught off guard, leading to numerous soldiers being captured and several cities falling to the Brotherhood Alliance. Some speculate that had the military council been better prepared, it might have avoided such defeats.

Despite having ample time to regroup after the Haigen ceasefire agreement, the Military Council faced heavy losses during the second phase of Operation 1027. With many soldiers killed or taken prisoner, they are increasingly viewed as a losing force, vulnerable in any combat situation. Not only are they struggling against seasoned groups like the MNDAA and TNLA, which possess considerable combat experience, but they are also losing battles to the People's Defense Force (PDF), a group formed less than three years ago that operates with outdated weaponry and limited combat experience.

In July, the Revolutionary Forces, spearheaded by the Mandalay PDF under the National Unity Government (NUG), successfully captured Military Council camps in both Singu and Madaya townships. By July 17, they had taken control of the city of Singu. In Madaya Township, they seized 35 camps, effectively gaining control over nearly all of Madaya Township.

In July, the TNLA launched attacks on Kyaukme, Naungcho, Mogoke, and Mongmit in northern Shan State. They successfully captured the No. 606 Missile Battalion and took control of Naungcho Township. Mogoke city fell to their forces on July 24, followed by Mongmit city on July 31.

On July 3, the MNDAA joined the operation, capturing multiple battalions of the Military Council around Lashio. By the end of July, they had taken the Northeastern Regional Military Command, the Military Council's third most important military command.

In Rakhine State, the Arakan Army seized Ngapali Beach, Thandwe Airport, and Thandwe city, along with all border guard battalions in Maungdaw, except for the 5th Border Guard Battalion. The AA is currently launching an offensive against the remaining 5th Border Guard Battalion.

Meanwhile, the Aung Zeya column of the Military Council attempted to regain control of Myawaddy, a town on the border of Karen State and Thailand. However, they faced heavy losses while retreating after being under continuous attack from the Karen National Liberation Army (KNLA) and its allies during what should have been a one-hour journey, which instead took three months. Unable to advance, they were forced to withdraw.

The Military Council troops are experiencing significant losses, primarily due to a decline in morale. This demoralization stems from their growing disdain and hatred from the local population. As the soldiers feel rejected and despised, they begin to view the people as adversaries, which only deepens the cycle of mutual animosity. This hostile environment creates a sense of stress and insecurity among the troops, as they feel constantly surrounded by enemies, leading to a further decline in their self-confidence.

The soldiers have been grappling with the question of why they must sacrifice their lives on the battlefield. They wonder if they should risk their lives for General Min Aung Hlaing, whose obsession with power they see as irrational. This mindset has contributed to their increasing willingness to surrender. Despite Min Aung Hlaing's propaganda claiming that the coup was a response to alleged election fraud by the National League for Democracy (NLD), they do not buy into his narrative; they understand that the NLD could have won the election without any wrongdoing. They recognize Min Aung Hlaing's obsession with power and see that the coup was motivated by his ambition to become president. He appointed himself as interim president while soldiers were being killed in losing battles, which starkly illustrates his reckless pursuit of authority. This has led the troops to question whether it is worth sacrificing their lives for him. Additionally, the soldiers are aware that Min Aung Hlaing and his family have monopolized Myanmar's economy and accumulated wealth since the coup. With this knowledge, they are increasingly unwilling to lay down their lives for Min Aung Hlaing and his family.

The officers of the Military Council did not join the military out of a desire to sacrifice their lives; rather, they sought position, power, and wealth. As they face resolute revolutionary forces, their desperation grows, as they never anticipated they would actually have to fight. Their primary motivation for enlisting in the military was to secure high-ranking government positions and business opportunities, not to engage in combat. When demoralized soldiers are led by equally disheartened commanders, it is unsurprising that they surrender easily.

In contrast, the revolutionary forces are united by a strong conviction that the dictatorship must fall, giving them a significant morale boost. They are prepared to give their lives for their beliefs. Moreover, the soldiers of the Military Council are aware that if they are captured by the revolutionary forces, they will be treated well as prisoners of war. This knowledge further contributes to the ease with which the Military Council's forces surrender.

Here is a summary of the reasons why the soldiers of the Military Council surrender easily:

1. They are encircled by the enemy and losing morale, facing widespread hatred from the population.
2. There is a lack of confidence in Min Aung Hlaing's coup.
3. There is a lack of confidence in Min Aung Hlaing's leadership.
4. They do not want to sacrifice their lives for the benefit of Min Aung Hlaing's family.
5. Lower-ranking soldiers distrust corrupt officers and see them as self-serving.
6. Many officers joined the military seeking opportunities rather than a desire to fight.
7. Continuous defeats have led to demoralization among the troops.
8. Surrendering offers the prospect of good care and safety.
9. The morale and position of the People's Defense Forces (PDF) have been high since their formation.
10. The revolutionary forces enjoy greater confidence and morale due to the trust and cooperation from the people.
11. With each victory, the revolutionary forces' confidence and morale continue to rise.

The Myanmar kyat plunged to a record low and the economy went into chaos

Min Aung Hlaing's mismanagement of Myanmar's economy became increasingly apparent in July. At the end of June, the exchange rate for the US dollar was 4,400 kyats, but by the end of July, it had soared to over 5,300 kyats, and after the first week of August, it reached 6,000 kyats.

Faced with rising inflation, Min Aung Hlaing scapegoated businessmen and targeted bankers, business owners, and rice entrepreneurs with arrests and crackdowns. This heavy-handed

strategy resulted in significant increases in commodity prices throughout July and further devaluation of the Burmese currency.

The kyat had already been on a downward trajectory, declining from 3,780 kyats per dollar at the end of March to 3,900 kyats at the end of April, and then to 4,250 kyats by the end of May. However, the Military Council's aggressive measures against the business sector worsened the situation, causing the currency to plummet at a rate three times higher than normal. By the end of July, one dollar was exchanged for 5,300 kyats, and after the first week of August, it had risen to 6,000 kyats. Before the coup, the exchange rate was approximately 1,350 kyats to one US dollar.

In July, Myanmar faced a significant gasoline shortage, resulting in long lines of cars waiting at gas stations throughout the day. Reports indicated a lack of airline fuel, leading to the cancellation of Myanmar cargo flights to Singapore. By the end of the first week of August, the dollar had reached an unprecedented high of 6,000 kyats per US dollar. The economic decline that began in July continued to accelerate in August, with the value of the Myanmar kyat plummeting at an alarming rate. Experts estimate that one US dollar may soon be worth ten thousand kyats.

Beyond the month of July - Conclusion

Currently, Myanmar Military Council finds itself in a state of turmoil that is spiraling out of control and on the brink of collapse. The coup leader, Min Aung Hlaing, appears to be facing imminent downfall. His removal would not only mark the end of the Military Council but could also pave the way for a decisive victory in the Spring Revolution. It is clear that if all revolutionary forces unite and strike with a coordinated effort, the Military Council will collapse completely.

Sources - The Irrawaddy, RFA, Ayeyarwaddy Times, D Day News, DVB, BBC, PVTV, Mizzima,
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Myo Yan Naung Thein

Burmese Democratic Futures Working Group (BDFWG)

University of Virginia

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