



Statehood - Between Fragility and Consolidation

Symptoms and Outcomes of a Fragile State

Myanmar before and after the Coup d'État

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When on 1 February 2021, the Burmese army – the Tatmadaw – seized power in yet another coup d'état, the event caught some observers by surprise. Yet it did not emerge out of the blue. Resulting from state fragility only superficially concealed by economic growth and a top-down political liberalisation, the military's seizure of power in turn eroded what was left of stability in Myanmar's state institutions.

On 1 February 2021, the Tatmadaw, led by Commander-in-Chief Min Aung Hlaing, seized power and detained members of the democratically elected government, including State Counsellor Aung San Suu Kyi (ASSK). The military regime now faces civil and armed resistance, economic decline, and a lack of domestic and worldwide recognition. The shaky pedestal of the Myanmar State shows more signs of fragility than ever before. From 2018 to 2020, it ranked 22nd out of 179 countries in the Fund for Peace's Fragile States Index (the first position being the most fragile state), but then dropped to the position of tenth most fragile country in the aftermath of the coup, scoring worse than it did in the mid-2000s.¹ Did Myanmar's environment exhibit elements of fragility conducive to the military coup? And which factors exacerbated that fragility in the aftermath of the military's power grab? With the door to democracy now (temporarily) closed, what is the current situation in the country and how does the international community react to it? And how can development projects respond to the Myanmar people's democratic and federalist aspirations?

Elements of Fragility Leading to the Coup

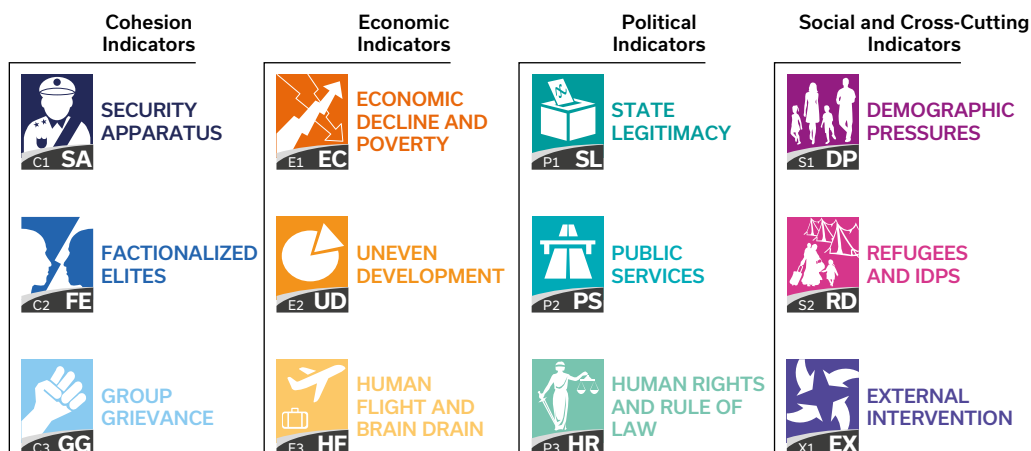
The criteria for defining a state as fragile differ from one organisation to another. In this article, the Fund for Peace think tank's Fragile States Index will be taken as reference as its twelve indicators provide a comprehensive understanding of a country's fragility. We shall start by analysing some of the most relevant indicators to the Myanmar context, and examining how they may have contributed to the coup.

The Security Apparatus indicator evaluates, among other issues, whether the military and police abuse their power, and if there is armed resistance in the country. In the case of Myanmar, it has played a major role in the coup.

One of the strongest cases of the military's abuse of force to capture the international community's attention were the exactions committed by the Tatmadaw against the Rohingya, a Muslim minority in Myanmar, causing around 700,000 of them to flee the country in 2017.² For most of Myanmar's population, the plight of the Rohingyas represents only one among other less mediated ethnic conflicts in the country. There are officially 135 recognised ethnic groups in Myanmar, among whom the Barmars constitute the ethnic majority at 68 per cent. Since Myanmar's independence 74 years ago, a longstanding armed conflict has been waged between the military, predominantly Bamar, and ethnic armed organisations (EAOs) that demand self-determination. Thus, despite an upsurge in violence in recent months following the 2021 coup, having led the UN to worry about Myanmar's progression towards civil war, in reality, the country had already been fragile in this regard. After all, its domestic insurgencies led it to being dubbed the state with the "longest ongoing civil war in the world".³

Moreover, the military had launched a coup d'état twice prior to 2021: in 1962 and in 1988. It violently suppressed the subsequent peaceful protests. The history of violence at the hands of the Tatmadaw increased the likelihood of similar circumstances re-occurring.

Fig. 1: Indicators of the Fragile States Index



Source: Own illustration based on The Fund for Peace: Indicators, in: <https://fragilestatesindex.org/indicators> [6 Aug 2022].

The Factionalized Elites indicator evaluates whether there is a social class with power that is divided from the rest of the population either by ethnicity or religion, if nationalistic rhetoric is prevalent and if the nation’s wealth is evenly distributed. Myanmar’s fragility in this respect largely explains the coup.

With the coup, senior serving and retired generals can continue to profit from the theft of public assets.

The Tatmadaw is an insular institution, primarily composed of the country’s majority ethnic group. It perceives itself as the guardian of the Union of Myanmar, which it fears would otherwise “disintegrate” or divide itself based on ethnic or political lines. This nationalistic belief propagated by the army since independence, was used to justify the 2021 coup as it invoked Article 417 of the 2008 Constitution. This states that the president has the power to declare a one-year state of emergency if the country may face the disintegration of the Union or of national solidarity “due to acts or attempts to take over the sovereignty of the Union by

insurgency, violence or wrongful forcible means”. There is no evidence that the scenario described in this Article bore any resemblance to the actual events in Myanmar. A state of emergency was nevertheless declared by the military and its newly designated acting president, enabling the Tatmadaw to utilise the sweeping powers granted under the Constitution.

The generals wished to preserve their elitism to retain a political and economic grip on the country. As self-declared prime minister of Myanmar following the coup, Min Aung Hlaing was no longer obligated to retire from his position of commander-in-chief on his 65th birthday in 2021, as per the Defence Services Act.

As well as being the most powerful institution in the country, the Tatmadaw also enforces control over the majority of the nation’s wealth from its direct and indirect participation in various sectors, especially from national resources (e.g., mining, oil, and gas industries). With the coup, senior serving and retired generals can continue to profit from the theft of public assets by remaining in control of two military conglomerates, the Myanmar Economic Corporation (MEC) and the Myanmar Economic Holdings Limited (MEHL). The MEC and MEHL own, wholly or partially, at least 133 companies.



The Group Grievance indicator evaluates, among other related issues, whether there are groups that have been historically oppressed, whether they have been compensated in the framework of a reconciliation process, and whether war criminals were prosecuted or if amnesty was granted. This indicator had an important influence on the events leading up to the coup. The people of Myanmar did not receive compensation for the misery they suffered under the military's almost five-decade rule (1962 to 2010). Moreover, the generals who ruled with an iron hand were never

prosecuted. A look at the background of Myanmar's democratic transition will help us understand why.

When the generals established a roadmap to democracy in 2003 with a milestone of free elections to be held in 2010, this seemingly sounded the death knell for Myanmar's military dictatorship. Several elements explain the regime's motivation for engaging in such a process: the generals wanted Western powers to lift the sanctions imposed after the brutal



Untouchable: Despite decades of oppression and human rights abuses, the Burmese military has always enjoyed impunity. Source: © Reuters.

in strengthening Myanmar's ties with China, such that the military wanted to rebalance its relations with Western nations. However, the military would only allow the country to open with the implied notion that it would not suffer prosecution at the hands of a population it had oppressed for decades.

The Constitution gives the military a veto power on all possible constitutional amendments.

In order to achieve this, it created the National Convention after ignoring the victory of ASSK's pro-democracy party, the National League for Democracy (NLD), in the 1990 multi-party general elections, the first held in 30 years. This body was in charge of drafting a constitution that would permanently safeguard the military's power over any institutions, and guarantee their impunity if the country engaged in a democratic transition. The 2003 roadmap to democracy and the 2008 Constitution are based on the National Convention's work. The culture of impunity, created by the military for its own benefit, laid the foundation for a possible coup. Moreover, the unaddressed grievances felt by large swathes of the population led to the call for constitutional amendment of the articles that grant the Tatmadaw a predominant role in Myanmar politics. The amendment of the Constitution became a campaign promise of the NLD during the 2015 general elections. Fearing the possibility of such a threat becoming reality after the NLD won elections for a second time in 2020 (faring better than it did in the 2015 elections), the military launched a coup.

Thus, Myanmar's democratic path was initiated top-down, with the guarantee that the generals

crackdown against student-led protests in 1988. They were willing to get rid of Myanmar's pariah status and re-integrate into the global economy. What is more, international criticism towards the junta, led by the US, fuelled fears of a foreign invasion among the Burmese generals. This reached its apogee after the US invasion of Iraq in 2003 and the Bush Administration's open condemnation of the junta. The military regime thus considered it to be in their best interest to make concessions towards the international community. Moreover, the sanctions resulted

would benefit from impunity. As a result, Myanmar's democracy was always at risk of being revoked by the same institution that gave rise to it, should its privileges be called into question.

The Economic Decline indicator considers, among other elements, the country's GDP, its unemployment rate, and its business climate. In the case of Myanmar, it had been continuously improving from 2010 until the coup in early 2021, with an average GDP growth of 7.1

per cent during this last decade.⁴ Despite some local economic issues, the country maintained a constant FDI (foreign direct investment) level with an annual average of six billion US dollars in the years prior to the coup.⁵ This indicator was thus not a deciding factor behind the power takeover. We could even assume that the country's economic development with the support of FDI gave ASSK's government some (over-)confidence in believing that Myanmar's political and democratic transition would remain stable.



The call for democracy cannot be silenced: A street in Yangon weeks after the February 2021 military coup.
Source: © Reuters.

The State Legitimacy indicator considers numerous factors such as people's confidence in state institutions, the composition of government, the integrity of elections, and political assassinations. Myanmar's fragility in this regard has been a leading cause of the coup.

Although Myanmar's State Legitimacy indicator improved during the NLD's term (2015 to 2020), it still remained fragile partly due to the general population's distrust of the role of the military as

enshrined in the 2008 Constitution. The Constitution enables the military to undemocratically maintain political influence by reserving 25 per cent of parliamentary seats to serving military representatives. This gives it a veto power on all possible constitutional amendments since 75 per cent of parliamentarians' votes are needed to pass a motion. It also states that the army's commander-in-chief nominates the heads of three key ministries: Defence, Home Affairs, and Border Affairs. The military's lasting hold



on power through the Constitution continued to be a hindrance to Myanmar's young democracy and a major component of the country's fragility. For this reason, the NLD promised to amend it as was fervently desired by the majority of the country's population. However, the 2017 assassination of Ko Ni, a Muslim lawyer advocating for constitutional reform, highlights the dangers of undertaking such a project, and Myanmar's political fragility.

Regarding the conduct of the latest general elections in November 2020, the NLD won a landslide victory, securing 82 per cent of all elected constituencies, which translated into 396 of the 498 available seats.⁶ On the other hand, the army-backed Union Solidarity and Development Party (USDP) won only 33 seats. Humiliated, the military accused the NLD of election fraud and called for a recount of votes. On 27 January 2021, the Union Election Commission (UEC) flatly replied that it had seen no evidence of voter fraud, and denied the request. Faced with the unwavering popularity of ASSK, the army feared being side-lined for good. On 1 February 2021, it staged the coup before the newly elected government's first parliamentary session. The Tatmadaw declared a state of emergency and could thus use its sweeping powers granted under the Constitution. This put an end to the ten-year experiment with democracy in the country.

The coup caught many observers by surprise as they underestimated the extent to which the generals viewed these results as an existential threat. Still, the army was able to topple a democracy that was built on shaky foundations in a country whose state legitimacy was already highly fragile.

Prior to the coup, the Human Rights and Rule of Law indicator was already high in Myanmar (22nd out of 179 countries for three consecutive years since 2018), indicating serious problems. Rule of law was weak, and, in practice, the military was already exempt from trial. Freedom of speech was often violated by those in power, with the Constitution having been invoked to

justify these violations. Thus, an environment of impunity created by the military since 1962, along with its disregard for the rule of law, were conducive to the possibility of a third coup.

Nationwide protests were held, gathering hundreds of thousands of people and effectively paralysing the country.

Regarding the External Intervention indicator, there is no proof that it played a part in the military's power takeover. The Tatmadaw was confident that if it launched a coup, China and Russia would abstain from condemning it at the UN Security Council (UNSC), however. Indeed, Myanmar's and Russia's Defence services maintained bilateral relations over the years. Min Aung Hlaing had visited Russia more than five times before the coup, while the Russian Defence Minister Shoigu had, a few days before 1 February 2021, supplied the Tatmadaw with surveillance drones, missile systems, and radar equipment. As for China, Beijing authorities have geostrategic and economic interests in Myanmar such as the China-Myanmar Economic Corridor (CMEC).⁷

Domestic and International State of Affairs Post-Coup

In the aftermath of the military coup, all of Myanmar's twelve indicators of fragility according to the Fragile States Index ranking have worsened (from 23rd position in 2021 to 10th in 2022). We shall highlight a few that have been heavily impacted.

The worsening of the State Legitimacy and Public Services indicators were some of the most noticeable on the ground. The state in Myanmar lost its political authority with the army's power grab, while the military government's efforts to continue providing

public services were met with fierce resistance. Immediately after the coup, the military proclaimed its own governing body, the State Administration Council (SAC). On the same day, health workers started a Civil Disobedience Movement and refused to work under the regime. They were soon joined by teachers and other civil servants, followed by people from every sector and across age groups. In the following weeks, nationwide protests were held, gathering hundreds of thousands of people and effectively paralysing the country.

While the SAC continues to strive for legitimacy by attempting to carry out state functions, citizens boycott state services in protest since they perceive a failure of the state to be linked to a failed power takeover by the military. Following the coup, citizens and a number of businesses have refused to pay government taxes in order to weaken the junta's revenue. People had also stopped paying their electricity bills, causing the regime to lose around one billion US dollars in income over seven months. Millions of students and parents of school-aged children have chosen not to attend university, or to keep their children out of school to boycott the "military slave education".⁸ As a way to voice their disapproval of the regime, a large share of people even refused getting a COVID-19 vaccine in the first months following the coup, as the junta had taken over the former government's vaccination programme.⁹

The SAC's legitimacy is contested by the general population, but also by the emergence of a shadow authority of deposed MPs, party representatives from the NLD, and also different ethnic groups. The Committee Representing Pyidaungsu Hluttaw (CRPH)¹⁰ acts as the legislative body, the National Unity Government (NUG) as the executive branch and the People's Defence Force (PDF) as the armed forces of this shadow structure. Former NLD members appointed people from ethnic minorities in ministerial positions to demonstrate their intention of prioritising federalism, which is an unresolved and contentious issue in the country. In this respect, the CRPH published its own

Federal Democracy Charter, which states the principles and broad policies of a conceived democratic and federal union of Myanmar. The representatives of the shadow state also hope to receive support from the EAOs, already in conflict with the junta.

Since the coup, Human Rights and Rule of Law have been breached time and again. The military reacted to the peaceful protests with brutality. The UN Office of the High Commissioner on Human Rights has recorded more than 1,600 killings and over 12,500 arbitrary detentions by security forces and their affiliates in the year following the coup.¹¹ Torture and arson attacks against civilians are rampant. In July 2022, for the first time in over 30 years, the junta carried out capital punishment by executing four pro-democracy activists.

The worsening of the Security Apparatus indicator is also clear. In September 2021, the shadow government declared a "people's defensive war" against the military. More people from all walks of life joined or sent financial support to the PDF, which has been fighting the army's troops mostly through guerrilla-style attacks across the country. Although the NUG has nominally established a command structure, not all armed groups follow its command or even consider themselves part of the PDF, despite sharing its cause.

The political turmoil, security threats against citizens, and withdrawal of FDI have led to an increased economic decline in the country.

While the Tatmadaw purchased its weapons mainly from Russia and China,¹² members of the opposition have bemoaned the lack of support from other countries. To win the revolution, the resistance is hoping for more desertions from the Tatmadaw and police forces.

According to the NUG, these desertions have reached over 10,000 people, a number difficult to verify.¹³ In urban areas, sporadic attacks in the form of bombs or assassinations have also taken place against military members or their supporters. Only rarely do underground resistance groups claim responsibility for these attacks, which indicates a decentralised resistance movement.

The political turmoil, security threats against citizens, and withdrawal of FDI have led to an increased Economic Decline in the country, to the point of near-collapse. According to the International Labour Organization, as of 2022, around 25 million people in Myanmar are living in poverty and 1.6 million jobs were lost the previous year.¹⁴ The World Bank forecasted an 18 per cent contraction of the economy for the 2021 fiscal year.¹⁵ Tourism, the industrial sector, and the construction industries were among those hit particularly hard. Daily life has become increasingly difficult for the average person due to rising food costs, as well as regular power and water shortages. The banking sector also struggled as the junta implemented desperate measures to save the Central Bank's foreign currency reserves. Businesses and individuals were forced to convert their US dollars into local currency, while transactions and cash withdrawal are still restricted.

The total number of Internally Displaced Persons in the country has risen to around 890,000.

Contrary to the aftermath of the 1988 protests, during which US-led economic sanctions were broad and thus also negatively affected the general population, sanctions imposed in 2021 – including visa bans and assets freezes – target high-level military officers as well as businesses associated with the Tatmadaw. Although these measures aim to penalise the regime, their ultimate goal to discourage atrocities cannot be

achieved as long as the Tatmadaw can turn to other countries for support, some of which have vested interests in Myanmar.

Although China and Russia have been blamed for blocking resolutions at the UNSC and for their seeming support for the SAC, no government has yet taken the step of formally recognising the NUG. All have adopted a wait-and-see position so as not to burn bridges with either opposing parties and to keep a foothold in Myanmar. The European Parliament and the French Senate have, on the other hand, recognised the NUG. As for ASEAN, it refused a political representative from Myanmar at its last summit in October 2021, which constituted an unprecedented move for the organisation despite its negligible impact.

Owing to enduring political violence, crumbling institutions, and an increasing poverty rate as a direct consequence of the economy's downfall, humanitarian assistance is necessary for the deprived population of Myanmar. In December 2021, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) estimated that 6.2 million people were in urgent need of humanitarian assistance, an increase of 5.2 million in only one year.¹⁶ Basic needs include staple food, water, electricity, shelter, and clothing. Furthermore, according to OCHA, domestic conflicts since the coup had led to the displacement of around 520,000 people by March 2022.¹⁷ The total number of Internally Displaced Persons in the country has risen to around 890,000.¹⁸

EU countries could contribute to the UN's 2022 humanitarian response plan for Myanmar given that currently only six per cent of the plan's declared 826 million US dollars is accounted for.¹⁹ The opposition forces to the junta have asked the international community to refrain from distributing humanitarian assistance via the military regime, but instead through legitimate institutions, e.g., local humanitarian networks, community-based organisations, non-governmental organisations, and agencies.

Conclusions and Outlook

Prior to the coup, Myanmar ranked high in the Fragile States Index. However, concerns over its fragility were overshadowed by the enthusiasm among domestic and international actors surrounding its democratic transition, following half a century of military rule. Although the coup caught many by surprise, in reality, Myanmar's fragility paved the way for a power grab by the military. These elements of fragility worsened after the coup, as the people of Myanmar continue to resist the Tatmadaw who, in turn, underestimated the relentless defiance it would face.

In the midst of a revolution against a military regime, state institutions are not providing proper public services, since they either do not have the capacity or the trust from the population to do so. It is therefore imperative to support the initiatives of local organisations or democratic movements in Myanmar seeking to fill such a gap.

With NGO activities being subject to scrutiny by the military, and embassies being bound by diplomatic protocol, other organisations such as political foundations may have more scope for implementing projects to help people's daily lives. Education is one of the hardest-hit sectors by the coup due to the closure of universities, and hence educational initiatives such as vocational online learning courses should be supported. For example, digital and entrepreneurial skills may be an effective way to improve individuals' expertise. This type of support gives some prospects to people deprived of professional perspectives.

Organisations could also support projects that focus on the economic development of Myanmar's regions by, for example:

- holding workshops to identify current challenges in specific business segments with the intervention of experts;
- focusing on the development of SMEs and young entrepreneurs, giving them the tools

to establish business plans with an assessment of their activities in the value-chain;

- supporting start-ups and roll-out through business incubation centres in which newly created enterprises could get operational support in market strategy, human resources and recruitment, accounting and financing, distribution, and partnership.

Regarding Myanmar's political outlook, the NUG presented a draft of its vision of a future Myanmar. It committed to a federal state under a Federal Democracy Charter to gain the support of ethnic armed groups. Albeit an important initiative, the draft lacks a few details and directives on how to engage in the process. Subject to the need and request of the democratic movement, several members of the international community, in particular those experienced in federalism, may have the capacity to provide some insights on how to implement a comprehensive constitution. Harmonious relations with regional authorities, tax and budget, education, police and security, and the healthcare system are strategic areas where the democratic movement within the country may seek support in the long term. Today, federalism in Myanmar still proves to be a hurdle that all successive authorities have so far failed to overcome. The plight of ethnic groups must genuinely be understood if national reconciliation is to be achieved. beforehand, workshops, seminars, and educational online tuition may need to be conducted with stakeholders from different ethnic groups in order to establish understanding and trust as the pillars of a united Myanmar.

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