

MYANMAR PRIMER

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I. Executive Summary

This primer offers a comprehensive analysis of Myanmar, exploring its complex historical, political, economic, and social landscapes. Beginning with an overview of its demographics, geography, and ethnic diversity, the document traces Myanmar's evolution from colonial rule to its current political challenges, including the 2021 military coup. The primer delves into Myanmar's economic structure, highlighting its resource-rich economy, infrastructural deficits, and the impact of international sanctions on its development trajectory. It further examines the human rights landscape, particularly the Rohingya crisis and the role of ethnic armed groups in shaping the nation's civil conflicts. Myanmar's strategic geopolitical position and its relations with neighboring countries, ASEAN, and Western nations are analyzed to contextualize its role in regional and global dynamics. Concluding with a discussion of current issues and future prospects, this primer provides insights into the opportunities and challenges facing Myanmar in its quest for stability, democratic governance, and sustainable development.

Keywords: *Myanmar, Military Coup, Rohingya Crisis, Democratic Transition, Sanctions*

II. Introduction

Myanmar, formerly known as Burma, is a Southeast Asian country with a complex history shaped by ethnic diversity and political strife. It is home to the ethnic Burman majority and numerous other ethnic and religious minorities, many of whom have long resisted efforts to centralize control. Britain colonized Myanmar in stages from the 1820s to the 1880s and remained a province of British India until 1937 when it became a self-governing colony. The country gained full independence in 1948 but soon experienced decades of military rule, starting with General Ne Win's coup in 1962.

In 1990, the military regime allowed elections, which were won by Aung San Suu Kyi's National League for Democracy (NLD). Despite the results, they were disregarded, and Suu Kyi was subsequently placed under house arrest. While Myanmar saw some democratic reforms in the 2010s, these were marred by military violence against the Rohingya minority. A military coup in 2021 ended Myanmar's brief experiment with democracy, triggering mass protests and the formation of the National Unity Government (NUG) and the People's Defense Forces (PDF), which continue to wage an armed struggle against the regime.¹

III. Demographics and Geography

A. Population And Ethnic Composition

¹ [Background](#)

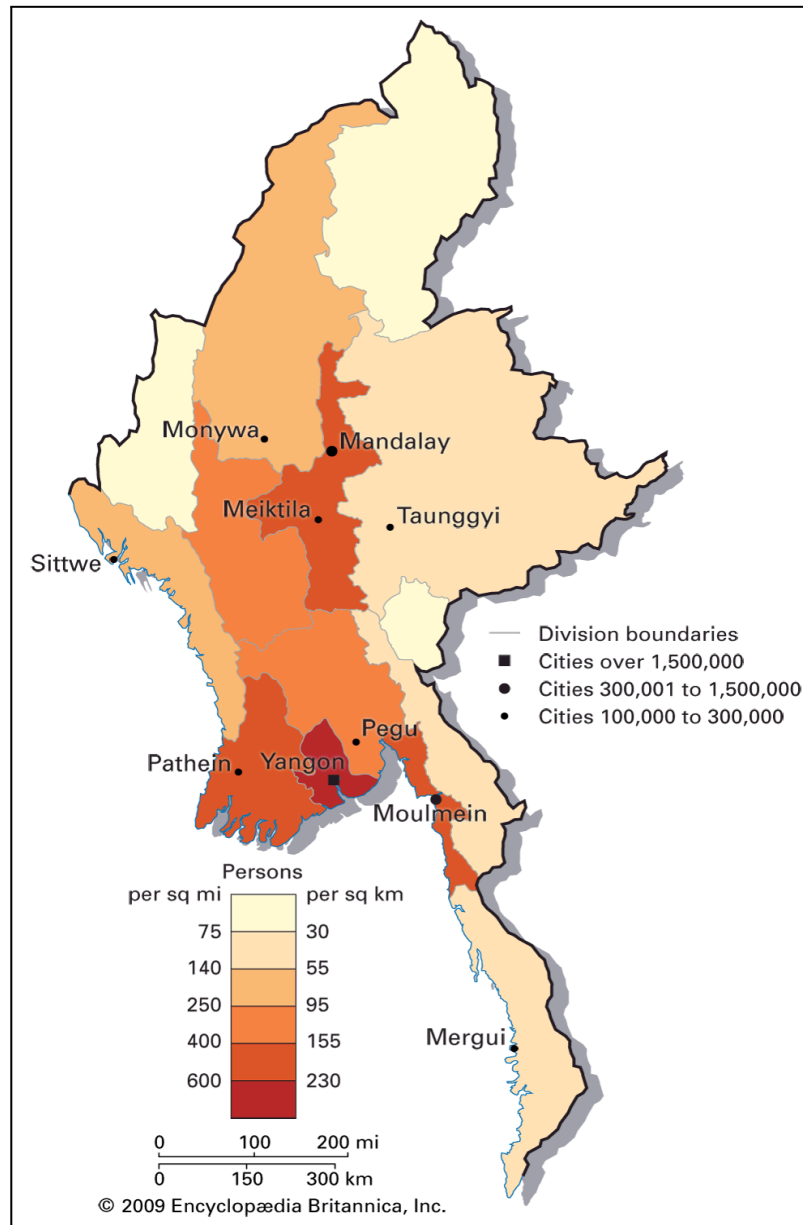


Image 1: Population Density of Myanmar²

Approximately 51.5 million people live in Myanmar, according to the 2014 census, which is much fewer than earlier projections. High emigration rates and decreased fertility have caused its population growth rate to stall to 0.9%. From over six children per woman in the 1970s to 2.2 in 2016, the total fertility rate (TFR) has decreased by more than 60% due to delayed marriages and a higher percentage of single women.

With 45% of the population under 25, Myanmar's demographics are still young, although the change has been gradual and uneven. Millions of Burmese have sought employment overseas, primarily in Thailand, while rural poverty is the primary cause of internal migration. Due to severe persecution, many ethnic minorities—especially the Rohingya—are forced to relocate or flee to neighbouring countries. Although life expectancy has increased, Myanmar continues to rank among the poorest countries in Southeast Asia in terms of infant and maternal mortality.

² [Source](#)

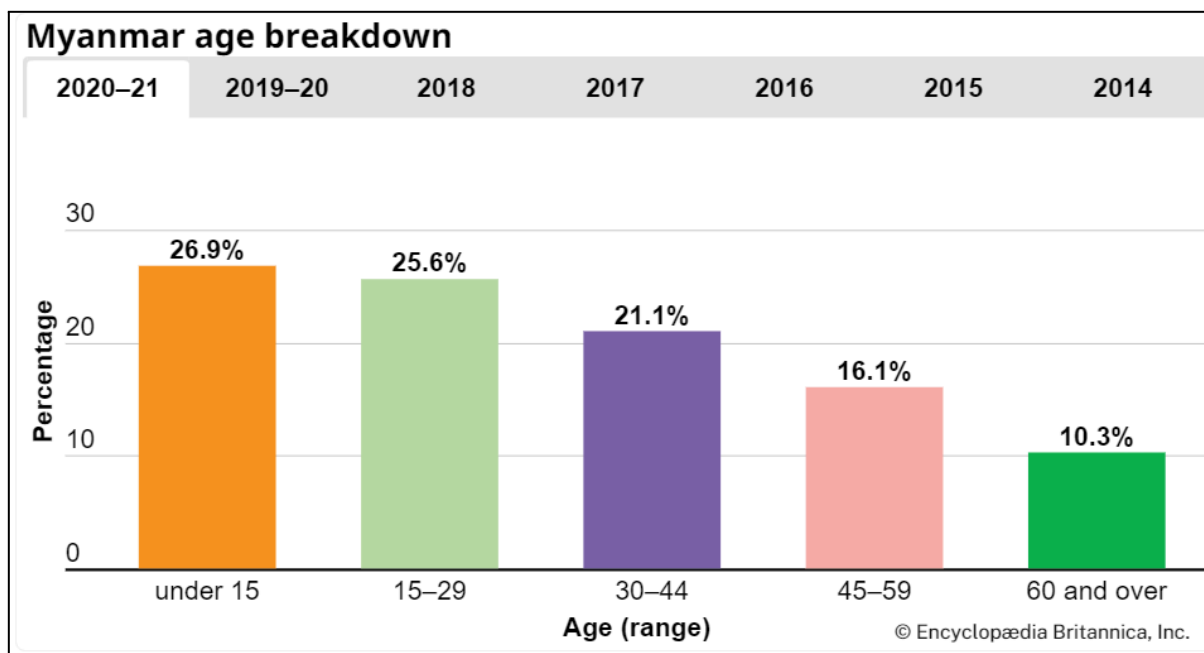


Image 2: Age Breakdown³

Over 135 recognized ethnic groups make up Myanmar's ethnic composition.

Ethnic Group	Percentage Of Population	Approximate Population (Millions)
BAMAR	68%	~36.72
SHAN	9%	~4.86
KAREN	7%	~3.78
RAKHINE	4%	~2.16
CHIN	2.5%	~1.35
MON	2%	~1.08
KAYAH	1.83%	~0.99
TOTAL	100%	54

Table 1: Ethnic Composition of Myanmar⁴

B. Geographic Overview

Occupying the Andaman Sea and the Bay of Bengal as its coastlines, Myanmar, formally known as the Republic of the Union of Myanmar, is a country in Southeast Asia that borders China, Laos, Thailand, Bangladesh, and India. Lower Myanmar, the coastal region, and Upper Myanmar, the interior, comprise its entire area of 676,578 square kilometers.

³ [Source](#)

⁴ [Source](#)

The Ayarwaddy (Irrawaddy) River system and a hill range with a horseshoe-shaped topography dominate Myanmar's terrain. With a height of 5,881 meters, Hkakabo Razi is the highest peak in Southeast Asia. The northern mountains are known for their rough topography. Myanmar and India are naturally divided by the Arakan Yoma range, while Myanmar and Thailand are divided by the Bilaukaung range. The country's agriculture depends heavily on the rich central lowlands, especially the Ayarwaddy-Sittaung delta. Together with its rocky shores, Myanmar boasts some outstanding natural harbors along its Arakan and Tenasserim coasts, which are encircled by islands.⁵



Image 3: Myanmar Map⁶

C. Climate and Environmental Factors

1. **Natural hazards:** Myanmar is at risk of extreme temperatures, drought, cyclones, flooding, and storm surges. Drought is considered the most severe natural hazard.
2. **Environmental issues:**
 - a. Forest cover has been declining at an average rate of 1.2 percent a year since 1990⁷
 - b. Marine fish resources have declined by as much as 90 percent since 1979/80⁸
 - c. Air quality is compromised by industrial and mining discharge and urban waste.

⁵ [Overview](#)
⁶ [Source](#)
⁷ [World Bank Report](#)
⁸ [WB Doc](#)

D. Major Cities and Regions

Myanmar's major cities include Sittwe and Dawei, a hub for economic growth; Mandalay, a major center for national growth; Naypyidaw, the country's capital since 2006; and Yangon, the country's largest metropolis and financial center. Ayeyarwady, Bago, Magway, Mandalay, Sagaing, Tanintharyi, and Yangon are the areas primarily inhabited by the Bamar ethnic group. Shan State is separated into Shan North, East, and South. Lower Myanmar is a coastal region with tropical forests. Upper Myanmar is the interior region.

E. Religious Landscape

Despite Myanmar's religious diversity, the majority of its citizens identify as Theravada Buddhists.

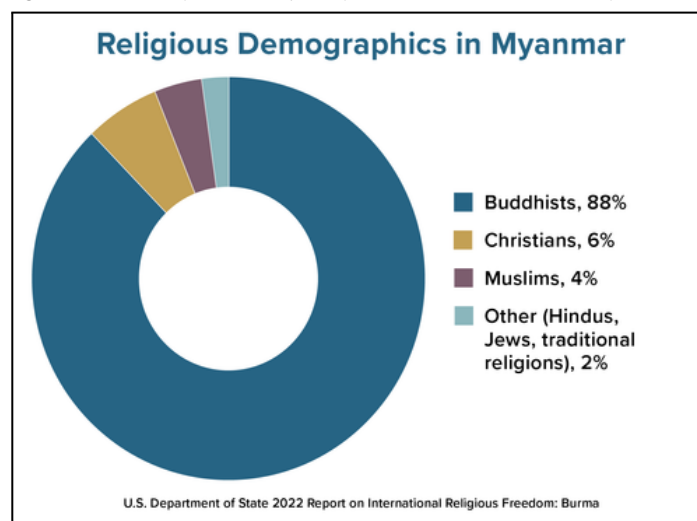


Image 4: Religious Demography⁹

F. Language Diversity

About two-thirds of the population speaks Burmese, the official language of Myanmar, which is home to about 100 other languages. Sino-Tibetan, Austro-Asiatic, Tai-Kadai, Indo-European, Austronesian, and Hmong-Mien are the six language families spoken by ethnic minorities. Shan (11%), Arakanese (6%), Karen (5%), Jingpho/Kachin (2.5%), and Mon (3%), are among the most prominent minority languages. There is also a growing national standard for Burmese sign language, and English is widely known.¹⁰

IV. Political Landscape

A. Government Structure¹¹

Myanmar's government structure is defined under its 2008 Constitution and is organized into a three-tiered system:

1. Union Level

The *Union of the Republic of Myanmar* is led by a President and comprises the Pyidaungsu Hluttaw (Union Legislative Assembly) with two houses:

⁹ [Source](#)

¹⁰ [Languages spoken](#)

¹¹ [Government Structure](#)

a. **Pyithu Hluttaw** (House of Representatives): Includes elected representatives and 25% military-appointed members.

b. **Amyotha Hluttaw** (House of Nationalities): Represents states and regions.

The Union government holds overarching legislative, executive, and judicial powers, including control over natural resources and nationwide policies.

2. State/Region Level

a. Myanmar consists of seven states and seven regions, differentiated mainly by ethnic composition.

b. Each state/region has:

1. A Chief Minister appointed by the President.

2. A unicameral legislature (Hluttaw), partially elected and partially military-appointed.

c. States and regions have limited autonomy and can legislate only on matters listed in Schedule Two of the Constitution, such as local taxes and infrastructure projects.

3. Self-Administered Zones and Divisions:

There are six self-administered zones/divisions for specific ethnic groups, which have "leading bodies" with executive and legislative powers.

4. Local Administration:

At the local level, administration is structured into districts, townships, and village tracts or urban wards, with governance primarily managed by the General Administration Department (GAD) under the Ministry of Home Affairs.

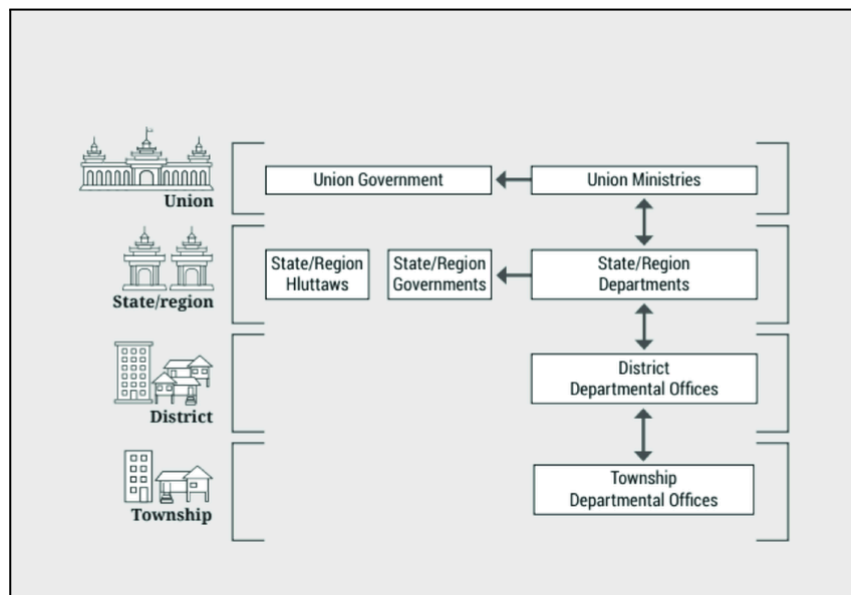


Image 5: Government Structure of Myanmar¹²

B. Key Political Parties and Leaders¹³:

Major Political Parties

1. Union Solidarity And Development Party (USDP):

Founded by former military officials, the USDP has a nationwide presence and close ties to the military.

Position: Ruling party (2015)

Leaders: Thein Sein (President), Shwe Mann (Speaker and Chairman)

2. National League For Democracy (NLD):

¹² [Source](#)

¹³ [Parties & Leaders](#)

A party with broad support, led by democracy icon Aung San Suu Kyi, focusing on democratic reforms.

Position: Main opposition party (2015)

Leader: Aung San Suu Kyi

3. **National Unity Party (NUP):**

Largely composed of former socialist-era officials, it has limited influence compared to the USDP and NLD.

Position: Successor to the Burma Socialist Programme Party

4. **National Democratic Force (NDF):**

Formed by a breakaway faction of the NLD, this party focuses on similar democratic principles but has a smaller reach.

Ethnic Parties

Many political parties are based on ethnic representation, such as the *Arakan National Party (ANP)*, which is popular among Rakhine Buddhists. These parties often collaborate under the *Nationalities Brotherhood Federation (NBF)*, a coalition of 25 ethnic parties, potentially playing kingmaker roles in coalition-building.

Key Political Leaders

1. **AUNG SAN SUU KYI (NLD):**

Position: Chairperson of the NLD

Nobel Peace Prize laureate (1991), democracy icon, and Myanmar's most popular political figure.

2. **THEIN SEIN (USDP)**

Position: President of Myanmar (2015)

A former general who initiated surprising political and economic reforms, including engaging with Aung San Suu Kyi and lifting international sanctions.

3. **SHWE MANN (USDP)**

Position: Speaker of the Union Parliament and USDP Chairman

Known for reformist policies and strengthening parliamentary authority, seen as a credible presidential candidate.

4. **MIN AUNG HLAING (MILITARY)**

Position: Commander-in-Chief of the Armed Forces

Expected to retire and potentially pursue the presidency; strong military doctrine adherence and a tough stance on ethnic armed groups.

V. Democratic Transition and Setbacks¹⁴

A. Democratic Transition (2010–2015)

1. **Initiation of Reforms:**

- a. In 2010, Myanmar held its first general elections under a military-drafted 2008 Constitution. The Union Solidarity and Development Party (USDP), a military-backed party, dominated the elections, but they were widely criticized as unfair.

¹⁴ [Transition & Setback](#)

- b. The establishment of a civilian-led government under President Thein Sein marked the beginning of cautious reforms, including political liberalization, the release of political prisoners, and efforts to engage with opposition leader Aung San Suu Kyi and her National League for Democracy (NLD).
2. Economic Opening:
 - a. The Government introduced market-oriented reforms, attracting foreign investment and improving Myanmar's global economic ties.
 - b. Exchange rate unification and other economic reforms addressed structural challenges, but poverty and inequality persisted.
 3. 2015 Elections and NLD Victory:

The 2015 elections marked a historic moment, with the NLD winning a landslide victory. Aung San Suu Kyi assumed a prominent role as State Counselor, although she was constitutionally barred from the presidency.

B. Setbacks and Challenges (2016–Present)

1. Military Oversight:

Despite the democratic progress, the 2008 Constitution ensured continued military control over key ministries and 25% of parliamentary seats. The Tatmadaw retained veto power over constitutional amendments.
2. Ethnic Conflicts and Rohingya Crisis:

Longstanding ethnic insurgencies and the brutal crackdown on Rohingya Muslims, particularly in 2017, drew international condemnation. These events highlighted persistent human rights violations and strained Myanmar's global relations.
3. 2021 Military Coup:
 - a. The Tatmadaw rejected the results of the 2020 general elections, where the NLD secured another significant victory, claiming electoral fraud.
 - b. On February 1, 2021, the military seized power, arrested key NLD leaders, and imposed a state of emergency, reversing a decade of democratic gains.
4. Civil Disobedience Movement (CDM):

The coup sparked widespread protests and the emergence of the CDM, with professionals and civilians opposing the military junta. Armed resistance grew with the formation of the National Unity Government (NUG) and People's Defense Forces (PDFs).
5. Economic and Political Stagnation:
 - a. The coup and ensuing violence disrupted Myanmar's economy, deterring investment and exacerbating poverty.
 - b. The military's authoritarian policies and continued conflicts with ethnic armed organizations (EAOs) have further destabilized the nation.

Myanmar's democratic transition revealed potential for political, social, and economic reforms, but entrenched military influence has repeatedly undermined progress. The 2021 coup represents a significant setback, with ongoing conflicts and widespread resistance highlighting the continued struggle for democracy and stability in the country.

C. The 2021 Military Coup¹⁵

On February 1, 2021, Myanmar's military, the Tatmadaw, staged a coup d'état, overthrowing the democratically elected government led by Aung San Suu Kyi's National League for Democracy (NLD). The coup came just as the parliament was scheduled to convene and confirm the NLD's overwhelming victory in the November 2020 elections, where it secured 83% of the seats. The Tatmadaw, citing unsubstantiated allegations of election fraud, declared a state of emergency under constitutional provisions and seized power. President Win Myint and Aung San Suu Kyi were detained, and Senior General Min Aung Hlaing assumed control as the head of a caretaker government.

The coup ended a decade-long experiment in democracy, during which the Tatmadaw had retained significant power under a 2008 constitution. This included control over key ministries, 25% of parliamentary seats, and a clause allowing the military to take power during a declared emergency. The military also held substantial economic interests, with control over lucrative conglomerates spanning industries like natural resources and banking.

The military takeover triggered widespread domestic resistance. Initially, peaceful protests, work stoppages, and a Civil Disobedience Movement (CDM) emerged, uniting citizens against the junta. However, the military's violent crackdowns—marked by shootings, mass arrests, and internet blackouts—forced many protesters into hiding or exile. By April 2021, opposition leaders formed a shadow National Unity Government (NUG), which established the People's Defense Force (PDF) to combat the military. The NUG, along with ethnic armed organizations (EAOs), controls nearly half of Myanmar's territory, creating a deeply fragmented state.

The Tatmadaw has escalated its brutality, targeting civilians in both urban and rural areas. Security forces have raided homes, detained opposition figures, and conducted mass killings, including airstrikes on civilian areas. Over 2,500 civilians have been killed, and more than 1.4 million people displaced since the coup. Journalists, activists, and aid groups have been systematically targeted, further deepening the humanitarian crisis.

Internationally, the coup has drawn condemnation and sanctions from the United States and other Western countries, but global action has been limited. The United Nations Security Council has been constrained by opposition from Russia and China, both of which have strategic ties with Myanmar. Regional efforts by the Association of Southeast Asian Nations (ASEAN) have also faltered, with the junta ignoring a proposed peace plan. Meanwhile, Myanmar's population continues to endure escalating violence and repression as the country spirals deeper into civil war and economic collapse.

VI. Historical Overview:

A. British Colonial Rule (1824- 1948)¹⁶

Early in the 19th century, the British began annexing Myanmar (then known as Burma), which led to three Anglo-Burmese wars (1824–1826, 1852–1853, and 1885). The British increased their power after every war, annexing parts of Upper and Lower Burma and incorporating them into British India. From 1824

¹⁵ [Military Coup](#)

¹⁶ [British Colonial Rule](#)

until its separation and creation as a separate colony in 1937, Burma was governed by the British as a part of the Empire of India.

The main strategic reason for Burma's accession to the British Empire was the British need to defend India's frontiers against neighboring powers. Although it kept its unique cultural and ethnic identity, Burma was reduced from a once-powerful kingdom to a province within British India after its annexation. With a population of about 9 million in 1908, the area was increasingly eclipsed by the much bigger population of neighboring Bengal, which sparked fears of cultural and economic displacement among ethnic Bamar (Burmese). Despite differing views, this fueled the Bamar people's desire to split from India by the 1930s. Not all Burmese wanted independence from India, as evidenced by the Anti-Separation League's larger number of seats than the Separation League's in the 1932 provincial legislature elections.

However, growing ethno-nationalist sentiments and anti-immigrant violence led to Burma's separation from British India in 1937. However, the partition stoked Burmese nationalism and deepened ethnic divisions. Ethnic conflicts that persist today were sparked by the legacy of British colonial control. With ethnic minorities like the Karen, Kachin, and Shan regularly battling with the majority Bamar-dominated government, Myanmar has been enmeshed in civil wars since achieving independence in 1948, resulting in some of the longest-running hostilities in the world.

B. Independence and Military Rule (1948–1988)¹⁷

The military, U Nu, and General Aung San significantly impacted Myanmar's post-independence history. Considered the father of the country, Aung San envisioned a secular Burma after obtaining independence from Britain in 1948. However, his assassination in 1947 halted this progress. U Nu, his successor, adopted Buddhist socialism and, under the State Religion Act of 1961, became Buddhism the official state religion, causing discontent among non-Buddhist minorities.

Ethnic insurgencies, political instability, and poor economic management undermined U Nu's government despite its democratic beginnings. A disagreement within U Nu's Anti-Fascist People's Freedom League (AFPFL) in 1958 led him to ask the military, led by General Ne Win, to establish a "caretaker government." In addition to improving governance, this short-term military control increased military confidence in its capacity to rule. Constitutional democracy came to an end in 1962 after Ne Win overthrew the government in a coup after U Nu won power in 1960.

Myanmar was reduced to a one-party state under Ne Win's Revolutionary Council (1962–1974), which was led by the Burma Socialist Programme Party (BSPP). Known as the "Burmese Way to Socialism," Ne Win's policies merged Buddhist, nationalist, and Marxist ideas; yet, they alienated ethnic minorities, exacerbated economic woes, and isolated Myanmar from the rest of the world. Although elections were mostly symbolic, the 1974 Constitution changed to a constitutional dictatorship under the BSPP. Unrest was caused by political repression, particularly demonetization laws, and widespread economic deterioration.

¹⁷ [Myanmar under Military Rule](#)

Protests were more intense in the late 1980s as a result of political corruption and economic hardship. Public discontent persisted notwithstanding Ne Win's 1988 departure and the leadership changes that followed. After a violent crackdown on protests, the State Law and Order Restoration Council (SLORC) took control on September 18, 1988, bringing an end to this chaotic period but bringing in a new era of military domination.

C. Recent Political Developments (1988–Present)¹⁸¹⁹

Since 1988, Myanmar's political history has been characterized by periods of authoritarian control interspersed with attempts at reform and democratic transition. Ne Win's dictatorship was overthrown by violent protests in 1988, and the State Law and Order Restoration Council (SLORC) was put in charge by the military. Although the SLORC held multiparty elections in 1990 and renamed the nation Myanmar, they resisted a true democratic transition. Key leaders like Aung San Suu Kyi were excluded from the SLORC's refusal to acknowledge the National League for Democracy's (NLD) overwhelming victory in these elections.

The military consolidated its hold on power in the ensuing years, stifling opposition, while international sanctions made Myanmar even more isolated. In 1997, the State Peace and Development Council (SPDC) replaced the SLORC. While calling a National Convention to establish a new constitution that formalized the military's supremacy, the SPDC held onto power. The constitution, which gave the military considerable authority, including 25% reserved legislative seats and control over important ministries, was passed in 2008 despite intense opposition and a seriously defective referendum process.

In 2011, the SPDC disbanded, giving Thein Sein's quasi-civilian administration control. In addition to lifting press restrictions, holding peace negotiations with ethnic groups, and freeing political prisoners, his administration also implemented economic and political reforms. After gaining a majority in the general elections of 2015 and winning parliamentary by-elections in 2012, Aung San Suu Kyi's NLD returned to politics. But because of constitutional restrictions, Suu Kyi was unable to serve as president and instead took on the newly established position of state counselor.

Human rights violations, particularly the military's persecution of the Rohingya, overshadowed democratic advancements. Suu Kyi's reputation was damaged internationally in 2017 after harsh crackdowns in Rakhine State resulted in charges of genocide. Her government found it difficult to control the military at home.

Following the NLD's overwhelming victory in the 2020 elections, tensions reached a breaking point on February 1, 2021, when a military coup was carried out. The National Unity Government (NUG) and grassroots armed groups known as People's Defense Forces (PDFs) were formed as a result of the coup's widespread protests and resistance. During a national civil war, these groups formed alliances with Ethnic Armed Organizations (EAOs).

¹⁸ [Myanmar since 1988](#)

¹⁹ [Political Transition in Myanmar](#)

Resistance groups had substantially expanded their territory by 2023, posing a threat to the junta's rule. Notable incidents indicated the junta's waning power, including the 2024 Karen National Union takeover of Myawaddy on the Thai border. With Western sanctions and ASEAN mediation attempts, the international community has put more and more pressure on Myanmar, but a meaningful resolution is still elusive. Ethnic conflicts, established military might, and democratic aspirations continue to put Myanmar at a crossroads.

D. Military's Role in Politics²⁰ (TATMADAW)²¹

The Tatmadaw, Myanmar's armed forces, is central to the nation's political and military history. Its evolution from the Burma Independence Army (BIA) in 1941, led by Aung San, into the dominant political authority reflects its deep entanglement with national governance.

1. Post-Independence and Early Challenges

- a. After Myanmar gained independence in 1948, the Tatmadaw transitioned from fragmented militia groups into a unified national army. However, it faced internal divisions and mutinies as troops aligned with factions such as the Burma Communist Party and the Karen National Defense Organization.
- b. General Ne Win emerged as a unifying figure, positioning the Tatmadaw as the "People's Army" and a bulwark against insurgency and foreign influence.

2. The Caretaker Government (1958–1960)

- a. Political instability in the 1950s, including the split of the Anti-Fascist People's Freedom League (AFPFL), prompted Prime Minister U Nu to transfer power to the Tatmadaw under General Ne Win.
- b. The 1958 caretaker government, led by Ne Win, marked the army's first formal role in governance, solidifying its image as a national guardian.

3. Military Coup and Consolidation of Power (1962–1988)

- a. In 1962, the Tatmadaw seized power in a coup, citing threats to national unity and governance failures. It ruled unopposed for decades under the Burma Socialist Programme Party (BSPP), with Ne Win implementing socialist and autarkic policies.
- b. The Tatmadaw controlled key sectors of the economy and maintained dominance through suppression of dissent and control over ethnic minority regions.

4. Modern Role and Controversies

a. Economic Influence:

1. The Tatmadaw controls vast resources, including jade, rubies, and natural gas, through state-managed businesses and ceasefire agreements with armed ethnic groups.
2. Corruption and economic mismanagement have turned public opinion against its leadership.

b. Ethnic Conflicts:

1. The Tatmadaw's ultranationalist ideology views ethnic minorities as threats, fueling decades-long insurgencies. This has made Myanmar a hotspot for one of the world's longest-running civil conflicts.
2. Ethnic minorities such as the Rohingya have been victims of severe military brutality.

²⁰ [Role of Military](#)

²¹ [Tatmadaw](#)

c. Post-1988 Dynamics:

1. After the 1988 protests, the Tatmadaw formed the State Law and Order Restoration Council (SLORC) and later the State Peace and Development Council (SPDC), maintaining control while transitioning to nominal civilian rule in 2011.
2. The 2008 Constitution ensured military dominance by reserving 25% of parliamentary seats and control over key ministries.

5. 2021 Coup and Civil Conflict:

- a. The Tatmadaw's refusal to honor the 2020 election results led to the coup on February 1, 2021. Widespread protests and the emergence of the Civil Disobedience Movement (CDM), including defectors from the Tatmadaw, highlighted growing dissent.
- b. The military under General Min Aung Hlaing faces increasing resistance from ethnic armed organizations and People's Defense Forces (PDFs), plunging Myanmar into civil war.

6. Institutional Culture

- a. The Tatmadaw operates as a "state within a state," insulated from public opinion and dominated by a hierarchical, authoritarian culture.
- b. It has been likened to a religious cult due to its isolation, propaganda, and sense of elite superiority among its ranks.

VII. **Economic Overview**²²:

Myanmar is a developing economy with a GDP of \$76 billion in 2021 and a GDP per capita of \$1,630, making it a "low-income" country according to the World Bank²³. Although agriculture accounts for the majority of its economy, the manufacturing and service sectors also make substantial contributions. Smuggling and illegal teak and gem exports are part of the country's vast informal economy, which is largely dependent on the kyat as its currency. Although Myanmar has a diverse economy and resource-rich territory, systemic issues including corruption, reliance on subsistence farming, and antiquated infrastructure impede progress.

A. **Major Economic Sectors**²⁴

1. **Agriculture, Forestry, and Fishing:**

- a. Agriculture contributes 45–57% of GDP and employs about two-thirds of the workforce.
- b. *Key Crops:* Rice (occupying half of all agricultural land), beans, maize, peanuts, sesame, sugarcane, and rubber. Rice production, centered in the Irrawaddy River delta, remains a staple food source and a significant export commodity.
- c. *Fisheries:* Marine and inland fishing, alongside aquaculture, support domestic food supply and export markets.
- d. *Forestry:* Myanmar has the world's largest exploitable teak supplies, though illegal logging and environmental degradation are concerns.

²² [Economic Overview](#)

²³ [World Bank](#)

²⁴ [Economic Sectors](#)

2. **Industry and Construction:**

- a. The industrial sector contributes about *20% of GDP*.
- b. *Key Industries:*
 1. Extractive industries, including oil, natural gas, copper, tin, tungsten, and precious stones (rubies and jade).
 2. Light manufacturing, including textiles, leather, and footwear.
 3. Food processing and pharmaceuticals.
- c. Construction has been spurred by urban development and infrastructure projects, though investment is hampered by regulatory inefficiencies.

3. **Services:**

- a. The service sector accounts for *33–40% of GDP*.
- b. Tourism, trade, transportation, and banking play significant roles, with Yangon as the hub of economic activity.

4. **Natural Resources and Energy:**

- a. Myanmar is rich in natural resources, including petroleum, natural gas, coal, and various minerals.
- b. Hydroelectric power is a growing energy source, though demand for electricity often exceeds supply.

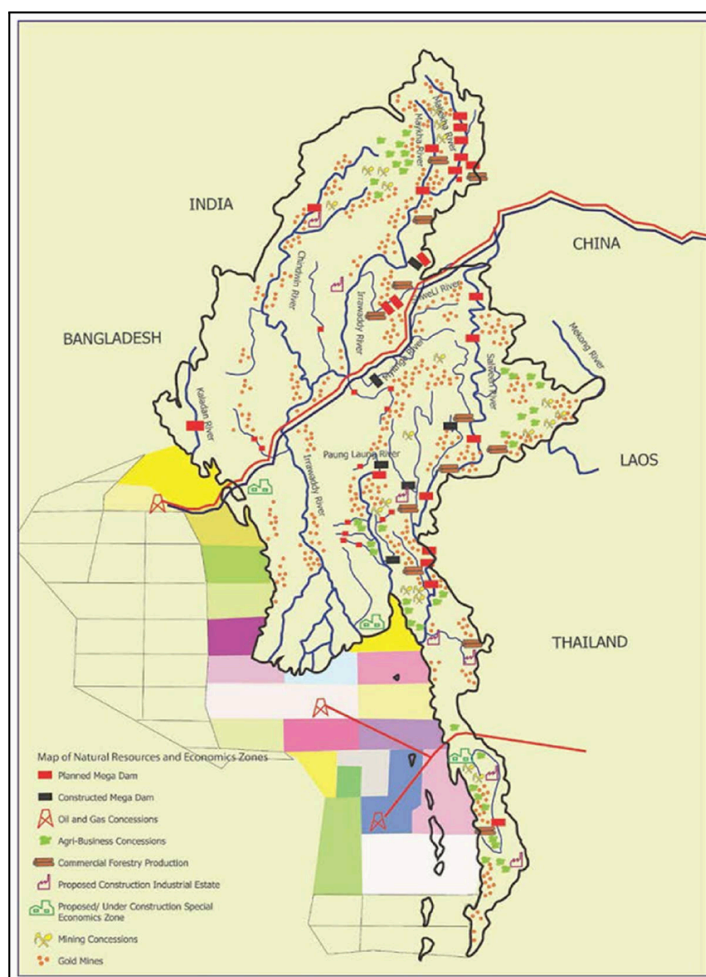


Image 6: Natural Resources²⁵

²⁵ [Source](#)

5. Trade:

- Exports:* Natural gas (primary), dried beans, teak, and gemstones.
- Imports:* Machinery, vehicles, chemicals, textiles, and food products.
- Major Trade Partners:* Thailand, China, India, Singapore, and Japan dominate trade relations.

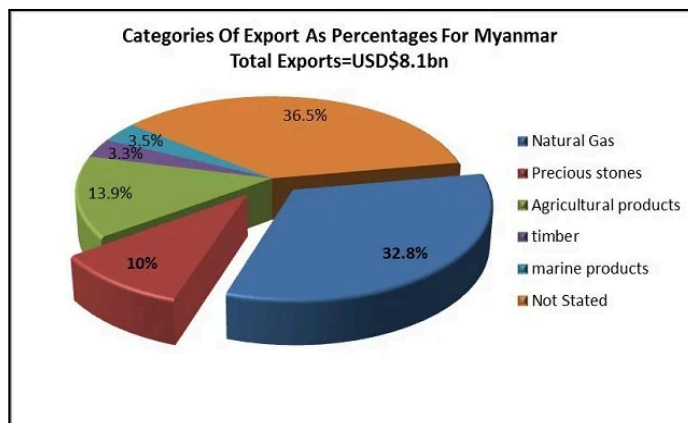


Image 7: Categories of Export²⁶

6. Transportation and Infrastructure:

- Myanmar's trade relies on its waterways, with the Irrawaddy River serving as the backbone of transportation.
- The road and rail networks, though extensive, require modernization. Yangon remains the primary port for international trade.

B. Foreign Investment and Trade^{27,28}

1. Trade Dynamics

Myanmar's trade sector has experienced significant challenges and fluctuations due to political instability, economic sanctions, and global economic conditions. In FY2021, international trade declined by 19% compared to the previous year, with exports dropping by 16% and imports by 23%. Factors contributing to this included the dual impact of COVID-19 and the February 2021 coup. These events disrupted supply chains and weakened the business environment.

	Exports		Imports		Trade Volume	
	Oct-Jan	Feb-Sep	Oct-Jan	Feb-Sep	Oct-Jan	Feb-Sep
Absolute change (US\$ million)						
Compared with FY19	21	-2,737	-714	-2,714	-693	-5,451
Compared with FY20	-861	-1,893	-1,512	-2,881	-2,374	-4,773
Percent change						
Compared with FY19	0.4%	-28%	-13%	-30%	-6%	-29%
Compared with FY20	-16%	-20%	-28%	-31%	-22%	-25%

Source: Ministry of Commerce and CEIC

Table 2: Trade impacts of COVID-19 and the February 2021 Coup in FY 21

²⁶ [Source](#)

²⁷ [Trade](#)

²⁸ [FDI](#)

2. Export Composition

- a. Myanmar's primary exports include natural gas, agricultural products, minerals, and garments. Notably, natural gas accounts for a substantial share, reflecting Myanmar's reliance on resource-based exports.
- b. Agricultural exports, the second-largest category, witnessed a 24% growth in early FY2021 but suffered setbacks post-coup due to logistical challenges and reduced demand.

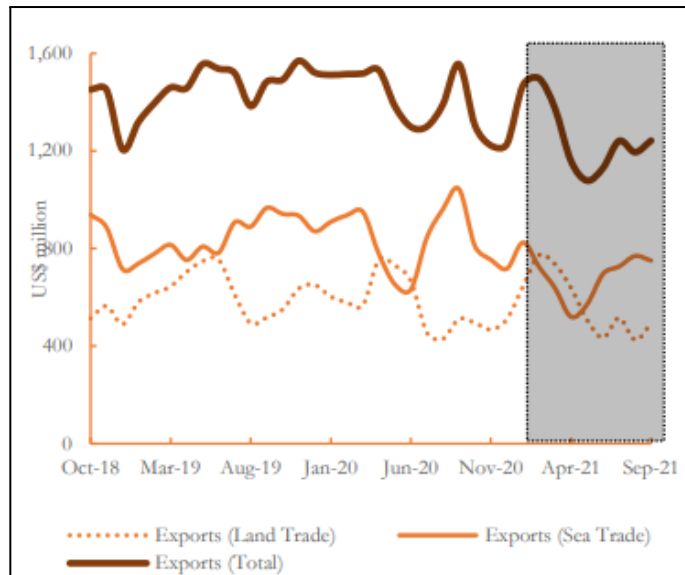


Image 8: Exports significantly declined after February but picked up in the late FY 21²⁹

3. Import Composition

Imports largely consist of machinery, vehicles, petroleum products, and consumer goods. The coup and COVID-19 led to a 36% decline in capital imports in FY2021, reflecting reduced investment activity.

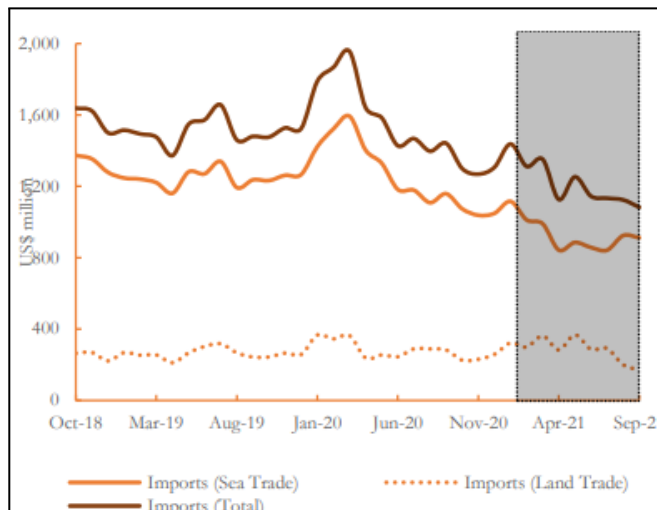


Image 9: Imports declined throughout FY 19 and further declined in the post- February 2021³⁰

²⁹ [Source](#)

³⁰ [Source](#)

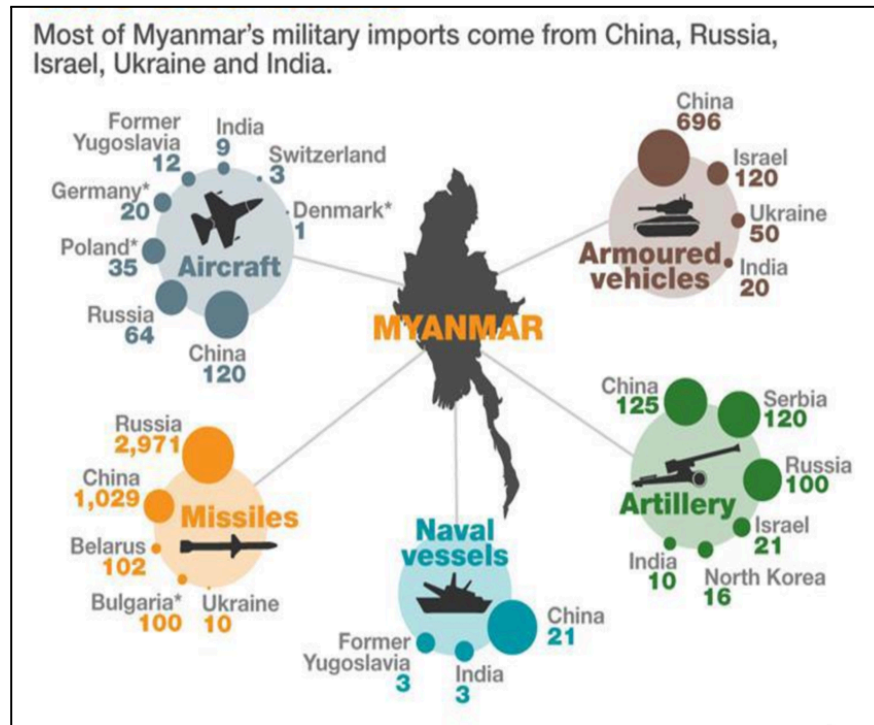


Image 10: Military Imports³¹

4. Foreign Direct Investment (FDI)

- Pre-Coup FDI Trends: FDI inflows had been on an upward trajectory prior to FY2021, with investments concentrated in the energy and power sectors. China, Thailand, and Singapore emerged as major investors.
- Post-Coup Decline: Political instability post-coup resulted in a 31% decline in FDI commitments. Major international firms suspended or terminated operations, leading to a weakened investment climate.

Key Issues

- Sanctions and Isolation:* Historical sanctions limited Myanmar's trade and investment with Western nations, redirecting its economic reliance towards China and other Asian neighbors.
- Trade Agreements:* Myanmar participates in several regional trade agreements under ASEAN, benefiting from preferential access to major markets, yet its infrastructure and regulatory framework remain underdeveloped.
- Challenges in Manufacturing and Logistics:* Trade facilitation infrastructure and bureaucratic hurdles hinder efficient trade operations. High logistics costs further reduce competitiveness.

Policy and Future Prospects

Reforms such as the 2012 Foreign Investment Law revision and currency liberalization improved the investment landscape but require consistent implementation to rebuild investor confidence. The integration of Myanmar's economy into regional and global markets hinges on political stability, governance reforms, and investment in infrastructure and capacity-building.

³¹ [Source](#)

C. Impact of Sanctions and Global Relations³²

Impact of Sanctions³³:

1. Economic Consequences:

- a. Comprehensive sanctions imposed by the U.S. and OECD countries in 2003 included trade embargoes, asset freezes, and investment restrictions. Myanmar's exports to the U.S. dropped to zero, though the U.S. continued to export goods to Myanmar.
- b. Despite sanctions, Myanmar's overall trade volume increased. Total trade grew from \$6.28 billion in 2001 to \$8.57 billion in 2006, driven by diversification in trading partners and products.
- c. The textile industry, which relied heavily on the U.S., suffered a 58% decline in apparel exports by 2005. However, markets in South Korea and Japan absorbed some of this loss, showing significant reallocation effects.
- d. Natural gas exports grew sharply during sanctions, from \$819 million in 2003 to \$4.4 billion by 2015, with primary markets in Thailand, China, and Singapore, bypassing restrictions.³⁴

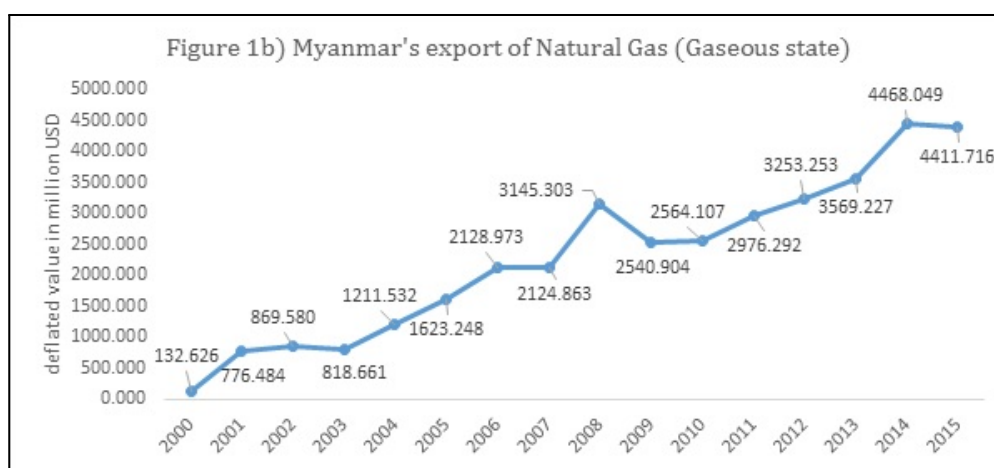


Image 11: Natural Resources³⁵

2. Structural Adjustments:

- a. Myanmar adapted by diversifying exports, including jadeite and rubies, which were permitted under re-export conditions to other countries.
- b. ASEAN+6 countries, particularly China and Thailand, emerged as key trading partners, accounting for 65–67% of Myanmar's trade in 2015.

3. Lessons from Sanctions:

- a. Sanctions highlighted Myanmar's need for export diversification and reducing dependency on a narrow set of commodities like rice. Pulses and natural gas have emerged as potential growth areas.
- b. Infrastructure development and deeper integration with ASEAN+6 and South Asia are critical for mitigating future economic shocks.

³² [Sanctions on Myanmar](#)

³³ [Impact of Sanctions](#)

³⁴ [Source](#)

³⁵ [Source](#)

Global Relations and Reforms

A. Re-engagement Post-Sanctions:

1. Western sanctions were gradually lifted between 2012 and 2016, with international organizations like the World Bank and IMF resuming financial assistance.
2. Political and economic reforms, including democratic progress and liberalization, were seen as key drivers of this shift, not merely the pressure of sanctions.

B. Relations with Major Powers:

1. During sanctions, Myanmar leaned heavily on China, which invested over \$20 billion in infrastructure and energy projects, solidifying its influence.
2. ASEAN maintained constructive engagement, making Myanmar a full member in 1997 and increasing trade and investment ties.

C. Western Criticism and Strategic Concerns:

1. Western nations maintained sanctions to push democratic reforms, but these actions inadvertently deepened Myanmar's dependence on China.
2. Continued international scrutiny of Myanmar's human rights record, especially concerning the Rohingya crisis, has prompted recent targeted sanctions and global condemnation.

D. India's Role:

India balanced its engagement, supporting democratic reforms while addressing its strategic interests, such as countering Chinese influence and securing energy cooperation.

The effectiveness of external pressure in promoting systemic change was illustrated by the sanctions imposed on Myanmar. Localized economic disruptions were brought on by sanctions, but long-term effects were lessened by Myanmar's strategic diversification and alliances with regional actors. Since then, foreign relations have changed, with Myanmar attempting to strike a balance between resource extraction, international participation, and political changes in the face of enduring difficulties.

D. Economic Challenges and Opportunities³⁶

Economic Challenges:

A. Infrastructure Gaps:

1. Myanmar lags in transport infrastructure, including key ASEAN Highway Network sections that remain below Class III, isolating the country from regional connectivity.
2. Limited National Single Window (NSW) systems and customs modernization hinder trade facilitation, a critical ASEAN integration component.

B. Sectoral Inefficiencies:

1. Dominance of agriculture in GDP (around 50%) with underdeveloped industrial sectors. Private industrial activities are confined to small-scale agro-processing.
2. Limited utilization of fisheries, with only 80% of freshwater and 13.1% of marine potential tapped.

C. Trade Deficits and Export Dependence:

1. Trade deficits persisted until the early 2000s, with exports heavily reliant on resource-based products like natural gas (24.6% of total exports in 2003-04).

³⁶ [Challenges & Opportunities](#)

2. Myanmar's low exposure to global markets limits its economic dynamism.

D. Economic Sanctions and Investment Issues:

1. Western economic sanctions and socio-political instability deterred consistent Foreign Direct Investment (FDI) inflows.
2. Despite liberal policies, the industrial sector remains underdeveloped due to insufficient private and foreign investments.

E. Regulatory and Policy Challenges:

Slow implementation of ASEAN Economic Community (AEC) commitments, including investment liberalization and trade facilitation measures.

Opportunities:

A. Strategic Location:

1. Myanmar is a natural bridge between South Asia, East Asia, and ASEAN, offering potential as a trade and logistics hub.
2. Connectivity projects like the Singapore-Kunming Rail Link (SKRL) can enhance regional integration.

B. Resource Abundance:

1. Rich reserves of natural gas, precious stones, and fisheries can boost export earnings.
2. Large agricultural potential with increasing production of paddy, pulses, and oil crops.

C. ASEAN Integration:

1. Full implementation of AEC initiatives (e.g., ATIGA, AFAS) can facilitate market access, enhance investment attractiveness, and reduce trade costs.
2. Elimination of tariffs under CEPT-AFTA has already benefitted other ASEAN members and presents similar potential for Myanmar.

D. Policy Reforms:

1. Recent liberalization measures, including a new foreign investment law, signal Myanmar's openness to global economic partnerships.
2. Focused national development strategies like Special Development Zones and Integrated Rural Development Plans aim to address rural-urban disparities.

E. Industrial Growth Potential:

1. Opportunities exist to expand value-added manufacturing and establish agro-based industries.
2. Government initiatives such as advanced foundries and mould industries can support industrialization.

F. Transport and Connectivity Investments:

Improvements in road, rail, and maritime networks under ASEAN's Master Plan on Connectivity can reduce isolation and promote trade.

E. Post- Coup Economic Landscape³⁷

Myanmar's economy has faced severe setbacks since the military coup in February 2021, with GDP contracting by 12% and nearly 60% of the population now living below the poverty line. Inflation and currency devaluation have escalated dramatically, with the kyat plunging from K1,300 to over K3,900 per U.S. dollar on the black market by September 2023. Export volumes have declined, with overseas exports

³⁷ [Post-coup](#)

dropping by 21% in 2023, contributing to a trade deficit of \$500 million. Key sectors like gas and oil sales to Thailand and China remain exceptions, while garment exports have rebounded, though under exploitative labor conditions.

Sanctions, including those on state-owned banks, have isolated Myanmar from the global financial system. The Financial Action Task Force's blacklisting in 2022 and U.S. sanctions have disrupted financial transactions, with banks like Singapore's United Overseas Bank ceasing services. The regime's mismanagement, including forced currency conversion at unfavorable rates and excessive money printing (up to 20 trillion kyat), has further eroded economic stability. Public trust in banks has plummeted, and major investors have exited due to reputational risks and operational challenges.

Amid rising food prices, agricultural production is down, exacerbated by conflict and climate impacts like Cyclone Mocha in 2023. Government revenue has stagnated, and the military's reliance on printing money and bond sales to sustain operations has spurred inflation and worsened the crisis. With sanctions freezing billions in Central Bank assets abroad, Myanmar's junta faces mounting financial pressure, exposing its inability to address the economic collapse effectively.

VIII. Human Rights and Ethnic Conflicts

Myanmar faces deeply entrenched ethnic conflicts and human rights issues, largely rooted in its colonial and post-independence history. The nation is home to over 135 ethnic groups, with approximately 30-40% of its population comprising ethnic minorities, many of whom inhabit the rugged borderlands.

A. Rohingya Crisis³⁸ and International Reactions³⁹

The Rohingya, a Muslim minority group in Myanmar's Rakhine State, have faced decades of systemic persecution. Denied citizenship under the 1982 Burmese Citizenship Act, they have been marginalized as illegal immigrants despite evidence of long-standing residence in Myanmar. The crisis escalated in 2017, when Myanmar's military, the Tatmadaw, launched "*clearance operations*" in response to attacks by the *Arakan Rohingya Salvation Army (ARSA)*. These operations led to widespread violence, the burning of villages, killings, and alleged genocide, displacing over 800,000 Rohingyas to Bangladesh.

In its seventh year, the crisis has forced nearly one million Rohingya to live in overcrowded camps in Cox's Bazar, Bangladesh, dependent entirely on humanitarian aid. Conditions are dire, with dwindling resources, restricted opportunities, and risks of human trafficking. Humanitarian organizations, including the International Organization for Migration (IOM), continue providing lifesaving assistance while addressing protection, gender-based violence, and environmental impacts on host communities.

The Tatmadaw maintains significant control over the government, limiting any meaningful reforms. Aung San Suu Kyi's administration has faced international criticism for its inaction and complicity. Despite promises to address the Kofi Annan commission's recommendations on Rohingya rights, such as freedom of movement and citizenship, no substantial measures have been implemented.

³⁸ [Rohingya Crisis](#)

³⁹ [Rohingya Response](#)

INTERNATIONAL REACTIONS:

A. Key Powers and Strategic Interests:

1. **China and India:** Both nations prioritize strategic and economic ties with Myanmar. China values Myanmar for its Belt and Road Initiative, while India views Myanmar as crucial for Northeast stability. Both countries are Myanmar’s largest arms suppliers, further complicating their response to the crisis.
2. **Russia and the United States:** Russia sustains arms trade with Myanmar, while the U.S. focuses on countering Chinese influence in Southeast Asia. None of these powers have taken robust action against Myanmar, driven by geopolitical interests.

World Power	Relationship with Muslims	with Domestic	Strategic Interests in Myanmar
China	Internal Muslims	Problem with Uyghur	Containment policy against India, Belt and Road Initiative, arms trade, and natural resources
India	Internal Muslims	Problem with Kashmiri	Containment policy against China, natural resources, arms trade, and countering insurgency and separatist movements in Northeast India
Russia	Internal Muslims	Problem with Chechen	Arms trade and natural resources
US	Residual post-9/11 Islamophobia		Containment policy against China

Image 12: Major Factors for powerful nations to ignore the crisis⁴⁰

B. Regional Responses:

1. **Bangladesh:** Hosting nearly one million refugees, Bangladesh faces immense strain but has pushed Rohingyas back into Myanmar, violating international non-refoulement principles.
2. **India:** Announced plans to deport 40,000 Rohingyas, further compounding the crisis.
3. **China:** Has blocked UN Security Council resolutions critical of Myanmar.

C. International Community:

1. The United Nations, the United States, and the Organization of Islamic Cooperation (OIC) have issued condemnations, but these remain symbolic.
2. Sanctions on Myanmar are seen as a necessary punitive measure, but major powers lack the collective will to enforce them.

Long-term solutions are still elusive, despite the ongoing provision of acute humanitarian assistance. Repatriation to Myanmar in a dignified and secure manner is still a long way off. To lessen suffering, international initiatives must incorporate aggressive asylum support, increased humanitarian aid, and

⁴⁰ [Source](#)

punitive measures like sanctions on Myanmar. Resolving this situation requires a coordinated and long-term international response.

B. Ethnic Armed Groups⁴¹ and Civil Wars⁴²

Myanmar's civil wars have roots in the country's independence in 1948, marked by ethnic diversity with 135 recognized groups. *Ethnic Armed Organizations (EAOs)* emerged as key players, starting with the *Karen National Union (KNU)*. Over 25 armed factions currently operate, with some aligned with the government, others opposing it, and a few observing ceasefires. The dynamics shifted dramatically following the 2021 military coup, as clashes surged by 67%, and many EAOs resumed hostilities against the Tatmadaw (Myanmar's military).

Key Armed Groups and Alliances

1. *Karen National Union (KNU)* and *Karen National Liberation Army (KNLA)*: Among the earliest groups, they seek a federal democratic system.
2. *Arakan Army (AA)*: Dominates Rakhine State and is a key player in the Brotherhood Alliance.
3. *Kachin Independence Army (KIA)*: Operates in Kachin and Shan States, advocating for federalism.
4. *People's Defense Forces (PDFs)*: Armed wing of the *National Unity Government (NUG)*, aiming to unify resistance groups.
5. *Three Brotherhood Alliance*: Includes the AA, *Ta'ang National Liberation Army (TNLA)*, and *Myanmar National Democratic Alliance Army (MNDAA)*, which have gained significant territorial control post-coup.

Civil War Dynamics

The conflict's "smoldering" nature occasionally escalates, as seen with the "1027 Offensive," where resistance forces captured strategic territories. EAOs like the Brotherhood Alliance have showcased military success, emboldening other groups to join anti-junta efforts. However, challenges persist, including overlapping claims over ethnic homelands and fragmented sovereignty across Myanmar.

International and Regional Influences

1. *China*: Balances support for both the military and EAOs to maintain leverage and protect its investments, including the Belt and Road Initiative.
2. *India*: Advocates for peace by sharing federalism frameworks and pushing for regional stability through infrastructure projects like the Kaladan project.

C. Human Rights and Advocacy⁴³

The human rights landscape in Myanmar has deteriorated significantly since the military coup in February 2021, with widespread abuses committed by military authorities against civilians, human rights defenders, and journalists. This situation has been compounded by armed resistance, displacement, and institutionalized discrimination.

⁴¹ [Ethnic Armies](#)

⁴² [Civil War](#)

⁴³ [Human Rights](#)

Systematic Human Rights Violations

The military regime has engaged in egregious violations, including extrajudicial killings, torture, enforced disappearances, and arbitrary arrests. Over 4,000 people, mostly civilians, have been killed since the coup, with the military using aerial and ground attacks that indiscriminately target civilian populations. Detainees face harsh prison conditions, lack of medical care, and frequent torture. Over 25,000 people have been arrested for political reasons, with limited access to legal representation or family support.

Suppression of Freedoms

The junta has severely restricted freedoms of expression, association, and assembly. Journalists, activists, and human rights defenders face intimidation, arrest, and lengthy prison sentences. Independent media has been silenced, and strict censorship has been imposed. Online dissent is met with surveillance, arrests, and social media manipulation by pro-military actors.

Discrimination and Displacement

The situation is particularly dire for ethnic minorities, including the Rohingya, who face systemic discrimination and live in squalid conditions. Over 2.6 million people are internally displaced due to armed conflict and natural disasters like Cyclone Mocha. The military's deliberate targeting of homes and infrastructure has exacerbated this crisis.

International Response and Advocacy

International actors, including the UN and human rights organizations, have condemned the military's actions. Sanctions have been imposed on entities supplying resources to the military, such as aviation fuel. Despite these efforts, the junta has resisted international pressure and denied access to investigators, blocking humanitarian aid in many conflict-affected regions.

Recommendations for Advocacy

1. *Accountability*: Enhance efforts to document human rights violations for eventual prosecution in international courts.
2. *Humanitarian Aid*: Advocate for unimpeded access to humanitarian aid for displaced populations and ethnic minorities.
3. *Support for Civil Society*: Strengthen and protect local NGOs and grassroots organizations working on human rights issues.
4. *Global Solidarity*: Maintain and intensify diplomatic and economic pressure on the junta while providing platforms for Myanmar's pro-democracy voices.

D. Peace Processes⁴⁴ and Prospects for Resolution⁴⁵

Myanmar has faced one of the world's longest-running civil conflicts, rooted in its colonial history and exacerbated by ethnic divides. These conflicts have involved the state and numerous ethnic non-state armed groups (NSAGs). A history of suppression of minority rights, including language and education, and the Bamar-dominated governance structure have fueled grievances among ethnic groups. These have been

⁴⁴ [Peace Processes](#)

⁴⁵ [Prospects](#)

compounded by the Tatmadaw's (Myanmar's military) violent campaigns against both insurgents and civilians.

Key Challenges

1. *Complex Dynamics of NSAGs:* Many NSAGs like the Karen National Union (KNU) and Mon NSAGs demand federal autonomy and political recognition. The Tatmadaw remains resistant to federalism or granting political legitimacy to these groups.
2. *Failed Ceasefires and Political Negotiations:* While some ceasefires were reached, they were often superficial and focused on economic benefits rather than addressing core political demands. For instance, the 1990s ceasefires allowed NSAGs territorial control but failed to progress toward federal governance.
3. *Resistance to DDR Programs:* Conventional Disarmament, Demobilization, and Reintegration (DDR) strategies have been criticized for focusing on disarmament without addressing political and cultural autonomy.
4. *Fragmentation and Distrust:* Ethnic groups distrust the central government's intentions, especially regarding inclusive political reforms. The Tatmadaw's unilateral actions often undermine trust.

Current Efforts in Peace Processes

1. *Ceasefire Agreements:* The 2015 Nationwide Ceasefire Agreement (NCA) was signed by some NSAGs but excluded key groups due to disputes over inclusivity. Progress remains stalled with continued violence, particularly in regions like Kachin and Karen States.
2. *International Involvement:* Limited international mediation and aid engagement in peace processes, often constrained by Myanmar's sovereignty concerns, have hindered significant progress.
3. *Grassroots Peacebuilding:* Civil society organizations have played a role in advocating for localized peace efforts and rights-based approaches, emphasizing the importance of language and education reforms to address structural inequities.

Future Prospects

1. *Federalism as a Path Forward:* Sustainable peace hinges on the establishment of a federal system that provides autonomy to ethnic minorities. This will require negotiations that include all stakeholders, including NSAGs and civil society.
2. *Inclusive Political Dialogues:* The government must adopt a more inclusive approach, engaging ethnic groups in meaningful political negotiations while recognizing their cultural and linguistic rights.
3. *International Support:* Increased involvement of international actors in facilitating dialogue, monitoring ceasefires, and supporting economic and educational reforms is essential.
4. *Education and Language Policy:* Reforming education to include ethnic languages and curricula can address long-standing grievances, as highlighted in recent analyses.
5. *Reintegration Programs:* Tailored reintegration strategies for ex-combatants that address political and economic incentives, rather than focusing solely on disarmament, are necessary for lasting peace.

Myanmar's peace process remains fragile and contested. Addressing the root causes of ethnic grievances through inclusive governance, cultural recognition, and international engagement offers the best prospects

for resolution. However, the path to peace requires overcoming entrenched distrust, ensuring equitable economic development, and instituting comprehensive political reforms.

IX. Foreign Relations

Myanmar's geopolitical significance as a land bridge between South Asia, Southeast Asia, and the Indian Ocean has made it a strategic focal point for both India and China. While China's influence has historically been more entrenched, India's strategic policies aim to counterbalance this dominance and foster closer ties.

A. Relations with Neighboring Countries (China, India)⁴⁶

Myanmar-China Relations

a. Historical Context:

1. Following Western sanctions post-1988, Myanmar aligned closely with China, which provided military and economic support, including \$15.5 billion in investments by 2011.
2. Projects like the *China-Myanmar Economic Corridor (CMEC)* under the *Belt and Road Initiative (BRI)* have deepened economic ties, with key developments such as the Kyaukphyu deep-sea port, gas and oil pipelines, and rail links.

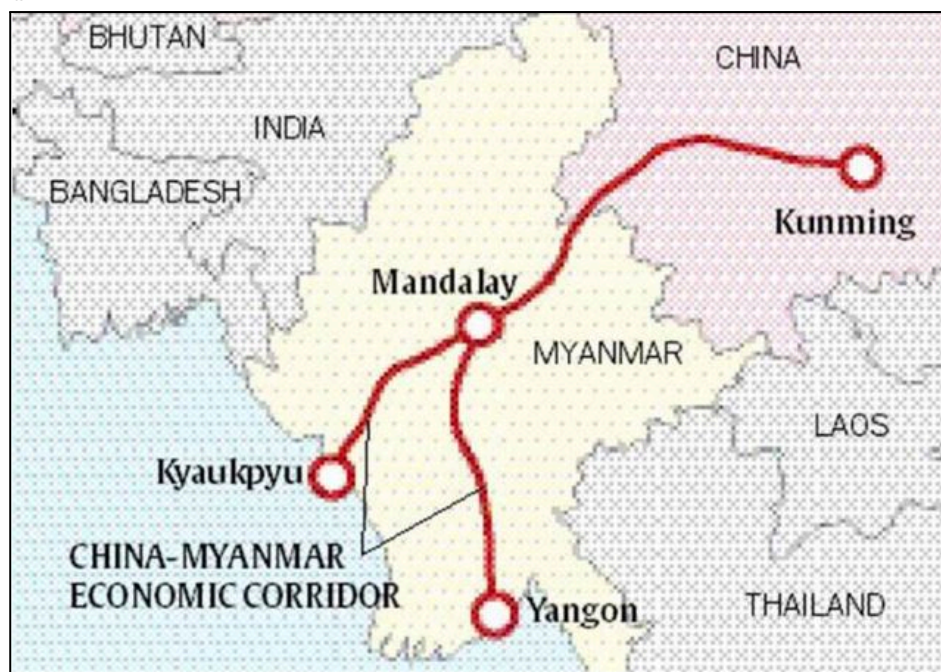


Image 13: CMEC⁴⁷

⁴⁶ [Relations with Neighbors](#)

⁴⁷ [Source](#)

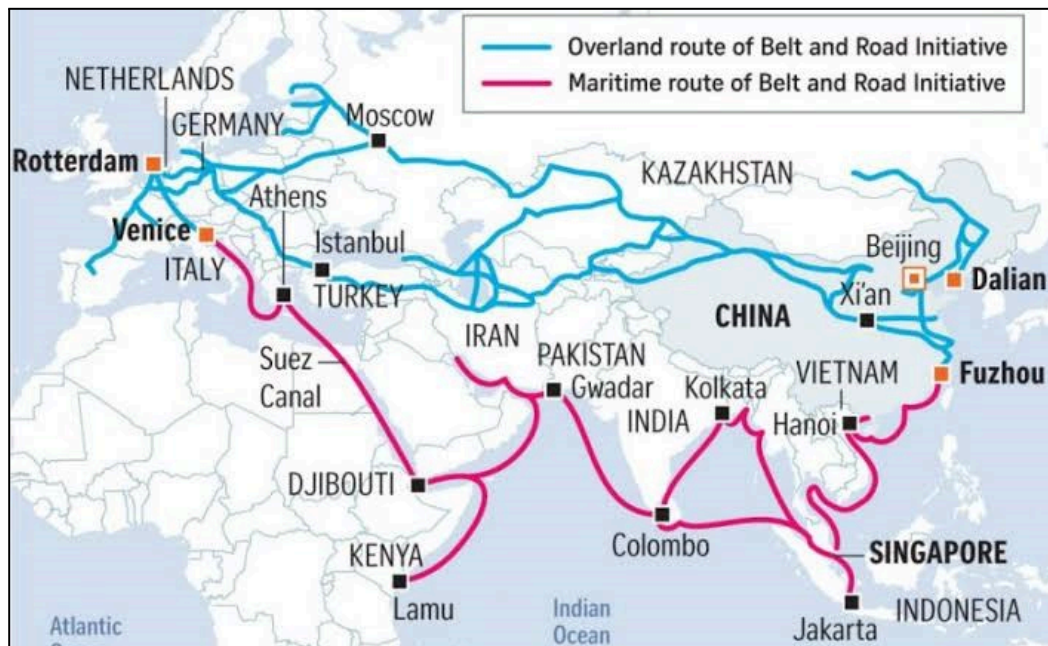


Image 14: BRI⁴⁸

b. Economic Dependency:

1. China remains Myanmar's largest trading partner, with bilateral trade reaching \$2.1 billion between April 2022 and January 2023.
2. Myanmar's exports to China include natural resources like jade, gas, and agricultural products, while imports comprise machinery and electronics.

c. Challenges and Criticisms:

1. Concerns over debt diplomacy and environmental degradation have sparked local resistance, such as opposition to the Myitsone dam project.
2. Post-coup, Myanmar faces public backlash for China's perceived support of the military regime.

Myanmar-India Relations

A. Historical Ties:

1. India and Myanmar share deep cultural connections, rooted in Theravada Buddhism and historical ties from the British colonial era.
2. The Treaty of Friendship in 1951 laid the foundation for bilateral cooperation, although relations soured after Myanmar's 1962 military coup.

B. Strategic Engagement:

1. India's "Act East Policy" views Myanmar as a gateway to ASEAN. Key initiatives include:
 - i. The *Kaladan Multi-Modal Transit Transport Project* and *India-Myanmar-Thailand Trilateral Highway*, aimed at enhancing connectivity.

⁴⁸ [Source](#)

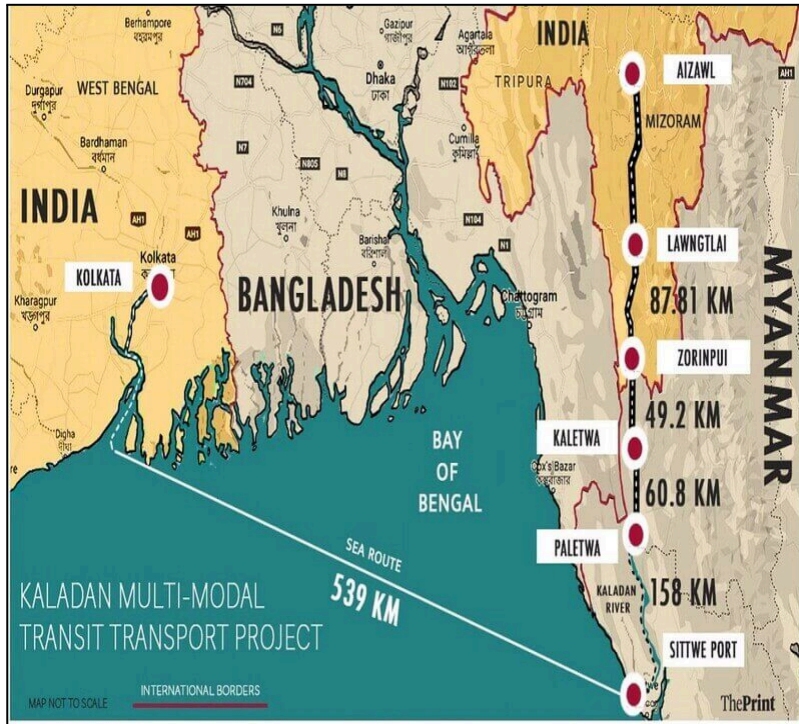


Image 15: Kaladan Multi- Modal Transit Project⁴⁹



Image 16: India-Myanmar-Thailand Trilateral Highway (IMT Highway)⁵⁰

ii. *Operation Sunrise*, a joint military effort against insurgents, reflects deepening security cooperation.

2. India is also involved in infrastructure development, including the Tamu-Kalewa highway and Sittwe port.

C. Economic and Humanitarian Support:

1. India is Myanmar’s fourth-largest trading partner, with bilateral trade reaching \$1.76 billion in 2022-23.

2. During crises, such as the Rakhine State conflict and Cyclone Mora, India provided swift humanitarian assistance, reinforcing its role as a reliable ally.

⁴⁹ [Source](#)

⁵⁰ [Source](#)

Myanmar's advantageous location puts it in the epicenter of the rivalry between China and India for influence in the area. China's economic power guarantees a leading position, but India's common cultural heritage and strategic initiatives offer opportunities for balanced interaction. The capacity of Myanmar to capitalize on alliances with both countries while preserving its independence and resolving domestic issues will determine how well its foreign policy works.

B. Myanmar's Role in ASEAN⁵¹

Myanmar's integration into ASEAN highlights both its strategic potential and the challenges it brings to the regional grouping. As a key member of ASEAN since 1997, Myanmar plays a pivotal role in regional dynamics due to its geographic location and political influence. However, its internal crises, including the 2021 military coup, have strained ASEAN's unity and tested its legacy principles, such as non-interference and consensus-based decision-making.

Strategic Importance:

A. Geographical Position:

Myanmar acts as a gateway between South Asia and Southeast Asia, sharing borders with India and China, and connecting ASEAN with critical economic and security pathways.

B. Natural Resources and Economic Potential:

1. Myanmar's abundant natural resources and low-cost labor provide opportunities for regional trade and development.
2. It plays a significant role in ASEAN's economic initiatives, such as cross-border trade and infrastructure development.

Challenges:

A. Internal Instability:

1. The 2021 coup disrupted Myanmar's democratic transition, creating regional instability. Over 2.5 million people have been displaced internally, and thousands have sought refuge in neighboring countries, affecting regional security and humanitarian efforts.
2. The military junta's actions, including widespread violence and suppression of opposition groups, contradict ASEAN's charter promoting democracy and human rights.

B. ASEAN's Response and Divisions:

1. ASEAN's *Five-Point Consensus (5PC)* aims to mediate dialogue, cease violence, and provide humanitarian aid. However, Myanmar's junta has largely ignored these agreements.
2. Member states remain divided on the approach, with countries like Indonesia advocating for stricter measures, while others like Thailand and Cambodia support engagement with the junta.

⁵¹ [ASEAN](#)

Global Implications:

1. Myanmar's instability threatens ASEAN's credibility as a cohesive regional bloc capable of addressing internal and external challenges.
2. Its strategic importance requires ASEAN to balance engagement with Myanmar and broader international partnerships, including with India and China, to ensure regional stability.

Myanmar's role in ASEAN remains crucial yet contentious. Its internal crises challenge ASEAN's principles, requiring innovative and unified approaches to uphold regional peace and the grouping's relevance on the global stage.

C. Western Countries and Myanmar⁵²

Renewed Engagement and Motivations

After decades of isolation, Myanmar has reentered the global spotlight due to Western nations' strategic and economic interests. Following democratic reforms, including easing sanctions, liberalization, and the release of political prisoners, countries like the U.S. and the U.K. have shown renewed interest in Myanmar. The country's rich natural resources, untapped investment potential, and strategic location near the Bay of Bengal have catalyzed this shift. The West's engagement also seeks to counter China's growing influence, evident in Myanmar's infrastructure projects and energy corridors.

Challenges and Contradictions⁵³

Despite the optimism surrounding Myanmar's reintegration, issues of labor exploitation and economic mismanagement persist. Western embassies and INGOs in Myanmar have faced criticism for failing to protect local workers. For example:

1. Staff have been paid at artificially low exchange rates set by Myanmar's military-controlled central bank, leading to financial hardships amid soaring inflation.
2. Reports of summary dismissals and labor rights violations highlight inconsistencies between stated humanitarian values and actions.

While Western countries train local communities in rights advocacy, these organizations often sideline similar grievances from their own Myanmar staff. Diplomatic missions and organizations have been accused of exploiting the lack of labor protections and the country's weak governance.

Economic Struggles and Labor Rights

Myanmar's workforce faces deteriorating conditions post-coup. Inflation, currency depreciation, and taxation on expatriate workers' earnings exacerbate economic hardships. Workers are denied basic protections like pensions and face rights violations such as unfair dismissals and unpaid overtime. The absence of comprehensive labor laws and enforcement mechanisms enables widespread exploitation.

Strategic and Ethical Contradictions

While Western countries and organizations advocate for democracy and human rights, their actions in Myanmar often conflict with these principles. The lack of comprehensive labor protections, combined

⁵² [Western Countries & Myanmar](#)

⁵³ [Challenges](#)

with economic mismanagement and the junta's crackdown on labor activists, reflects a challenging environment for workers. Addressing these contradictions requires better alignment of Western economic and humanitarian practices with the values they promote.

D. International Sanctions⁵⁴

The European Union (EU) and other global powers have imposed stringent sanctions against Myanmar in response to human rights violations, including atrocities against the Rohingya in 2018 and the military coup in February 2021. These measures aim to weaken the Myanmar military's capacity to suppress dissent and commit atrocities. Key sanctions include:

1. Travel bans and asset freezes targeting military leaders and business allies.
2. An arms embargo and restrictions on military-related equipment.
3. Bans on dual-use goods, internet-monitoring technology, and military training.
4. Prohibitions on economic support to military-controlled entities.

To date, the EU has sanctioned over 100 individuals and 22 entities, including Myanmar's State Administration Council (SAC), military-controlled companies, and the Myanmar Oil and Gas Enterprise (MOGE), which remains a critical revenue source for the junta.

X. Current Issues and Future Prospects⁵⁵

Current Issues

A. Political Instability and Repression:

- a. Myanmar has experienced prolonged military rule, with human rights abuses, repression of political dissent, and limited democratic governance.
- b. The regime's suppression includes detention of opposition leaders like Aung San Suu Kyi, harassment of minorities, and restrictions on freedoms.

B. Socioeconomic Challenges:

- a. Chronic poverty exacerbated by poor governance and limited investment in public services like health and education.
- b. High corruption levels and economic mismanagement have hindered development.
- c. Agricultural decline and failure to address the aftermath of Cyclone Nargis revealed systemic weaknesses in rural finance and governance.

C. Humanitarian Crisis:

- a. Displacement due to military offensives, persecution of minorities, and lack of access to humanitarian aid.
- b. Health crises like HIV/AIDS, malnutrition, and preventable diseases disproportionately affect vulnerable populations.

D. Geopolitical Concerns:

- a. Burma's relations with neighbors like China and India center on resource exploitation.
- b. Alleged links with North Korea and illicit drug trade exacerbate regional instability.

⁵⁴ [International Sanctions](#)

⁵⁵ [Issues & Prospects](#)

Future Prospects

A. Incremental Democratic Reforms:

The planned elections (e.g., 2010 elections as per the report) could open paths for civilian government and reforms, though skepticism remains over military influence.

B. Role of Civil Society:

A growing network of NGOs and grassroots organizations may strengthen democratic foundations and community resilience.

C. International Engagement:

1. The U.S. and ASEAN could play pivotal roles in fostering democratic governance and socioeconomic development.

2. Targeted sanctions and diplomatic engagement aim to pressure the military regime for reforms.

D. Economic Revitalization:

1. Investment in microfinance, agriculture, and sustainable development could alleviate poverty and build resilience.

2. Addressing systemic corruption and improving governance are prerequisites for meaningful change.

E. Potential for Regional Stability:

With strategic planning, Myanmar could transform into a stabilizing force in Southeast Asia, given its rich resources and geopolitical significance.

A. Political Stability and Reform⁵⁶

Myanmar's political history has been tainted by internal strife, authoritarian governance, and military domination. The relationship between reform initiatives and political instability is still complicated and constantly changing.

Historical Political Dynamics

Myanmar's journey to independence in 1948 saw the establishment of a parliamentary democracy, but this was short-lived. In 1962, General Ne Win led a coup, initiating decades of military control under the Burma Socialist Programme Party. Subsequent political uprisings, notably in 1988, resulted in further crackdowns and the consolidation of military rule. Even with democratic victories, such as the 2015 elections won by the National League for Democracy (NLD), the military retained significant control over key governmental functions.

The 2021 Coup and Its Implications

The 2021 coup, led by the Tatmadaw (Myanmar's military), ended a decade-long democratic transition. The military's actions reversed significant reforms, plunging the nation into a human rights crisis marked by violence against civilians, suppression of protests, and arrests of opposition leaders. Thousands were killed or detained, and millions were displaced, further exacerbating economic and humanitarian crises. The coup dismantled democratic progress and created a deadlock between military authorities and pro-democracy groups.

⁵⁶ [Political Stability](#)

Economic Reform Amid Political Turmoil

Myanmar's economic reform initiatives have historically been tied to its political context. The transition from a state-led economy in the 1980s to a market-oriented system was driven by deteriorating economic conditions under military rule. Reforms, including the 1988 Foreign Investment Law and privatization efforts, aimed to attract foreign investment. However, these were often overshadowed by political instability and human rights abuses, which deterred international engagement and aid.

Despite modest progress in economic liberalization, including the establishment of joint ventures and increased foreign investment in sectors like oil and gas, systemic challenges persisted. The military's control over economic resources and administrative inefficiencies limited the impact of these reforms. The "hostage model," where economic progress is viewed as contingent on political reform, has underscored the difficulties of achieving sustainable growth without addressing Myanmar's entrenched political issues.

Myanmar's pathway to stability remains uncertain, but coordinated domestic and international efforts can help foster gradual political change and economic recovery.

B. Economic Recovery and Development⁵⁷

Myanmar's economic recovery has been shaped by multiple complex factors, including political instability, ongoing conflict, and natural disasters. While some stabilization was observed in early 2023, significant challenges remain, constraining broad-based growth and affecting the livelihoods of millions.

Recent Developments

The World Bank's semi-annual Myanmar Economic Monitor highlights slow growth, projected at 3% in 2023, which is approximately 10% lower than pre-2019 levels. Inflation is easing but remains high at an average of 14% for 2023, expected to decline further in 2024. Despite easing inflationary pressures, household incomes remain under substantial strain, with weak labor markets and persistent food insecurity worsening the situation.

Economic activity is unevenly distributed, with sectors like agriculture and manufacturing suffering due to power outages, supply chain disruptions, and inflation. Efforts to boost economic resilience are hindered by limited foreign investment, weak domestic demand, and worsening conflict.

Challenges and Risks

1. *Conflict and Displacement:* Heightened conflict since October 2023 has displaced over half a million people, disrupted trade routes, and increased transportation and logistics costs.
2. *Inflationary Pressures:* Despite some moderation, food and fuel inflation continues to erode real incomes, disproportionately affecting poorer households.
3. *Energy Shortages:* Persistent power outages and a lack of investment in energy infrastructure limit industrial output and economic productivity.
4. *Weak Investment Climate:* Uncertainty and restrictive policies have suppressed foreign direct investment, further exacerbating fiscal constraints.

⁵⁷ [Economic Recovery](#)

Future Prospects

Economic recovery is expected to remain fragile, with GDP growth projected at 1% for 2024, contingent on no further escalation of conflict. To mitigate risks, the government and international community must address structural vulnerabilities:

1. *Enhance Energy Security:* Investing in sustainable energy infrastructure can help mitigate power shortages.
2. *Strengthen Livelihoods:* Targeted support for agriculture and small-scale industries can revive household incomes and food security.
3. *Encourage Investment:* Reforms to improve policy transparency and investor confidence are critical.
4. *Address Humanitarian Needs:* Providing aid to displaced populations and conflict-affected regions is essential for socio-economic stability.

The pathway to sustainable development will depend on resolving underlying political instability, fostering inclusive growth, and strengthening institutional frameworks to support long-term resilience.

C. Civil Society⁵⁸ and Human Rights Advocacy⁵⁹

Myanmar's civil society has played a pivotal role in human rights advocacy, navigating a challenging political and social landscape.

a. Documenting Human Rights Violations:

1. CSOs in Myanmar have systematically documented human rights abuses, particularly during times of military rule and ethnic conflicts. Efforts include collecting testimonies from victims, gathering evidence of crimes, and reporting to international bodies such as the UN.
2. The focus has been on ethnic minorities like the Rohingya, Karen, and Shan, who have faced widespread violence. Documentation initiatives, such as those by ND-Burma and the Karen Human Rights Group (KHRG), have provided critical data for global advocacy.

b. Advocacy and Resistance:

1. Civil society actors have organized resistance to top-down, infrastructure-driven development projects, such as the Myitsone Dam, often financed by foreign entities like China. These campaigns emphasize transparency, accountability, and public participation.
2. Local groups also challenge broader ideological and developmental narratives, aligning with international norms to amplify their demands while preserving cultural and environmental values.

c. Supporting Justice and Truth-Telling:

1. Post-2021 coup, civil society organizations have intensified their efforts to document atrocities and seek justice. Multi-layered documentation strategies include grassroots initiatives within Myanmar, diaspora-led efforts, and third-party collaborations with global organizations.
2. Examples include training programs for refugees to document their experiences and partnerships with international NGOs for capacity building and advocacy.

⁵⁸ [Civil Society](#)

⁵⁹ [Society- Human Rights](#)

d. Challenges and Opportunities:

1. CSOs operate under severe constraints, such as limited civic space, risks of retaliation, and resource shortages. Despite these, they continue to build coalitions and networks to sustain their work.
2. International collaboration has enhanced the visibility of Myanmar's human rights situation, aiding in pressuring the regime and advocating for policy changes globally.

e. Role of Media and Education:

1. Media outlets, both ethnic and mainstream, have supported civil society by exposing violations and advocating for change. Campaigns against projects like the Myitsone Dam highlight how public discourse can influence policy decisions.
2. Educational initiatives within civil society aim to foster a broader understanding of human rights and mobilize communities against systemic injustices.

Civil society's resilience and strategic partnerships have been instrumental in keeping Myanmar's human rights issues on the international agenda, advocating for justice, and supporting the country's transition towards greater democracy and accountability.

XI. Challenges and Opportunities for Myanmar's Future⁶⁰

Challenges

A. Ethnic Conflicts and National Reconciliation:

1. Persistent ethnic conflicts, with deep-rooted tensions in conflict-affected regions, impede national reconciliation.
2. Challenges in peacebuilding efforts and resolving decades-long disputes hinder sustainable development.

B. Economic Vulnerabilities:

1. Dependence on natural resource exports exposes Myanmar to global commodity price volatility.
2. A narrowly based economy, with limited industrialization and reliance on agriculture, limits growth potential.

C. Infrastructure Deficits:

1. Myanmar faces severe infrastructure constraints, including poor road networks and one of the least developed power subsectors in Southeast Asia.
2. Limited access to markets and basic services, especially in rural and conflict-affected areas, exacerbates economic disparities.

D. Governance and Institutional Weaknesses:

1. Public sector institutions require significant strengthening to deliver basic services effectively and manage the shift to a market-based economy.
2. Issues such as lack of transparency, accountability, and regulatory frameworks hinder public and private sector growth.

E. Social Inequalities and Poverty:

1. Despite improvements, regional disparities in poverty and service delivery persist. Rural poverty remains significantly higher than urban poverty.

⁶⁰ [Challenges & Opportunities](#)

2. Limited access to quality education and healthcare in many areas impairs human capital development.

F. Environmental and Climate Risks:

Dependence on natural resources, combined with climate change and natural disasters, threatens rural livelihoods and economic stability.

Opportunities

A. Strategic Location and Regional Integration:

1. Myanmar's geographic position between China, India, and ASEAN nations offers immense opportunities for trade and investment.
2. Strengthening ties within ASEAN and participation in regional initiatives can unlock significant economic potential.

B. Agricultural Growth Potential:

With abundant natural resources and a favorable climate, Myanmar's agriculture sector has substantial potential for poverty reduction and export growth.

C. Demographic Dividend:

A large, youthful population can be an asset if effectively trained and integrated into a modern economy.

D. Reform Momentum:

1. Continued political and economic reforms, including improved governance, business environments, and legal frameworks, position Myanmar for sustained growth.
2. The Myanmar Sustainable Development Plan (2018–2030) provides a structured roadmap for achieving peace, stability, and economic prosperity.

E. International Support and Development Aid:

Myanmar has received substantial international support, including from ADB, which has facilitated infrastructure development, governance reforms, and capacity building.

F. Potential for Economic Diversification:

Expanding into industries and services, while maintaining strong agricultural foundations, can improve productivity, employment, and resilience.

XII. Conclusion

Myanmar's journey through history reflects a nation marked by resilience amidst complex socio-political, economic, and cultural challenges. As a land of remarkable ethnic diversity and rich natural resources, its potential remains significant, yet its path to sustainable peace and development is fraught with hurdles. The primer has examined Myanmar's historical evolution, highlighting pivotal events that have shaped its current dynamics, from colonial legacies to decades of military rule and its tentative steps toward democratization.

The 2021 military coup represents a turning point, unraveling a decade of political reforms and exacerbating socio-economic instability. Ethnic conflicts, systemic human rights violations, and the Rohingya crisis have further tarnished Myanmar's global standing, making the pursuit of inclusive governance and reconciliation imperative. Despite these challenges, Myanmar's geostrategic location as a bridge between South and

Southeast Asia underscores its importance in regional and global geopolitics, particularly through its engagements with China, India, and ASEAN.

Economically, Myanmar's reliance on agriculture, natural resources, and light industries has shown promise, but structural inefficiencies, poor governance, and the impact of sanctions have hindered progress. Unlocking Myanmar's economic potential requires substantial investment in infrastructure, diversification of its industrial base, and transparent governance reforms. Addressing these gaps can transform Myanmar into a significant economic player in the region.

Moving forward, Myanmar's future hinges on resolving its entrenched political conflicts and ethnic divisions. The establishment of a federal governance model, equitable resource allocation, and strengthening civil society will be crucial steps toward fostering long-term peace and stability. International engagement, when coupled with respect for sovereignty and a focus on humanitarian aid, can support Myanmar's progress. While the road ahead is uncertain, Myanmar's capacity for resilience and its strategic importance present opportunities for meaningful change, provided the challenges are met with collaborative and inclusive solutions.

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