

3: Internal dynamics of the Burmese military: before, during and after the 2007 demonstrations

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Introduction

Since the military takeover in 1962, the internal dynamics in the Burmese military, which is not monolithic, have greatly affected the way successive military governments have organised themselves and operated. Top military leaders have devised their ideas, built up their power bases and purged rival factions in order to maintain their hardline approaches and their hold on power. This chapter explains how the internal dynamics of the Burmese military played out before, during and after the September 2007 demonstrations and analyses their impact, especially on political and socioeconomic reforms. It also considers possible future internal dynamics, how they might play out and the potential impacts for the country as a whole.

Historical antecedents

The internal dynamics apparent in the regime today have their roots in the period of General Ne Win's rule. The former top leader General Ne Win (1962–88) had the idea of using the military as a vehicle to unite the country. This idea led him to carry out the 1962 coup, ending the post-independence period of democratic constitutional rule.¹ He first placed the country directly under military rule (the Revolutionary Council, 1962–74), but the country later came under his personal rule. He oversaw the indoctrination of military officers through the use of military curriculums that asserted that only military might could ultimately save the ethnically diverse country from disintegration and disunity. At the same time, he enforced unity in the military and was quick to remove anyone he perceived as having an opinion different from his own.

A year after the coup, the number two in the junta leadership, Brigadier-General Aung Gyi, and his faction were dismissed or transferred to inactive posts because Aung Gyi disagreed with Ne Win's economic policies of nationalisation (Lintner 1994). This was the beginning of the military's economic mismanagement of the country, which ultimately resulted in great poverty in one of the most promising and resource-rich countries in South-East Asia.

In the mid-1970s, the Defence Minister and Chief of Staff of the Armed Forces, General Tin Oo (the current Vice-Chairman of the main opposition party), who was regarded as the third-ranking member of the ruling oligarchy, and his faction were also dismissed (Silverstein 1977). General Tin Oo's popularity as a real soldier was growing in the military and among the population. It appeared that Ne Win suspected that Tin Oo preferred an apolitical professional military.² A group of young military officers, frustrated with the military's mismanagement of the economy and who were close to Tin Oo, made a failed coup attempt against Ne Win. Tin Oo was officially accused of withholding knowledge of the plot. After the purge, indirect military rule with a constitutional one-party socialist system (from 1974–88), led by retired General Ne Win, was instituted without any internal resistance, because other generals were afraid of being sacked.

In 1983, former Military Intelligence Chief Brigadier-General Tin Oo and his faction were also sacked for becoming too powerful, although they were charged publicly with corruption (Selth 2002). Tin Oo was often referred to as 'number one and a half', and he and his faction were perceived as rivals to Ne Win and his family's power and privileges.³ After that, Ne Win severely reduced the power of the military intelligence. Perhaps as a result, the military intelligence was not able to prevent the North Korean assassination attack against the South Korean official delegation in Rangoon in 1983. The weakened capacity of the intelligence service to gather and report information and coordinate their work seems to have made it easier for underground activists to network secretly. At the same time, the government's economic failures set the stage for the countrywide pro-democracy uprising that took place in 1988. The uprising was sparked by the government's desperate decision to demonetise major bank notes, which severely affected the general population. The ensuing demonstrations were violently suppressed by the military.

Characteristics of the SLORC period (1988–92)

A different pattern of power dynamics can be seen in the first few years after the 1988 coup among the next generation of army officers, known at the time as the State Law and Order Restoration Council (SLORC). Unlike in the past, when power was concentrated in the hands of the top leader, until the mid-1990s power was shared among the SLORC members together with some residual influence from General Ne Win. In 1992, the top junta leader, General Saw Maung, was forced to retire by other SLORC members on 'health grounds', seemingly for his public promise to transfer power to the elected party.⁴ Other SLORC members were opposed to transferring power to the National League for Democracy (NLD) led by Aung San Suu Kyi. This ended any remaining hopes for a democratic transition after the elections.

General Than Shwe, who replaced Saw Maung, and who has a background in psychological warfare, is considered to be a good tactician. He has regularly

used divide-and-rule tactics to weaken not just the opposition's power, but the power of other top generals. He has had huge statues of three prominent Burmese kings, who demonstrated great military might and held absolute power, erected in the new capital, Naypyitaw, which means 'royal city' in Burmese.⁵ Besides desiring absolute control, he is known for being xenophobic and is influenced by astrology.⁶

In 1997, a group of SLORC members, including Lieutenant-General Tun Kyi, Lieutenant-General Kyaw Ba and Lieutenant-General Myint Aung, was sacked because of their growing power, which challenged the top three generals. After that, the SLORC renamed itself the State Peace and Development Council (SPDC) and power was concentrated among the remaining top three leaders. The growing popularity of the third-highest ranking officer, Military Intelligence Chief and Prime Minister General Khin Nyunt, made Than Shwe uncomfortable. Khin Nyunt was a pragmatic leader who had subtly suggested to Than Shwe that the civil service and economic policymaking should be demilitarised in order to improve the administration of the country.⁷ He also encouraged engagement with the international community and the opposition, including the NLD. Than Shwe, however, appeared to see the opposition as an enemy and an obstacle to his achieving absolute power. According to many reports, Than Shwe hates Aung San Suu Kyi and he does not even want to hear her name (Jagan 2003). In 2004, Khin Nyunt and his military intelligence officers were purged. The reason given was corruption and disobeying Than Shwe's orders. In fact, they were purged because of their growing power and their attempts to push for gradual economic reform, which could lead to political reform. Than Shwe feared that he would lose his absolute control.

Internal dynamics before the August–September 2007 demonstrations

Since the 2004 sacking of General Khin Nyunt and the military intelligence officials who made up his power base, power has been concentrated in the hands of the two top generals, who are hardliners in dealing with the international community. Without Khin Nyunt there to suggest a different approach, the hardliners have restricted the role of the international community in encouraging a gradual democratic change and in alleviating social problems. The International Committee of the Red Cross (ICRC), which has been monitoring the condition of political prisoners, has not been able to access the country's prisons since 2005. Some health-related non-governmental organisations (NGOs), such as the Global Fund and Médecins sans Frontières, left the country in 2005 because of government-imposed restrictions on their access to project areas.⁸ In 2006, the Center for Humanitarian Dialogue, which had been trying to facilitate a dialogue between the SPDC and Aung San Suu Kyi, had to leave the country. In 2006,

the SPDC announced new guidelines for international NGOs, which placed several new restrictions on their activities.

The purge of Khin Nyunt also resulted in greater economic mismanagement without any checks and balances from the military intelligence. As a result, in 2005, gasoline prices were increased eightfold. In 2006, the salaries of civil servants were also increased by a factor of five to 12 times, with military officers receiving the highest increases. They did not feel the effects of the diesel-price increase so much, but ordinary citizens whose salaries were not increased were hurt. The government overspent its budget to cover for the sudden and huge salary increase. At the same time, it sped up its plan to move the capital to Naypyitaw in late 2005 in order to isolate itself from the people and the international community, partly on the advice of astrologers, in order to maintain its power. Since the construction of new buildings was not complete, they spent a huge amount of money to expedite the completion of the construction projects. In addition, the construction of residences for the top generals began in Pyin Oo Lwin. As a result, the government had little money left to continue subsidising fuel prices while international fuel prices continued to rise. Rather than increasing the fuel price gradually, as other countries had, the SPDC increased the price fivefold overnight in August 2007. Consequently, thousands of people took to the streets in August and September because of their difficulties making ends meet. The junta, however, responded by cracking down violently on the peaceful demonstrations.

Since the purge of General Khin Nyunt, the junta has made a number of attempts to discredit him and to improve its own image. An indirect result of this was that there were opportunities for some non-violent actions by activists and anti-corruption efforts by a faction in the military. A few months after the 2004 purge of Khin Nyunt, the junta released several imprisoned 1988-generation student leaders, including Min Ko Naing, who was considered to be the second-most popular leader after Aung San Suu Kyi. The junta claimed that military intelligence had treated these prisoners incorrectly and detained some of them longer than they should have. On the other hand, the junta appeared to believe that after spending more than 10 years in prison, the student leaders would have no popular support from younger people and would not have the capacity to organize, and therefore they could not pose a direct threat to the regime's power. The junta might also have hoped that the releases would gain them some praise from the international community, despite ignoring repeated international calls for the release of Aung San Suu Kyi from house arrest.

Soon after being freed, Min Ko Naing and his colleagues set up the '88 Generation Students Group and tested the waters by engaging in symbolic activities. Examples included attending the NLD's annual ceremonies, launching a letter campaign for people to express their feelings and a 'white campaign' in which

people wore white to demonstrate their support for the release of political prisoners and political reform. In 2007, they organised a street demonstration on Aung San Suu Kyi's birthday and an event marking the day her house arrest should have expired. At this stage, the regime began to feel that the former student leaders could pose a threat to their power. Min Ko Naing and his colleagues were detained again in late 2006, right before the resumption of the National Convention, which was tasked with drafting the principles for the constitution in 1993 but finished this task only in September 2007. They were released, however, after the convention took a break in early 2007. The release could be attributed to a faction in the military that wanted to respond to increasing international pressure to release the prisoners after Burma was placed on the UN Security Council's agenda.⁹ In the August–September 2007 demonstrations, the '88 Generation Students Group leaders and other underground activists took advantage of the intelligence gaps after the dismantling of Khin Nyunt's military intelligence to network in secret and to mobilise the people (Hlaing 2008).

After the junta accused General Khin Nyunt and his military intelligence of being involved in corruption, it launched a series of crackdowns against corruption. Corruption has been widespread in the military, but it has also often been used as a pretext for purges. Some generals who were not sacked were believed to be more corrupt than those who were sacked. Prime Minister Soe Win, who replaced Khin Nyunt, made public announcements calling for clean government and declared that fighting corruption was one of his main missions. During the anti-corruption campaign, action was taken against most of the businessmen close to Khin Nyunt. Than Shwe wanted them to provide testimony to justify the removal of Khin Nyunt and his military intelligence faction on the grounds of corruption. High-level businessmen very close to Than Shwe, including Tay Za (Htoo Trading Company) and Nay Aung (IGE Pty Ltd and Aung Yee Phyo Company Ltd), a son of Than Shwe's protégé, Aung Thaung, were exempted from the anti-corruption campaign although they appeared to be more corrupt than those arrested.¹⁰ Tay Za can be considered the only representative of Than Shwe's family businesses and he can influence the heads of two of the country's biggest conglomerates, the Union of Myanmar Economic Holding and the Myanmar Economic Cooperation. Nay Aung has a monopoly on procurement for almost all government ministries.¹¹

Then Prime Minister General Soe Win also tried to address the country's economic problems. He encouraged the setting up of a new system to process passports, which would be quicker than the way the military intelligence had managed the process and would be free from corruption. This would make it easier for people to work abroad, which could help ease economic problems in the country by increasing the amount of remittances sent back to Burma. Soe Win also tried to bring down prices by reducing corruption. This did not work, however,

because he had no control over other macro-economic measures. Later, he set up his own economic body—namely, a purchasing committee for government projects—although it was not announced publicly. This committee was to manage imports for government projects and was to be led by the Trade Minister, Tin Naing Thein, who was relatively close to Soe Win. He expected that he could reduce the corruption associated with government projects in this way. Soe Win's family is less corrupt compared with other generals.

Using the opportunity of General Soe Win's anti-corruption campaign, the second-highest junta leader, Vice-Senior General Maung Aye, who is considered to be a relatively less corrupt and more professional soldier than Than Shwe, attempted to pursue cases of corruption involving officers close to Than Shwe.¹² After Khin Nyunt was removed, the factional struggle between Than Shwe and Maung Aye became more apparent (Clapp 2007). He had some success in punishing middle-level officers, but not the high-level officers. The customs chief, who was close to Than Shwe's wife, was imprisoned on corruption charges and officers under him were also imprisoned or sacked in 2006. Maung Aye, however, was not able to take action against the Home Affairs Minister, Major-General Maung Oo, despite the fact that his close friend and crony, a famous diesel tycoon, was found guilty and punished for his corrupt business practices in early 2007. It appears that Than Shwe protected Maung Oo, who was close to him. Than Shwe appeared to use Maung Oo, who also commands the police intelligence agencies (including the special branch), to balance the power of the new military intelligence branch, Military Affairs Security (MAS), under Lieutenant-General Ye Myint. Ye Myint is considered to be close to Maung Aye (Callahan 2007).

It was also impossible for Maung Aye to go against Than Shwe's wife, although the former agriculture minister, Nyunt Tin, who was also close to Than Shwe's wife and who was imprisoned for corruption, testified in 2005 that he had to give her bribes of jewellery, including several diamonds.¹³ Than Shwe was disappointed with Nyunt Tin's testimony, which Maung Aye also learned about. Than Shwe fainted after the testimony and stayed in bed for days, not going to his office (Jagan 2005).

General Maung Aye appeared to use his involvement in the clean-government campaign as a reason for continuing to stay in the military and not retiring. He seemed to be hoping that Than Shwe would retire because of health problems or possibly even die, giving Maung Aye a chance to replace him. (Than Shwe was hospitalised in Singapore in 2007 for chest pain, but he appeared to recover.) According to sources close to his personal doctor, Than Shwe has a heart problem and diabetes (Jagan 2008c). There have been reports that Than Shwe wants his loyalist, General Shwe Mann, the third-highest ranking junta officer, to succeed him, rather than Maung Aye. Than Shwe has already used divide-and-rule tactics

between Maung Aye and Shwe Mann. It appears that Than Shwe already urged Maung Aye to retire together with him, but Maung Aye has managed to resist the suggestion so far.¹⁴ The official retirement age for the Burmese military is sixty. Both generals are well beyond retirement age, with Than Shwe in his mid-seventies and Maung Aye in his early seventies. It appears that Maung Aye wants to remain in the military in order to pick someone loyal to him to become number one in the future. This would ensure his family's wellbeing and security in the future.

General Than Shwe has tried to reduce the power of Maung Aye, with the aim of gradually pushing for their joint retirement. Starting from 2006, Than Shwe did not go to his office regularly, except for special meetings such as the four-monthly special operation meetings and monthly joint SPDC cabinet meetings. He also asked Maung Aye not to go to the office regularly and just attend the special meetings. Maung Aye still attended the weekly meetings of the Trade Council, of which he was the chairman until the August–September 2007 demonstrations. In August 2007, however, Than Shwe removed Maung Aye from his position as chairman of the Trade Council (Jagan 2008b). It appears that Than Shwe later let Maung Aye propose one of his men, Lieutenant-General Thiha Thura Tin Aung Myint Oo (the Quartermaster-General), as his replacement on the Trade Council.

While Maung Aye has been considered a hardliner in fighting against ethnic armies, he could be more open-minded about dealing with the NLD than Than Shwe. According to an NLD member, Maung Aye had a good conversation with Aung San Suu Kyi in one of their secret meetings.¹⁵ In contrast, Than Shwe did not listen or talk much in that meeting. Although Maung Aye appears to believe that the military's institutional integrity is the only important factor in holding the country together, he is seen as relatively less ambitious about becoming a political leader than Than Shwe.¹⁶ He and his men have not been involved much in the activities of the pro-military mass organisation, the Union Solidarity and Development Association (USDA), which is expected to be transformed into a political party before the elections come. In contrast, Than Shwe initiated the USDA, and he and his men, particularly the Agriculture Minister, Major-General Htay Oo (Secretary-General of the USDA), and the Industry No. 1 Minister, Aung Thaung (secretariat member of the USDA), have been very involved in the USDA's activities.

After the sacking of Khin Nyunt, who was considered to be relatively friendly with the Association of South-East Asian Nations (ASEAN), ASEAN stopped defending Burma. This was due in part to international pressure and occurred despite the fact that ASEAN members traditionally did not criticise one another in public. One ASEAN member, the Philippines, even supported the United States' call to put Burma on the UN Security Council agenda. Later, ASEAN also

started publicly criticising the regime for its foot dragging regarding the constitutional convention, which was only the first step of the regime's seven-point road-map to a political transition. China, which also considered Khin Nyunt to be a reformist, became the sole country in the region to defend Burma at international forums. China came under pressure itself to do something about Burma and pushed the junta to expedite the road-map process.

In the post-Khin Nyunt era, the top two generals have taken a different stance towards relations with foreign countries. Than Shwe visited India right after sacking Khin Nyunt, but he has not been to China since 2003. During his trip to New Delhi, he sought aid and indirect relief from Chinese pressure. Maung Aye also rarely visits China. Although he understands the importance of having Chinese backing, he seems to be less interested in a close relationship with China than Khin Nyunt (International Crisis Group 2000). This could be due to his experience fighting against the Burmese communists, who were supported by China in the past. Instead, Maung Aye has been keen to develop better ties with Russia and India. He visited Russia in 2006 and India in April 2008. China also appears to be less interested in engaging with Than Shwe and Maung Aye. After Khin Nyunt was sacked, China instead invited the third-highest ranking officer, General Shwe Mann, to meet with the Chinese Prime Minister early in 2007.

Internal dynamics during the August–September 2007 demonstrations

Amid the demonstrations, General Shwe Mann, who is Chief of Staff of the Army, Navy and Air Force, chaired most of the National Security Council meetings, without the presence of Than Shwe or Maung Aye (Jagan 2008a). The National Security Council is tasked with managing the country's day-to-day security operations. Shwe Mann had maintained a low profile until September in order not to be seen as a threat or rival to Maung Aye. He has become more prominent in his new role as the acting chair of the National Security Council meetings. The new arrangement could be another attempt by Than Shwe to reduce the power of Maung Aye by limiting his day-to-day management of security operations. In future, Maung Aye might be able to intervene in security affairs only in emergency cases. In such instances, however, there could be a problem of overlapping orders from Maung Aye and Shwe Mann. By delegating regular security operations to Shwe Mann, it is also likely that Than Shwe and Maung Aye will focus more on how to deal with international pressure on Burma in the future, since this pressure is likely to increase.

Asking Shwe Mann to serve as the acting chairman of the National Security Council could also signify that Than Shwe does not completely trust Maung Aye to be tough in quelling demonstrations. The new situation will give Than Shwe the opportunity to bypass Maung Aye and go directly to Shwe Mann with certain orders. There have been reports that Maung Aye did not support the

idea of using pro-military mass organisations, such as the USDA and the Swan Arr Shin (Masters of Force) militia, to crack down on protesters.¹⁷ According to sources close to the military, he even pushed for the release of a detainee whose leg was broken but who was denied medical treatment after being attacked by the USDA and Swan Arr Shin in August 2007.¹⁸ He also appeared to disagree with the use of large-scale violence against unarmed civilians, especially the beating and shooting of monks as well as causing bloodshed when raiding the monasteries at night.¹⁹ Sources close to the military also said that the army's standing orders for suppressing the demonstrations were to use firepower as little as possible.²⁰ This is in direct contrast with the orders issued in 1988 when the troops were told to shoot indiscriminately, and killed thousands of demonstrators. This time, Maung Aye told the regional commanders to use as little violence as possible.²¹ Sources close to the military said that, in contrast, after 25 September, Than Shwe encouraged the regional commanders to use violence decisively.²² This contravened the army's standing orders.

Regional commanders also appeared to respond differently to the army's standing orders. This is seen in the varying levels of violence used in different regions. This could be due partly to the competing commands from Than Shwe and Maung Aye. The worst violence—including the shooting and killing of demonstrators and raids on monasteries—happened in Yangon, although a curfew was imposed in Yangon and Mandalay. Soldiers shot directly at the demonstrators on the streets of Yangon on 26 and 27 September. Although the government admitted that 15 people, including a Japanese journalist, were killed in Yangon, the real numbers could be much higher than that. More than a dozen monasteries in Yangon were violently raided during the night of 27 September. Ngwe Kyar Yan Monastery in South Okkalapa township in Yangon was the worst hit, with video footage showing smashed windows and blood stains on the floor.

The mother of the Yangon Regional Commander, Major-General Hla Htay Win, used to regularly visit Ngwe Kyaw Yan Monastery. This could have influenced Hla Htay Win, who is considered to be close to Maung Aye, to avoid resorting to the use of violence against the monks in that monastery. The Bureau of Special Operations chief for Yangon region, Lieutenant-General Myint Swe, who is close to Than Shwe, is likely to have been under great pressure from Than Shwe to use violence decisively. Myint Swe is the nephew of Than Shwe's wife. Myint Swe led the command centre established at Kone Myint Thara at Eight Mile, in Yangon, together with the Yangon Regional Commander and the Deputy Home Affairs Minister, Brigadier-General Phone Swe. The commander of Light Infantry Division (LID) 77, Brigadier-General Win Myint, based in Bago (Pegu) but assigned to Yangon during the crackdown, appeared to have been lenient towards the demonstrators on 25 September, the first day of the curfew, since there was no shooting or raiding of monasteries by the military on that day. Tens of

thousands of people continued to march on the streets in Yangon on 25 and 26 September. The relative lack of shooting into the crowds by the military on 26 September could also be because LID 77 did not have enough troops to deal with many demonstrators. On the evening of 26 September, LID 66, based in Pyay (Prome), was called into Yangon. The pre-dawn raids of the monasteries and serious shooting began on 27 September.

The level of force used in Mandalay (under the Central Regional Command), unlike in Yangon, was modest. In Mandalay, a curfew was also imposed on 25 September, but almost no monasteries were raided during the nights of 26 and 27 September. Also, there was no significant shooting (mostly warning shots above people's heads) or beating of demonstrators on the streets. According to an eyewitness, on 26 September, soldiers in Mandalay paid their respects to the monks by worshipping them and requesting them to disperse, rather than beating or shooting at them (Gray 2007). On the evening of 26 September, troops from LID 99, based in Meiktila, were moved into Mandalay. Still no significant shooting occurred. Although troops were posted around the perimeter of the monasteries, the monasteries were not violently raided during the night. Troops asked the monks not to come out of their monasteries, telling them that they had been ordered to shoot if the monks did come out (Hlaing 2008). As a result, the monks decided to stay in. Although the Bureau of Special Operations chief for Mandalay, Lieutenant-General Ye Myint, and the Central Regional Commander, Major-General Khin Zaw, are close to Than Shwe, they appeared to want to use as little force as possible in controlling and stopping the demonstrations in Mandalay. The troops in Mandalay could also have been worried about a backlash if they used excessive violence since the strength of the monks there was greater than in Yangon. (Mandalay has the highest number of monks studying at teaching temples.)

Although there was no curfew and relatively fewer demonstrations in Kachin State, the northern regional commander, Major-General Ohn Myint, responded very harshly. He ordered troops to raid the monasteries in Myitkyina, the capital of Kachin State, and in Bamaw on the night of 25 September. These were the first night-time raids in the country. More than 200 monks were arrested during the raids and more monks were detained the next day (Saw Yan Naing 2007). Ohn Myint, who is close to Than Shwe, is considered to be one of the most hardline regional commanders. His response seemed out of proportion with the situation, as there were only a few hundred monks and people on the streets in Kachin State, while there were thousands of demonstrators on the streets in different towns in upper Burma.

For instance, in the upper Burma town of Pakokku, where the first beatings of monks by the security forces occurred, there were thousands of demonstrators on the streets. The brutal treatment of monks in Pakokku sparked demonstrations

in other cities. In Sittwe (Akyab), the capital of Rakhine (Arakan) State, where the monks started the demonstrations, there were also thousands of demonstrators on the streets. The military authorities did not, however, order the shooting of demonstrators or the raiding of monasteries in either Pakokku or Sittwe to stop the demonstrations. As in Mandalay, troops in Pakokku and Sittwe could have been worried about the relatively greater strength of the monks in those towns. Pakokku has the second-highest number of monks studying after Mandalay. Sittwe has a history of activism by monks, starting with Burma's struggle for independence, during which a famous Arakanese monk, U Ottama, took the lead. In Sittwe, when demonstrators surrounded their compound, the authorities even made a concession and released two people who were arrested in late August and had already been sentenced to two years in prison for providing water to the marching monks. The authorities appeared to make this concession in order to defuse the protestors' anger and prevent the situation getting worse.

During September, the SPDC's four-monthly meeting was postponed at the last minute, with some of the commanders already on their way to Naypyitaw. General Maung Aye also postponed his scheduled visit to Bangladesh for the third time. Although it was apparent that Maung Aye needed to supervise the security operations in case even bigger demonstrations broke out, he also appeared to be worried that he might lose more authority if he were away. After being removed from the chairman's position of the Trade Council, Maung Aye appeared to be worried that the person replacing him might be a Than Shwe loyalist rather than someone loyal to him. Than Shwe had previously promoted his own supporters and placed them in important positions while Maung Aye was away. For instance, Than Shwe's special military advisor, Major-General Nay Win, and the Defence Headquarters Security Commander, Major-General Hla Aung Thaung, were both promoted from brigadier-general to major general while Maung Aye was away a few years earlier. In fact, Maung Aye had opposed their promotions while he was at the military headquarters.

During the demonstrations, family members of the hardliners were sent abroad. They might have been worried that a faction in the military would stop listening to Than Shwe's orders and remove him. According to a businessman close to a few regional commanders, this could have happened if the demonstrators had continued their marches despite the threat of being shot.²³ In 1988, none of General Ne Win's family members left the country, since Ne Win and his family appeared confident that the whole of the military was united behind him. This time, however, it seems that Than Shwe and his family did not have the same degree of confidence as Ne Win had in 1988, although the demonstrations in 2007 were smaller than those in 1988. Than Shwe's closest crony, Tay Za, arranged for his airline to send Than Shwe's family abroad and for their stay outside the country. Another crony, Zaw Zaw (the owner of Max Myanmar Co. Ltd), who is close to General Shwe Mann, also helped Than Shwe's family during

their stay abroad.²⁴ In a snowball effect, other hardliners' immediate family members also flew out to Singapore. For instance, hardliner U Aung Thaung's son, Nay Aung, left for Singapore during the demonstrations. U Aung Thaung is not just close to Than Shwe, he has a family connection to Maung Aye; one of U Aung Thaung's sons, Major Pyi Aung, married Maung Aye's only daughter, Nandar Aye.

Internal dynamics after the August–September 2007 demonstrations

A hardline faction under Than Shwe organised USDA rallies to regain some legitimacy after losing much of what it had through its violent crackdown on the monk-led demonstrations. Although Shan State was the most favourable place to start organising the rallies, since there had been no significant demonstrations there, the first rallies to denounce the 2007 demonstrations and to support the junta and its road-map took place in Kachin State on 29 September. It appeared that the northern regional commander, Major-General Ohn Myint, was aggressive not just in the use of force against the monks, but in forcing people to come to mass rallies in his region. Ohn Myint is also known to be close to Than Shwe. Maung Aye wanted to take action against Ohn Myint because of his corruption, but Maung Aye could not do this since Than Shwe protected Ohn Myint. Ohn Myint also pressured the ethnic cease-fire groups in Kachin State, including the Kachin Independence Organisation, to join the mass rallies. In fact, the mass rallies frustrated many people as they had to wake up at five in the morning to be prepared for the marching.

Later, the USDA's mass rallies were organised in different cities and towns throughout most of the country. The junta used these mass rallies to prove to the international community and military personnel that the SPDC had the support of the majority of the people and that the people were against the 2007 demonstrations. General Than Shwe used to tell world leaders, including then UN Secretary-General Kofi Annan, that the USDA rallies showed how the people of Burma were supporting the junta and its road-map. For the same reason, when the UN Secretary-General's special advisor, Ibrahim Gambari, visited Burma from 29 September to 2 October, right after the demonstrations were suppressed, he was taken to Shan State for a day to witness the USDA rallies. At the 2007 UN General Assembly meeting, the Burmese delegation also referred to the USDA rallies, claiming that the majority of the people in Burma supported the SPDC and its road-map, and opposed the 2007 demonstrations.

The USDA rallies denounced the 2007 demonstrations saying they were instigated by the United States and the NLD. This appeared to be one of the signs that Than Shwe, also the patron of the USDA, did not recognise people's survival problems after the fuel-price hikes or their demand for national reconciliation, which were the main underlying causes of the 2007 demonstrations. This

indicates that Than Shwe is unlikely to move forward towards a substantive dialogue for reconciliation between the junta and the opposition, although the junta appointed a liaison minister to hold preliminary talks with Aung San Suu Kyi to reduce increasing international pressure. Major-General Aung Kyi, who was appointed the Minister for Relations in October 2007, appears not to be close to Than Shwe. Before this, Than Shwe also sought to appease the International Labour Organisation (ILO) by appointing Aung Kyi as Labour Minister. The ILO had been displeased with the former Labour Minister, U Thaung, a hardliner who was also close to Than Shwe. Maung Aye and Shwe Mann prefer Aung Kyi to U Thaung, and he has subsequently had a good relationship with the ILO.²⁵ Aung Kyi has talked to Aung San Suu Kyi a few times, although no results have come out of the meetings yet.

After the demonstrations, Than Shwe did make some changes inside the military, including in its economic bodies, in order to provide some hope that things would improve and to buy more time. Only the personnel, however, were changed—not the policies. In early November, Maung Aye's protégé, Lieutenant-General Tin Aung Myint Oo, was appointed to take up the chairmanship of the Trade Council, the position formerly held by Maung Aye. In fact, Maung Aye had agreed to give up this position only if someone loyal to him was appointed in his place, and Maung Aye remained the army chief. Tin Aung Myint Oo demonstrated his hardline attitude when managing the aftermath of the banking crisis in 2003 and the construction of the new capital. Tin Aung Myint Oo is also one of the richest generals in the SPDC. Many businesspeople feel that his appointment as chairman of the Trade Council will not result in any needed policy changes.

After the death of Prime Minister Soe Win, General Thein Sein, who was considered to be loyal to Than Shwe, was appointed Prime Minister in October 2007. Thein Sein is not a hardliner, but he does not have the capacity to initiate policies and it is expected that he will simply follow Than Shwe's orders. So, unlike former Prime Minister Khin Nyunt, he will not take any initiatives for gradual economic or political reform. He is already 62 and has a heart pacemaker and appears not to have the energy to be a dynamic actor. Unlike Soe Win, however, he will not simply take orders from Than Shwe to implement brutal operations such as the 2003 Depayin massacre.²⁶ Although the Prime Minister's post was taken by someone loyal to Than Shwe, Tin Aung Myint Oo replaced Thein Sein in the powerful position of Secretary No. 1 in the SPDC. Tin Aung Myint Oo could check the power of Shwe Mann and Thein Sein in the future. In October 2007, two former regional commanders—Mandalay Commander, Major-General Khin Zaw, and North-West Commander, Major-General Thar Aye, both of whom were close to Than Shwe—were also promoted to the SPDC as Bureau of Special Operations (BSO) chiefs. One other commander, the South-West Commander, Major-General Thura Myint Aung, who was considered

to be neutral between Than Shwe and Maung Aye, was also promoted and replaced Thein Sein as Adjutant-General, another powerful position in the SPDC, bypassing other senior generals who were BSO chiefs. This appointment of a neutral figure indicates some resistance from Maung Aye to Than Shwe's plans to put people loyal to him in all the important positions.

Since the 2007 demonstrations, which resulted originally from economic problems, there have been mixed signals with regard to military removals and appointments within SPDC economic bodies. While General Maung Aye was removed as chairman of the Trade Council, the hardliner who led the other economic body, the Myanmar Investment Commission (MIC), was also removed. U Thaung, who is considered to be close to General Than Shwe, was replaced as chairman of the MIC by the Livestock and Fishery Minister, Brigadier-General Maung Maung Thein, who appears to be a pragmatist, and who has a good reputation among businessmen for listening to them relatively well. He is reputedly close to Shwe Mann, so the change of leadership of the MIC could benefit the latter.

After the changes in the economic bodies, the generals told businessmen that the main plan for new economic bodies was to give businesses more breathing space and to figure out how to change from euro-based trade to Chinese yuan-based and Indian rupee-based trade. They also warned them to be prepared for the worst in resisting Western pressure. This is another negative sign that Than Shwe is unlikely to negotiate seriously with Aung San Suu Kyi, since he and his hardliners have been determined to resist Western pressure for substantive negotiations. Businessmen were also given hints that there would be policy changes in the business bodies, including the Trade Council, after personnel changes were made, on the grounds that the former heads, including Maung Aye, had mismanaged the economy. Many businessmen are, however, frustrated with the continued mismanagement of the economy and do not expect the situation to improve with these personnel changes without a significant policy shift. They also do not feel much confidence about the possible switching of trade payments to the yuan and rupee. They have been worried about increasing US pressure on the financial transactions of Burmese businessmen, especially after these sanctions hit the banking operations in Singapore of the airline owned by Than Shwe's closest business crony, Tay Za. As a result, Tay Za had to temporarily shut down the services his airline, Air Bagan, was flying between Burma and Singapore.

According to sources close to the military, the MAS submitted a confidential report that the Burmese people were facing a big gap between their income and their expenditure after the fuel-price hikes.²⁷ The report also suggested that this problem should be resolved immediately. Than Shwe, however, and his hardliners believed that this problem was not serious and did not need urgent

attention. They even expelled the UN Development Program (UNDP) resident coordinator, Charles Petrie, in December 2007 for highlighting socioeconomic problems as the main cause of the 2007 demonstrations and asking the junta to address them urgently. Despite the hardliners' position, some generals agreed with the MAS report. The MAS chief, Lieutenant-General Ye Myint, is closer to Maung Aye than to Than Shwe. It is likely that Maung Aye will agree with the MAS report and Shwe Mann could also be alarmed by the seriousness of Burma's economic problems, since he has been listening to the views of businessmen. Apparently to overcome their internal differences about the assessment of the state of the economy and to divert attention from economic problems, Than Shwe announced a political initiative in October 2007, offering to meet personally with Aung San Suu Kyi if she agreed to dissociate herself from sanctions against the regime, which Than Shwe considers to be the main problem for the economy. Than Shwe seems to believe that Aung San Suu Kyi will not agree to give up sanctions and he can use this rejection to explain away the country's economic difficulties.

Since November 2007, Than Shwe has also shown his lack of interest in serious dialogue with Aung San Suu Kyi in various ways. First, in early November, he refused to see UN envoy Gambari, who hoped to mediate between Than Shwe and Aung San Suu Kyi during his visit. Second, Gambari's proposals to make constitutional compromises and set up a poverty-alleviation committee were rejected by the designated government spokesman, Brigadier-General Kyaw Hsan, who served as the Information Minister. Kyaw Hsan is a hardliner close to Than Shwe. In his meeting with Gambari, Kyaw Hsan also said that the opposition would be allowed to vote in the referendum for the constitution, but would not be allowed to participate in the constitutional drafting committee, which was set up in October and met for the first time in December. Third, at the last minute, Than Shwe ordered Prime Minister, Thein Sein, to block Gambari's briefing at the 2007 November ASEAN summit in Singapore, although the Minister for Foreign Affairs, Nyan Win, had already agreed to Singapore's proposal for the briefing. Fourth, in his address to the USDA annual conference in November 2007, Than Shwe reiterated that the government's seven-point road-map was the only way forward, which seemed to reflect a rejection of any constitutional compromises with the opposition. To make matters worse, the junta had pro-junta political parties and ethnic cease-fire groups attack Aung San Suu Kyi's statement, which was read out on her behalf by Gambari in November 2007. The groups issued public statements denouncing Aung San Suu Kyi's statement and asserted that Aung San Suu Kyi could not represent them.

Although it appeared that Than Shwe wanted to use the road-map as a tool to buy more time and to maintain a distance from the international community, he had a contingency plan to expedite the process if necessary. Surprising many

people, including many other generals, Than Shwe announced in February 2008 that the referendum on the draft constitution would be held in May 2008 and the elections in 2010 (Jagan 2008a). Than Shwe could have moved forward with the road-map because of increasing international pressure after the 2007 demonstrations and also because of a desire to avoid engaging in political dialogue and economic reform. He could have been worried when even China, which had traditionally insisted on non-interference in Burma's internal affairs, signed off on the UN Security Council President's statement criticising the junta for its brutal crackdown and demanding that it start talking to the opposition. China also sent a number of missions to Burma after the 2007 demonstrations to expedite the road-map and economic reform. By holding the referendum, Than Shwe could also have intended to reduce Maung Aye's power by giving more authority to the USDA and transforming the USDA into a political party to contest the 2010 elections. Sources close to the military said that Than Shwe made it clear that he expected the constitution to pass in the referendum. Officials guaranteed that the constitution would be approved using various means, including persuasion, intimidation and donations to various communities (such as churches in Kachin State).

After the referendum, there was another reshuffle, in June 2008. Again, Than Shwe apparently tried to reduce Maung Aye's power. Although the BSO chiefs, most of whom were close to Than Shwe, were retired, they were replaced with regional commanders who were closer to Than Shwe than to Maung Aye. Than Shwe's loyalists, Ye Myint (BSO No. 1) and Khin Maung Than (BSO No. 3), and Maung Aye's loyalist, Kyaw Win (BSO No. 2), were retired. Their replacements, Major-Generals Ohn Myint and Ko Ko, are both close to Than Shwe, while the other new BSO chief, Major-General Min Aung Hlaing, appears to be neutral. Although one of Maung Aye's followers, Hla Htay Win, was promoted to the headquarters, his position is not that powerful as he is now the chief of military training. Maung Aye's brother-in-law, Maung Maung Swe, also lost one of his two ministerial posts, as Immigration Minister. The Industry No. 2 Minister, Major-General Saw Lwin, who was close to Maung Aye, was also moved to a less powerful ministry, immigration.

Future scenarios

Increasingly hardline positions on policy issues are likely to emerge in the immediate future since a series of military appointments shows that Than Shwe and his hardliners are still in control. It appears that Than Shwe will continue to make critical decisions and demonstrate his authority by appearing at important meetings from time to time. Than Shwe is likely to also continue to play Maung Aye off against Shwe Mann in order to maintain his centrality as a balancing figure, as he did with Maung Aye and Khin Nyunt in the past.

At the same time, Than Shwe will probably delegate more power to Shwe Mann, whom he considers to be loyal to him. Than Shwe is, however, also likely to keep hold of the purse strings, rather than handing monetary power to Shwe Mann. General Ne Win also held onto this power after he retired from the military. By giving more power to Shwe Mann, Than Shwe appears to believe that more and more generals will side with Shwe Mann than with Maung Aye. This is a tactic Ne Win used to pave the way for men loyal to him to rise through the ranks.

Although Than Shwe has a succession plan, he might not be able to follow through with it if his health deteriorates further. Than Shwe reportedly fainted after his November 2007 meeting with the Chinese Vice-Minister of Foreign Affairs, who brought a confidential letter from the Chinese Prime Minister urging Than Shwe to expedite the road-map process and economic reform.²⁸

Than Shwe's reluctance to initiate economic reform is likely to result in greater socioeconomic hardship for the Burmese people. His refusal to cooperate with the international community has increased various governments' frustration with the regime and will likely lead to increased external pressure.

For the intermediate term, there are three possible scenarios.

- Than Shwe will stay in the military even after the referendum and elections. He will, however, appoint Shwe Mann president after the 2010 elections. In this scenario, he could keep Maung Aye in the military as long as he is still in the military himself. He could also keep his hardliners, such as Aung Thaung and U Thaung, in the new government. This is the most likely scenario.
- Than Shwe will give up control gradually, while ensuring that Maung Aye retires from the military at the same time as he does. This would probably happen after the 2010 elections. Than Shwe is likely to then appoint his protégé, Myint Swe, as the new military leader and another of his protégés, Shwe Mann, as the president.
- Maung Aye will take over power. This could happen if Than Shwe dies suddenly. As Than Shwe gradually delegates more power and as his health declines, it is also possible that he might be forced to retire just as General Saw Maung had to in the first years of the SLORC, when power was more dispersed.

The third scenario could still come to pass if demonstrations break out again. Than Shwe's refusal to make the country's socioeconomic problems a priority and to enter into a dialogue with the opposition could make people increasingly frustrated and lead them onto the streets again. Many activists, including the monks who organised the 2007 demonstrations, are in hiding in the country and are waiting for another opportunity to take to the streets. Unlike in 1988, many

did not flee to the border. If mass demonstrations happen again, and if Than Shwe orders the use of violence against peaceful demonstrators, some authorities could refuse to comply and Maung Aye might be in a position to take over. The morale of many officers has been low, since the regime has not been able to convince them why the military had to use violence against revered monks in the 2007 demonstrations.

If Than Shwe steps down or is removed, there will be no dominant figure like him to dictate hardline positions, as power is likely to be distributed among the top leaders. Although Than Shwe might perceive Shwe Mann to be loyal to him, it is likely that he could become more pragmatic when Than Shwe's influence over him diminishes. This is what happened to Ne Win's protégé, Khin Nyunt, when Ne Win's power gradually waned after 1988. It is likely that any post-Than Shwe junta will be more vulnerable to pressure from the pragmatic officers in the military, from citizens, from the opposition parties, including the ethnic minority groups, and from the international community, and it could be compelled to make gradual economic and political reforms.

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Endnotes

- ¹ Interview with a family member of a close associate of General Ne Win, 10 November 2007.
- ² Interview with a former military intelligence officer who was close to Brigadier-General Tin Oo, the former military intelligence chief, 30 July 2007.
- ³ Interview with a former military intelligence officer who was close to Brigadier-General Tin Oo, 30 July 2007.
- ⁴ Interview with a former military medical officer, 30 June 2007.
- ⁵ It can also be translated simply as 'capital'.
- ⁶ Interview with a former military intelligence officer, 15 November 2007.
- ⁷ Interview with an insider from General Khin Nyunt's former military intelligence faction, 10 November 2005.
- ⁸ According to the International Crisis Group (2006), the real reason why the Global Fund refused to fund health care in Myanmar was an objection from the Bush Administration in the United States, which was itself under pressure from Congress.
- ⁹ Interview with a UN official from Rangoon, 23 August 2007.
- ¹⁰ Interview with a businessman close to the military, 16 January 2008.
- ¹¹ Interview with a former military intelligence officer, 20 April 2008.
- ¹² Interview with a former Burmese diplomat, 30 March 2008.
- ¹³ Personal interview with a former military intelligence officer, 15 December 2006.
- ¹⁴ Personal interview with a businessman close to the generals, 20 March 2007.
- ¹⁵ Interview with an NLD member who was close to senior NLD leaders, 15 September 2005.
- ¹⁶ Interview with a former military intelligence officer, 1 November 2007.
- ¹⁷ Ibid.
- ¹⁸ Interview with a businessman close to the military, 21 September 2007.
- ¹⁹ Interview with a senior diplomat who had close connections with the generals, 29 September 2007.
- ²⁰ Interview with a businessman close to the military, 30 September 2007.
- ²¹ Interview with a businessman who is close to a few regional commanders, 10 October 2007.
- ²² Ibid.
- ²³ Interview with a businessman close to few regional commanders, 30 September 2007.
- ²⁴ Interview with a businessman close to the military, 29 September 2007.
- ²⁵ Interview with a businessman close to the generals, 5 November 2007.
- ²⁶ The village where Aung San Suu Kyi and her supporters were attacked on 30 May 2003 by pro-SPDC elements while travelling through central Burma.
- ²⁷ Interview with a businessman close to the military, 2 December 2007.
- ²⁸ Interview with a businessman close to the military, 20 November 2007.