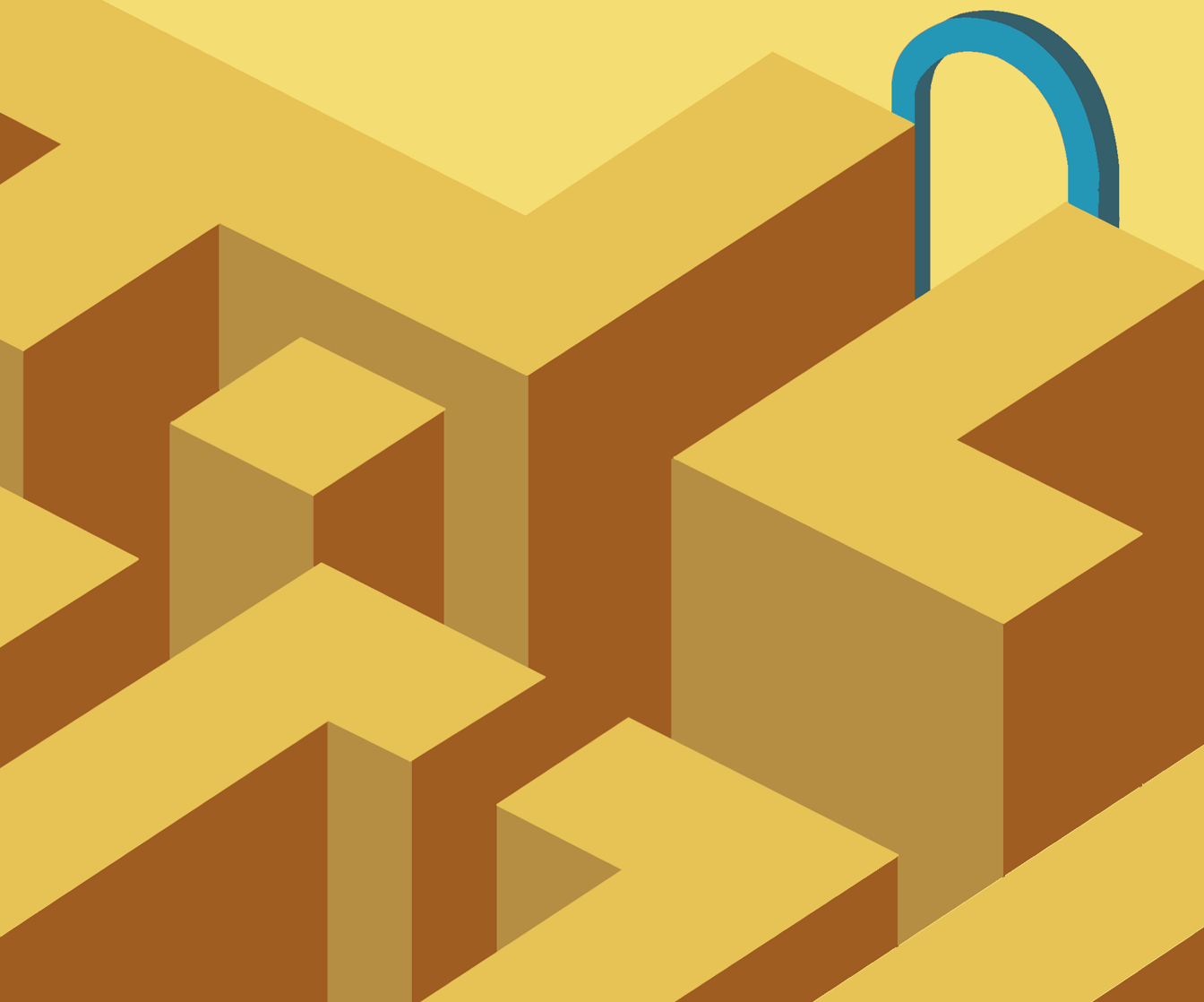
THE STATE OF MYANMAR

ISP–Myanmar's Annual Strategic Review and Foresight 2025–2026

January, 2026



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"The State of Myanmar: ISP–Myanmar's Annual Strategic Review and Foresight 2025–2026" was published on January 31, 2026, as a translation of the original Burmese version published on January 15, 2026. This report analyzes significant events, complexities and their impacts observed throughout 2025, potential scenarios and trends for 2026. The analyses contained in this report are grounded in ISP-Myanmar's empirical research and data. The "State of Myanmar" report by ISP-Myanmar is published annually and will be available in January each year.

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The State of Myanmar

ISP–Myanmar's Annual Strategic Review and Foresight 2025–2026

Summary

- Myanmar remains gripped by a polycrisis that risk pushing it towards a "failed state." In 2025, five dynamics stood out: (1) the inability of resistance forces to demonstrate unified political leadership, (2)China's assertive push for specific outcomes in Myanmar's crisis while with waning interest from the United States and the wider international community,(3) the dominance of "conflict economy" issues in international media headlines—such as the crackdown on *Kyar Phyant* (online scam) operations and the rare-earth trade—over broader political development, (4) the regime's growing capacity for strategic adaptation, and (5) the public's acute suffering from war, earthquakes, socioeconomic hardship, and humanitarian crisis with virtually no safety net to rely on.

- The regime is clearly scaling up counter-offensives on military, diplomatic, and political fronts in an effort to break the current conflict cycle and steer events toward its preferred outcome. The post-election baseline scenario will not resemble the transition in 2010 led by President Thein Sein. But rather, the development could be closer to the post-independence period (the decade of 1948–58) —remembered in the *Tatmadaw's* historiography as a time of "pacification of multi-colored insurgencies." In effect, the Myanmar Armed Forces appear intent on forcing their own exit from a current crisis that is steadily hollowing out the state. This trajectory dismantles presumably so-called Snr. Gen. Than Shwe's model of a hybrid order—in which the "*Tatmadaw* and Union Solidarity and Development Party (USDP) joint reign" under the 2008 Constitution—and differently introducing a system of personalistic rule by junta leader, Min Aung Hlaing. It effectively attempts to conclude the political era of Aung San Suu Kyi and the National League for Democracy (NLD), which can be seen as comparatively moderate and non-radical actors in Myanmar's politics. It also amounts to a rejection of ASEAN's Five-Point Consensus (5PC) and broader multilateral approaches, in favour of ad hoc bilateral agreements with neighbouring states—thereby undermining ASEAN centrality in regional geopolitics.

- Domestic and international actors seeking a change toward federal democracy in Myanmar must now think strategically and prepare to act on three trends in 2026: the post-election landscape where the role of the fourth generation *Tatmadaw* becomes more prominent, the prospects for conflict de-escalation or ceasefires, and how to engage with eminent China's role in Myanmar politics. Misjudging and imprudent actions on any of these developments could push Myanmar toward worst-case outcomes; getting them right could begin optimal results of easing the country's agony. There is still light at the end of the tunnel, but more akin to a dark, twisting labyrinth. Myanmar will only reach it with a night vision, a roadmap, and the resolve to keep moving—step by deliberate step—towards the light.

1. Introduction

Looking back at 2025, Myanmar appears to be sleepwalking into China's sphere of influence. Rather than seizing the moment to pursue a political course grounded in foresight, compromise, and strategic realignment with Beijing, the country's conflict actors continue to prioritise mutual destruction. It is a politics that resembles fighting over deckchairs on the Titanic or pushing the ship to capsize faster into the depths.

Drawing on the major events and data of 2025, Myanmar remains trapped in a polycrisis that carries a real risk of state failure. The public bears the brunt of war, the devastation of the Sagaing–Mandalay earthquake, and severe shortages of jobs, electricity, and basic commodities. The oft-repeated mantra of a "Myanmar-owned and Myanmar-led" peace process looks increasingly hollow: domestic actors appear unable to resolve the crisis, offering little beyond calls for "elimination of the *Tatmadaw* for total victory". With United Nations (UN) and Association of South East Asian (ASEAN) efforts faltering and the United States retreating from Myanmar, and the wider region, neighbouring states—above all China—have moved to centre stage. In practice, Beijing's roadmap is now the only strategic process actively shaping the trajectory of Myanmar's conflict.

Despite strong opposition to the junta's planned election, actors must prepare a strategic response for the scenario where the ballot proceeds anyway. Under growing pressure, Ethnic Armed Organizations (EAOs) may increasingly find themselves in situations similar to those of the Myanmar National Democratic Alliance Army (MNDAA) and the Ta'ang National Liberation Army (TNLA), being pushed into accepting bilateral ceasefires with the *Tatmadaw*. However undesirable that outcome may be, if it becomes unavoidable, there must also be a plan for what to do next. Despite assertions that Operation 1027 is a "self-reliant resistance" independent of external influence, the reality is that Beijing's leverage is already producing concrete effects. As this pressure translates into tangible consequences, a concrete strategy will be needed to navigate it.

This report examines the defining events of 2025, maps potential scenarios for 2026, and identifies the strategic trajectories that demand attention. This report will analyse unsparingly and precisely using the best data available.

2. Reviewing 2025

Myanmar continues to face a polycrisis that carries a real risk of state failure. The spillover effects from its conflict are now felt not only by neighbouring nations, but also by the wider international community. Two features stand out: a historic rupture in human security and the unchecked rise of fragmentation—competing centres of power that can no longer be ignored. Human security, in turn, can be understood through three lenses: the trend of the conflict, the conflict economy, and the unfolding humanitarian crisis.

2.1. The Conflict Trend

In 2025, Myanmar's conflict became sporadic (lower frequency) but more intense [see ISP Data Matters (ISP-DM2026-001) and ISP Mapping (ISP-M2026-001)]. Tactical gains of battles continue to see-saw on the ground, but at the wider level of the war, the situation has locked in a stalemate: neither side can secure a decisive victory, nor is either close to total defeat. This assessment rests on three factors:

(a) As ISP-Myanmar has raised, the regime appears to have survived its humiliating "10-month shock." It has successfully weaponized its weakness—the narrative that convinces others to support the center: "that if the center collapses, the country will follow to disintegrate"— to secure a relief from the current crisis with China's assistance [see ISP Data Matters (ISP-DM2025-173)]. However, to credit the military survival to Beijing's backup alone would be misleading. Historically weakened, the regime has nonetheless shown a degree of strategic adaptability: enforcing conscription to replenish its barracks, markedly improving the effectiveness of its air power, and decentralizing its command structure to delegate more authority in line with operational needs. Together, these shifts have helped it regain momentum on the battlefield.

(b) Although resistance forces have secured historic territorial gains and unprecedented battlefield victories, they have yet to offer a viable institutional alternative to the regime. Without translating military success into a political gain or durable institutionalized gains, clashes may continue to see-saw at the tactical level, but the wider conflict will remain locked in a stalemate in which neither side is

decisively defeated. Following Operation 1027—particularly after its second phase—also exposed the limits of 'military-purpose only alliances' on their own. Differences in territorial control, pre-existing ethnic and religious tensions, the logic of the conflict economy, and varying pressures from neighboring backers meant that resistance forces could coordinate offensives, but not match them with a political push. Beyond the shared slogan of toppling a common enemy, they lacked local administrative arrangements that communities could accept and a principled platform for dialogue—an important lesson in itself. The experience of the Three Brotherhood Alliance (3BHA) underscored further weaknesses: uneven capacity for coordinated defence and divergent exposure to counter-offensives. To ignore these lessons and simply double down on 'military-purpose only alliances' would be akin to taking a wrong path in vain.

Political alliances on the other hand, are operating but have been more smoke than fire. The axis between Karen National Union (KNU), Karenni National Progressive Party (KNPP), Chin National Front (CNF) and National Unity Government (NUG) remains fragile: major actors have walked away from the National Unity Consultative Council (NUCC); the K2C–NUG grouping still could not make an agreement; the new group called Joint Coordination Body (JCB) has also had friction with the former ASEAN Chair Malaysia; and the alliance making lacks the joining of key EAOs from the northeast and the west are missing altogether. Talk of a Multi-Ethnic Council formed without the NUG, alongside NUG calls for a Federal Supreme Council, risks turning the landscape into a catalogue of overlapping alliances. Even if one accepts that multiple platforms are not inherently problematic, the absence of any mechanism to coordinate between them is a critical weakness. Beyond these coordination failures, core political projects—such as the Federal Democracy Charter (FDC) and the Articles of Federal Transitional Arrangement (AFTA)—remain largely aspirational, with little concrete implementation on the ground.

Historically, political alliances among Myanmar's resistance groups have been built on coordination between individual organizations. Since the 2021 Spring Revolution, however, actors such as the KNU (in the lead), KNPP, CNF, and the NUG have attempted a different model: amalgamating not based on organization-to-organization, but on the basis of "federal units" (based on units of a country). This resembles a coming-together federation—founding a new state—rather than a traditional alliance to fight a revolutionary war. The question is timing, whether domestic realities and the regional geopolitical climate still allow such a model, or whether the attempt is already too late. The regime still enjoys incumbent advantages, including access to military resources that have not been

cut off; there is little geopolitical appetite, even among neighbours, and powerful EAOs in the northeast and west are not actively involved, and even the K2C–NUG core struggles to agree. It is therefore reasonable to ask whether this new model is "aiming too high and landing nowhere". As this political drama drags on, the regime is clearly moving to treat the NUG and Bamar PDFs/LDFs as spent powers, rather than political dialogue partners. The regime will treat EAOs as viable actors to be brought, one by one, onto a ceasefire track through a mix of military coercion and pressure from neighbouring states.

(c) As the United States has largely receded from the scene, China has stepped in more assertively—arresting the momentum of resistance gains and shoring up the junta. Together, these shifts have helped push the Myanmar conflict into a phase where a decisive win for one side is no longer attainable. This will be examined in greater detail later, in the discussion of the de facto rival power center.

2.2. The Conflict Economy

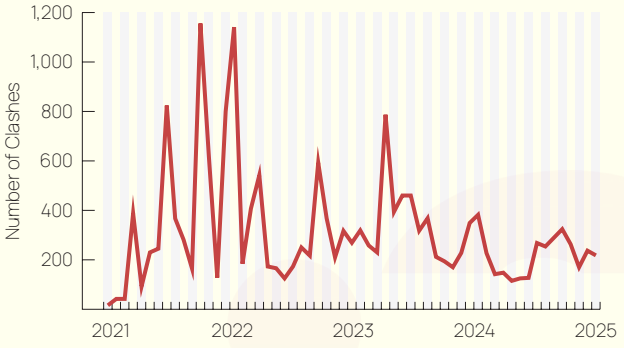
Although the trend of the conflict offers no prospect of a decisive outcome, its growing intensity has severely eroded human security. The conflict economy is compounding this deterioration, driving a sharp decline in people's safety and welfare. It can broadly be divided into two spheres: the illicit economy—rooted in transnational crime—and the informal economy. The illicit economy is dominated by narcotics cultivation, production and trafficking, *Kyar Phyant* (online scam) operations, and human trafficking. Myanmar has emerged as the world's leading producer and distributor of narcotics, while also drawing global attention for *Kyar Phyant* scams and trafficking practices akin to modern-day slavery. These phenomena stem from deep political and security failures in an already fragile state. A narrow law-enforcement approach—focused on arrests and crackdowns—will not suffice; only a comprehensive strategy that tackles underlying causes can make a difference. Without it, the response will remain a game of "whack-a-mole": pressure in one area simply pushes operations to another [see ISP Mapping (ISP-M2026-002)].

Beyond Myanmar's borders, rare earth mining plays a significant role in the country's informal conflict economy in the absence of state-control. Myanmar is among the world's leading producers of heavy rare earth elements (HREE). Since 2017, it has exported approximately USD 4.9 billion worth of rare earths to China, with 86 percent of these exports (about USD 4.2 billion) occurring in the post-coup period. From 2019 to 2024, Myanmar accounted for more than half of China's rare earth imports [see ISP Data Matters 2/2026 (ISP-DM2026-002)].

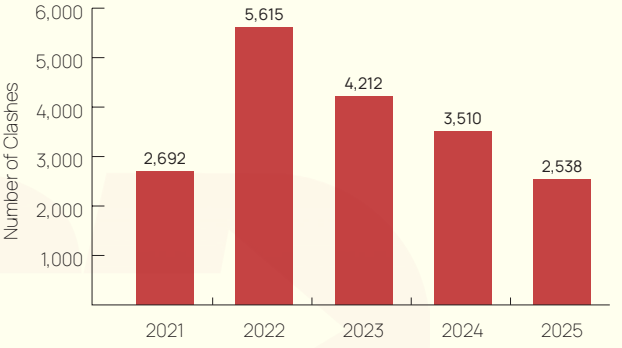
2025 Conflict Trends of Myanmar

In 2025, while the overall frequency of conflict decreased, the intensity of the violence escalated. The number of clashes fell by **nearly 28 percent** compared to 2024, and by **55 percent** compared to the peak levels of 2022. However, the scale and frequency of massacres that indicate the intensity of violence have increased annually. In 2025 alone, there were at least 32 incidents of massacre that involved the fatalities of 10 or more civilians in each incident, resulting in the total deaths of no fewer than 599 civilians.

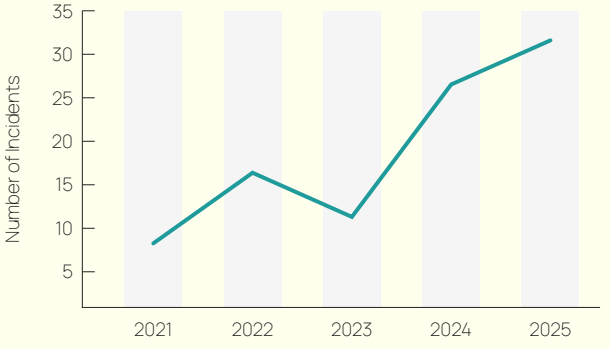
■ Frequency of Clashes (Monthly)



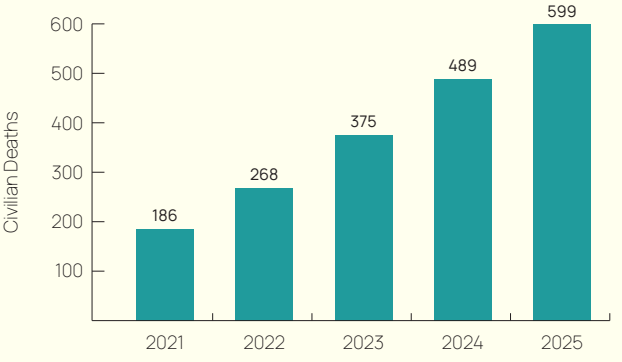
■ Annual Number of Clashes



■ Civilian Massacre Incidents



■ Civilian Death Tolls in Massacres



Data between January 1, 2023, and December 31, 2025, is part of research conducted by ISP-Myanmar's Conflict, Peace and Security Studies. It may vary from other sources due to differences in methodology and data availability.

At Least 32 Civilian Massacres Recorded in 2025

From February 2021 to December 2025, there have been 97 civilian massacre incidents nationwide—each claiming 10 or more civilian lives. Out of these, 32 incidents occurred in 2025; resulting in the deaths of at least 599 civilians in one year. In 2025, Sagaing Region saw the highest number of civilian massacre death tolls, with more than 180 fatalities.

Kyauktaw Incident

On September 12, 2025, the junta bombed two private high schools in Tha Yet Ta Pin village, Kyauktaw Township, Rakhine State, controlled by the Arakan Army (AA), at around 1 a.m., murdering 20 students.

Mrauk-U Public Hospital Incident

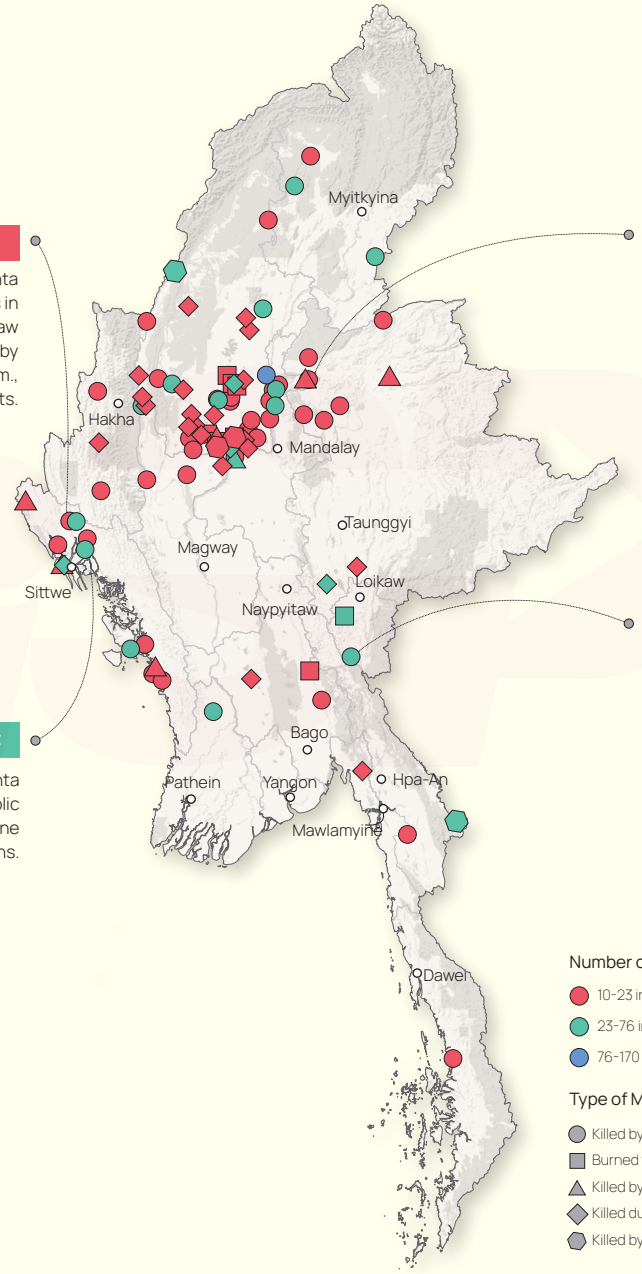
On December 10, 2025, the junta carried out an air strike on the public hospital in Mrauk-U Township, Rakhine State, killing at least 34 civilians.

Mogok Incident

On August 14, 2025, the junta bombed the Lin Yaung Chi Monastery in Mogok, Mandalay Region, killing 21 civilians. Mogok was controlled by the Ta'ang National Liberation Army (TNLA).

Maw Chee Incident

On August 17, 2025, the junta bombed the Maw Chee region in Hpasawng Township, Kayah State (controlled by Karenni resistance forces), resulting in 32 civilian deaths.



Data from February 1, 2021, to December 31, 2025, is part of research conducted by the ISP-Myanmar's Conflict, Peace, and Security Studies. For this dataset, a massacre is defined as an incident involving the killing of 10 or more civilians in a single event. The incidents included armed assault, arson, airstrikes, and other means of mass killings. It may vary from other sources due to differences in methodology and data availability.

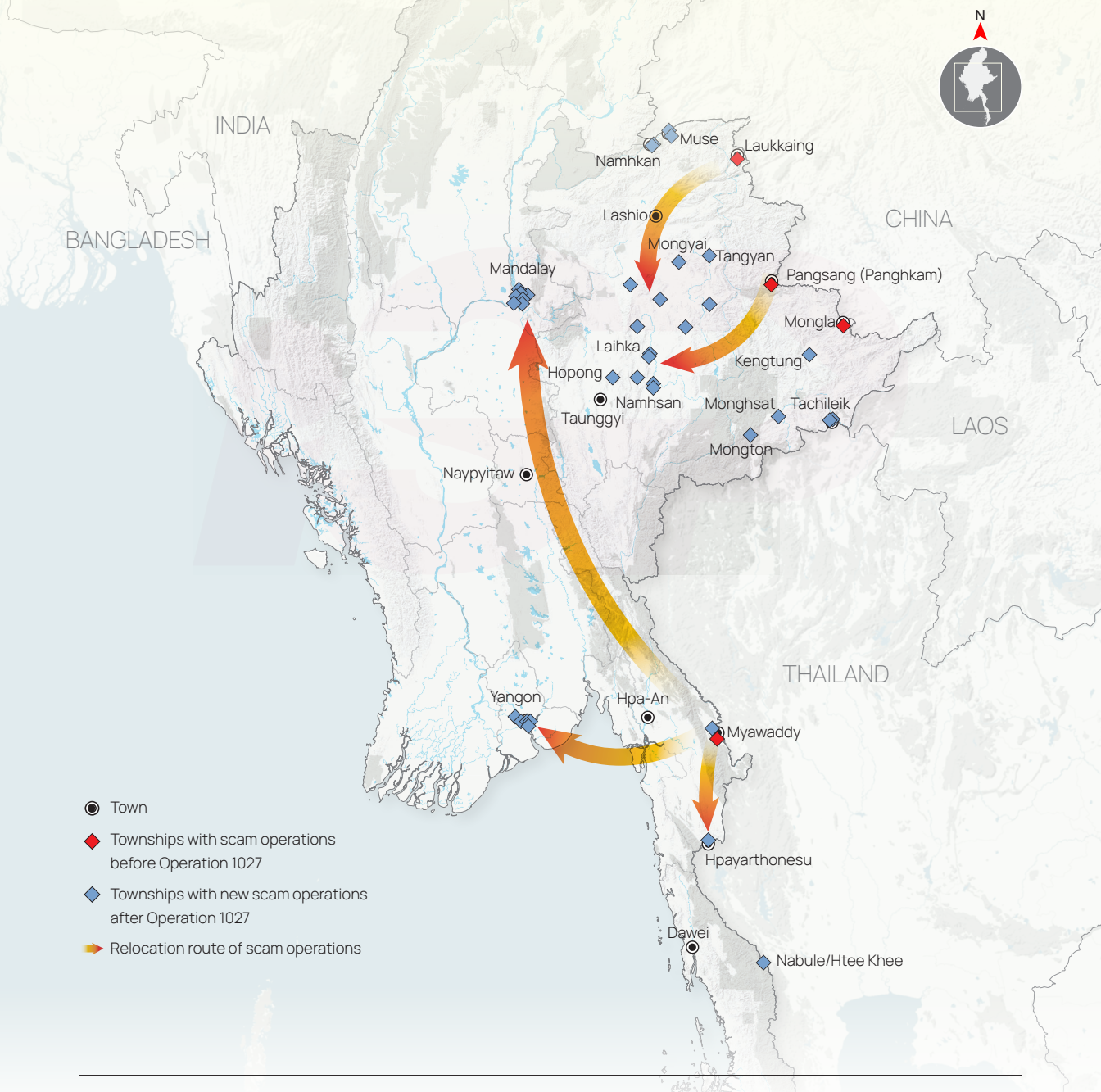
Inside the MAF's Escape Plan: A SWOT Analysis

The Myanmar Armed Forces' (MAF) search for an exit can also be examined through a SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). At its weakest point, the regime faced severe losses in territorial control and a collapse of both domestic and international legitimacy [W], along with the looming threat of direct intervention from China [T]. Yet it turned these weaknesses into leverage. By exploiting the resistance's inability to present a credible and practical alternative [O], the military weaponized its own fragility—arguing that if the center fell, the state itself would collapse [W]—to carve out a path of survival. From there, it drew on the inherent advantage of incumbency [S] to blunt China's potential direct intervention [T] and even secure Beijing's support to reinforce its own strengths.

S (Strengths) - Incumbent's advantages
W (Weaknesses) - Weakest territorial control and lowest domestic and international legitimacy
O (Opportunities) - Resistance forces unable to provide a more pragmatic alternative
T (Threats) - Potential of China's direct intervention

75 New Scam Centers Detected

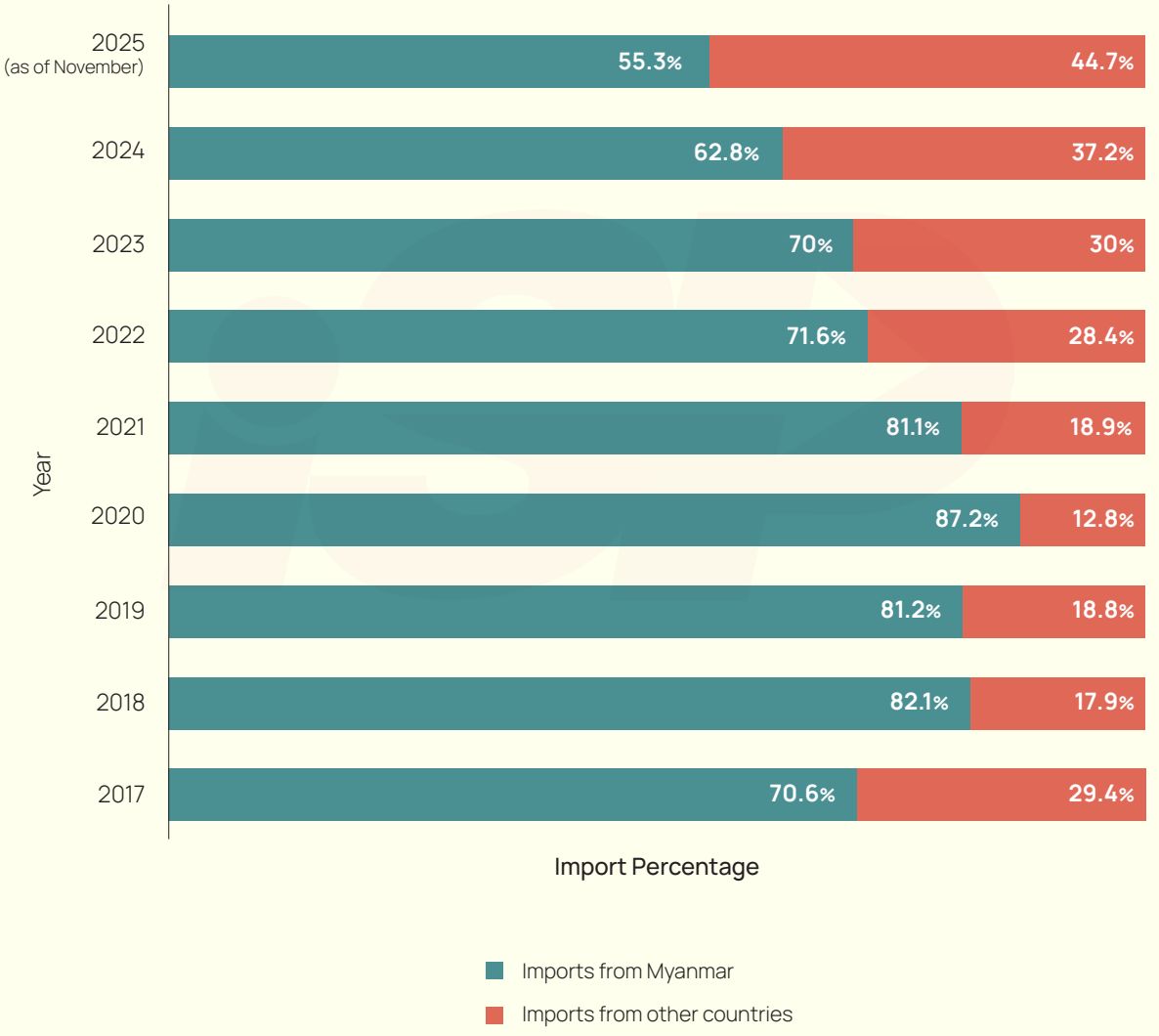
Following Operation 1027, **more than 75** new *Kyar Phyant* (cyber scam) centers were identified across 34 townships in Myanmar. This period saw a significant geographic shift, with many syndicates relocating from the Myanmar-China border to central Shan State and major urban centers, including Yangon and Mandalay. Additionally, following crackdowns in Myawaddy Township, Karen State, these operations relocated to other areas within the township.



Data from January 1, 2023, to December 31, 2025, is part of research conducted by ISP-Myanmar's China Studies. It may vary from other sources due to differences in methodology and data availability.

Myanmar: China's Top Source of Rare Earths Imports

From 2017 to November 2025, Myanmar was China's largest supplier of rare earth minerals by volume, accounting for approximately **73.5 percent** of its annual imports. During this period, Myanmar exported over **320,000 tonnes** of rare earths to China. Notably, the majority of this trade occurred post-coup, with **210,000 tonnes** exported since 2021.



Data from January 1, 2017, to November 30, 2025, are based on data from the General Administration of Customs of China (GACC) and are part of research conducted by ISP-Myanmar's China Studies. It may vary from other sources due to differences in methodology and data availability.

Rare earth mining declined in 2025 after the Kachin Independence Army (KIA) seized all rare earth mining operations previously controlled by a regime-aligned militia in 2024. China subsequently pressured the KIA to continue existing contracts and honor their terms, elevating the issue into a strategic concern in China's geopolitical calculations. For Myanmar's civilians—particularly local communities in Kachin—rare earth mining has not only caused severe environmental degradation but has also prolonged conflict by sustaining the conflict economy.

2.3. The Socioeconomic Crisis & Humanitarian Emergency

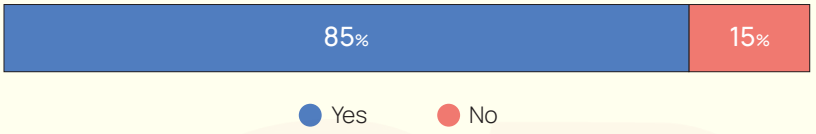
Another major driver of the collapse in human security in 2025 was Myanmar's sharp socioeconomic deterioration and the resulting humanitarian strain on the public. According to the World Bank and International Monetary Fund (IMF), gross domestic product (GDP) contracted by 2.7 percent in 2025. The Economist Intelligence Unit (EIU) estimates that the economy has contracted by 16 percent cumulatively since 2020, with GDP shrinking by as much as 14.6 percent in 2021 alone—the first year after the coup. This prolonged contraction has forced the public to confront severe hardship, including lost employment opportunities, falling incomes, austerity in household spending, an unfavorable business environment, tightening credit, and disruption to public services. Inflation has compounded the squeeze. The Asian Development Bank (ADB) estimates that price growth was 30 percent in 2025, whereas the EIU estimated a 38.3 percent increase in the Consumer Price Index (CPI). The immediate result has been soaring prices for basic goods. The economy has been driven into this state by a combination of factors: intensifying and protracted conflict, international sanctions, mass migration and displacement linked to forced conscription and armed conflict, which has drained skilled labour, and a deepening energy crisis marked by frequent blackouts. Again, a widening trade deficit caused by mismanagement, the regime has tightened import controls, used coercive measures to capture migrant remittances, imposed rigid foreign-exchange controls, and restricted key goods in border trade. These policies have not only choked the functioning of the formal economy but also generated pervasive disorder. At the same time, armed conflict has disrupted major trade routes, resulting in the prolonged suspension of formal commodity flows.

On top of this, China's "Five Cuts" strategy—severing water, electricity, internet, logistic supplies, and manpower to pressure EAOs in northeastern Myanmar—has sharply disrupted trade and cut the flow of goods. For victims of the Sagaing–Mandalay earthquake, already struggling to recover, these shocks amounted to a second blow. ISP-Myanmar's survey shows the most acute shortages are in consumer goods and basic foodstuffs, while the lack of medicines remains the chief source of public anxiety. Overall, 85 percent of over 1,000 respondents reported shortages of imported goods due to blocked trade routes, and 92 percent of households reported being directly affected [see ISP Data Matters (ISP-DM2026-003)].

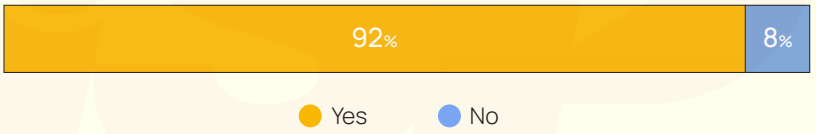
Trade Blockages Impacted 92% of Households

Conflict-driven blockages along trade routes have triggered severe goods shortages and price hikes across Myanmar. ISP-Myanmar's nationwide survey of over 1,000 respondents across 85 townships—ranging from blockade-affected border towns to major cities like Yangon and Mandalay—revealed that **85 percent** reported shortages in imported goods. Inflation has become punishing, as **48 percent** of respondents reported price increases of 1.5 times, while **40 percent** reported prices had doubled. Consequently, **92 percent** of respondents indicated that the logistics breakdown has directly impacted their household.

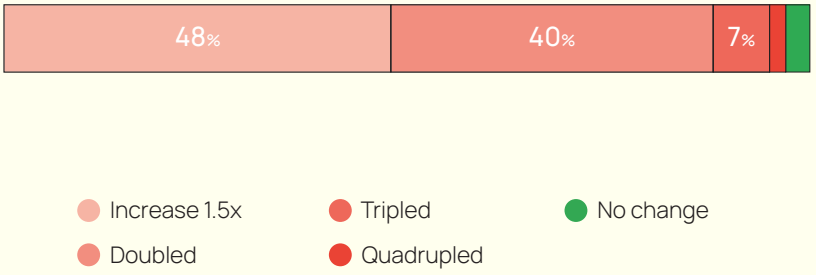
■ Have there been any shortages of imported goods?



■ Have you or your household been impacted by goods shortages and rising prices?



■ Have the prices increased?



Data as of August 23 to 28, 2025, excerpted from the survey report titled "Raising the Lantern's Wick High: A Survey of Myanmar's Socioeconomic Crisis and Public Resilience," conducted by ISP-Myanmar's Socioeconomic Studies.

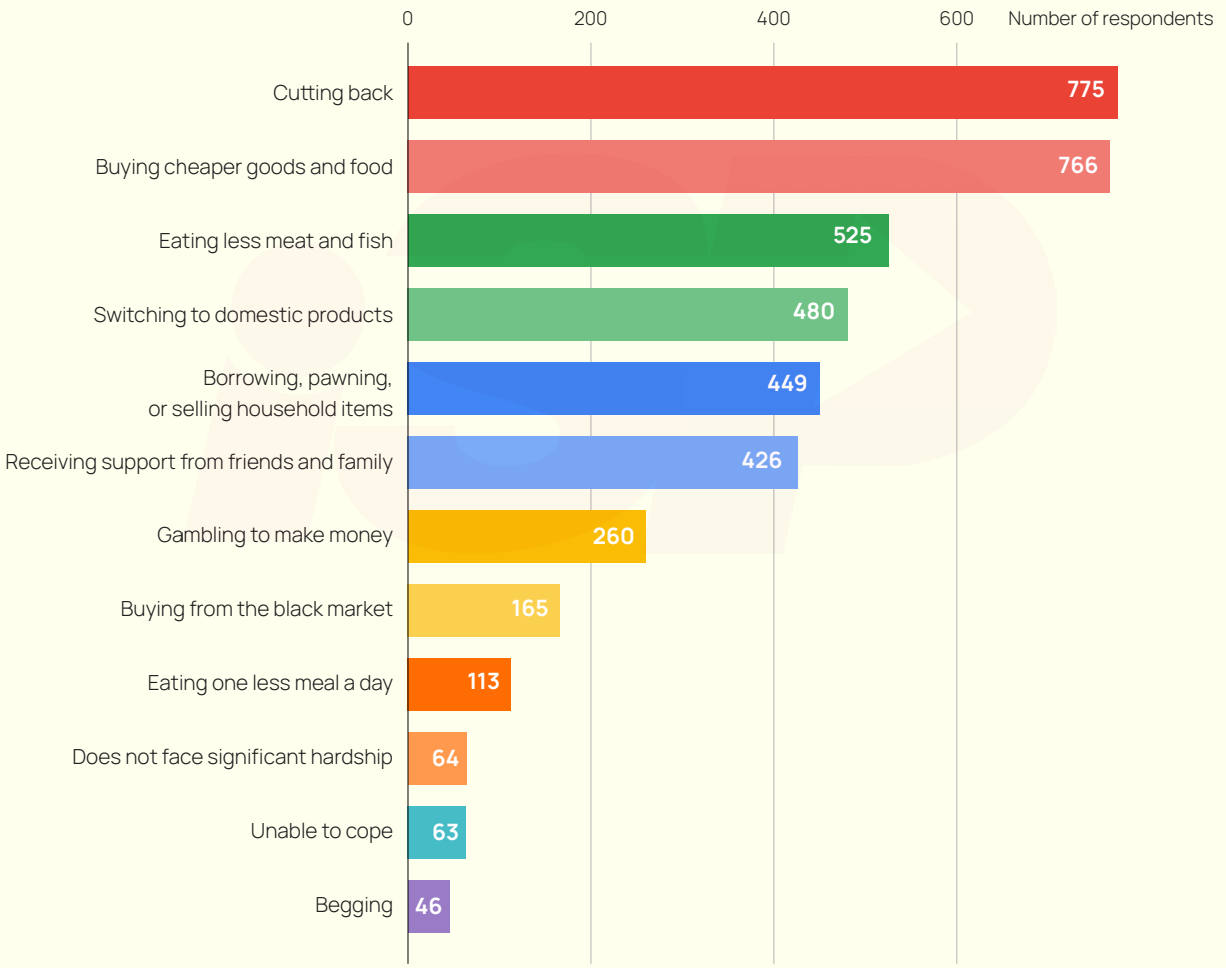
Survey responses indicated that most people felt there was no one to turn to for support and were forced to rely on mutual help among the communities to get by. Some reported assistance from local charity networks, CSOs, and religious groups, while a smaller share cited help from actors such as EAOs, PDFs, and LPDFs. Those receiving support from the regime or the National Unity Government (NUG) were the fewest of all. As a result, households have been compelled to cut back on consumption [see ISP Data Matters (ISP-DM2025-192 & 193)].

Under tremendous challenges, it is now rare to find anyone free of debt. Gambling—through two-digit (2D) and three-digit (3D) lotteries or slot games—has become a form of escape, pulling many even deeper into a debt trap. Most alarming is that many people are now compelled to take risks for whatever work is available, even when they know it is unethical or dangerous. Kyar Phyant (online scam) operations are a stark example: few are under any illusion that these are anything other than fraud syndicates and inhumane criminal enterprises. Yet an increasing number are knowingly and voluntarily entering this line of work. Just as people once rushed to Hpakant for jade mining, they now rush to *Kyar Phyant* for survival—lives forced to walk straight into the fire. In parallel, people across age groups are turning to sex work, including prostitution and "date girl" services. In areas of intense conflict, there is growing evidence of parents sending underage children to work in KTV parlours. Cases of entire families taking their own lives also became more frequent in 2025. ISP-Myanmar's socioeconomic survey reported that seven percent of respondents (74 individuals) reported an increase in suicides within their communities. This aligns with data from *Democratic Voice of Burma* (DVB), which recorded 86 suicides in 2025 alone. The majority of these cases involved young people aged 19 to 25.

The realities outlined above make for a near rupture of a society, in which the public is bearing the sharp edge of war, earthquake devastation, and socioeconomic collapse with virtually no safety net. The line between extreme socioeconomic challenges and outright humanitarian crises is increasingly blurred. These two domains can no longer be analysed in isolation: under pressures such as aggressive forced conscription or catastrophic shocks such as earthquakes, socioeconomic distress rapidly escalates into a full-blown humanitarian crisis. At the same time, the much-touted notion of Territorial Self-Governance (by resistance groups or local governance)—a prominent theme in 2024 and early 2025—is hard to crystallize into a functioning system of public services and judicial administration. Relentless airstrikes from the regime and the drying up of international assistance have pushed conditions back from governance support to a bare fight for humanitarian relief. The convergence of conflict, conflict economy, and socioeconomic and humanitarian crises thus underscores a steep deterioration in human security—and stands as a clear warning of the country's potential slide toward a "failed state."

Many Cut Back to Cope with the Socioeconomic Crisis

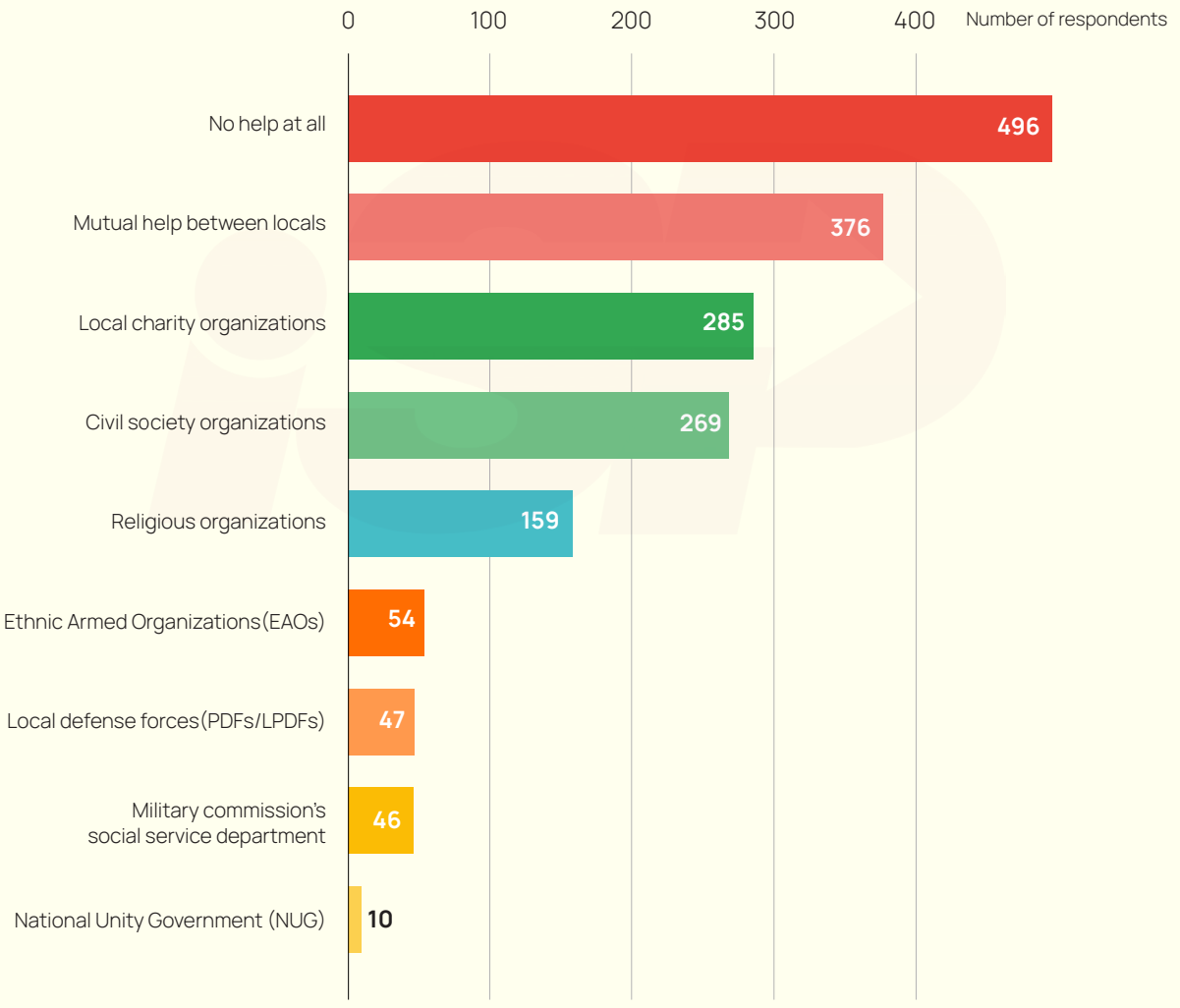
ISP-Myanmar's nationwide survey of over 1,000 respondents across 85 townships—ranging from blockade-affected border towns to major cities like Yangon and Mandalay—revealed widespread austerity. Results show that **76 percent** of respondents are coping by cutting expenses. To adapt, **75 percent** have turned to cheaper goods and food, while **52 percent** have reduced their consumption of meat and fish. Additionally, **47 percent** reported substituting imported goods with domestic products.



Data as of August 23 to 28, 2025, excerpted from the survey report titled "Raising the Lantern's Wick High: A Survey of Myanmar's Socioeconomic Crisis and Public Resilience," conducted by ISP-Myanmar's Socioeconomic Studies.

Many Weathering the Crisis Alone

In a survey of 1,000 respondents across 85 townships—ranging from blockade-affected border towns to major cities like Yangon and Mandalay—the majority of respondents reported receiving no help during the ongoing livelihood crisis and medical shortages. Where support did exist, it was primarily community-driven, with mutual help among locals ranking as the second most common coping mechanism. While local charity organizations and Civil Society Organizations (CSOs) provided some relief, institutional aid was scarce. Respondents described assistance from the State Security and Peace Commission (SSPC) as minimal, while support from resistance actors—including the National Unity Government (NUG), Ethnic Armed Organizations (EAOs), and Local People's Defense Forces (LDFs)—was similarly limited.



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2.4. Rival Power Centers and the Role of China

Another critical marker of potential state failure is the open emergence of competing centers of power. The clearest evidence lies in patterns of fragmentation of territorial control, if not yet to official disintegration. ISP-Myanmar's research estimates that EAOs and PDFs now hold 37.84 percent of the country's area [see *ISP Mapping* (ISP-M2026-003)]. As these areas are concentrated along the borderlands, they represent a substantial erosion of sovereignty and territorial integrity. If one also counts areas where the regime retains a military footprint but no meaningful administrative authority, close to half the country has slid into a form of warlordism—beyond effective central control. ISP-Myanmar has traced how the Northeast, Southeast, West, and parts of central Myanmar have turned into conflict corridors and de facto rival center powers in the trilogy research series of *O' Northern Road - Myanmar's Conflict Resolution that Needs Guardrails and the Future Prospects*.

The power asymmetry between China and Myanmar is so vast that Naypyitaw lacks the state capacity to hedge against Beijing with other major powers, let alone counterbalance its influence. That prospect has grown even more remote as the United States and Western countries have disengaged from Myanmar. The clearest illustration of China's coercive leverage was the call to return Lashio—headquarters of the regime's Northeastern Command, seized by the MNDAA in August 2024—to junta control on April 21–23, 2025, after Chinese mediation. Following the "Lashio model," Beijing's intervention also forced the TNLA to return Mogok and Mongmit Townships to the regime in the final week of November 2025.

"O' Northern Road..." Trilogy

ISP ON POINT NO.24

Subcontracting Sovereignty

ISP ON POINT NO.25

Threading the Needle: A Much-Needed Thai Model for Myanmar's Political Puzzle

ISP ON POINT NO.26

Rakhine: A De Facto Rival Power Center

It can be assessed that China is pursuing a three-pronged strategic approach for Myanmar: (1) conflict de-escalation; (2) ending direct military rule through the elections; and (3) the facilitation of a Beijing-led mediation process in the post-election period. As previously analyzed by ISP-Myanmar, this three-pronged agenda was likely set in motion following Chinese Foreign Minister Wang Yi's visit to Naypyitaw in August 2024. This visit effectively ended the regime's "10-month shock," providing it with critical political and diplomatic breathing space. China appears to have eased pressure on the Myanmar regime to adopt credible measures that show relaxation of the tight power grip in the pre-election era, instead shifting its focus toward securing post-election conciliatory signals once a new government is in place. This approach allows Beijing to position itself as a plausible mediator while preserving its diplomatic standing. Likely post-election confidence-building measures may include mass political prisoner releases, transferring Aung San Suu Kyi to house arrest with family access, declaring a unilateral ceasefire, and easing economic restrictions on trade and banking.

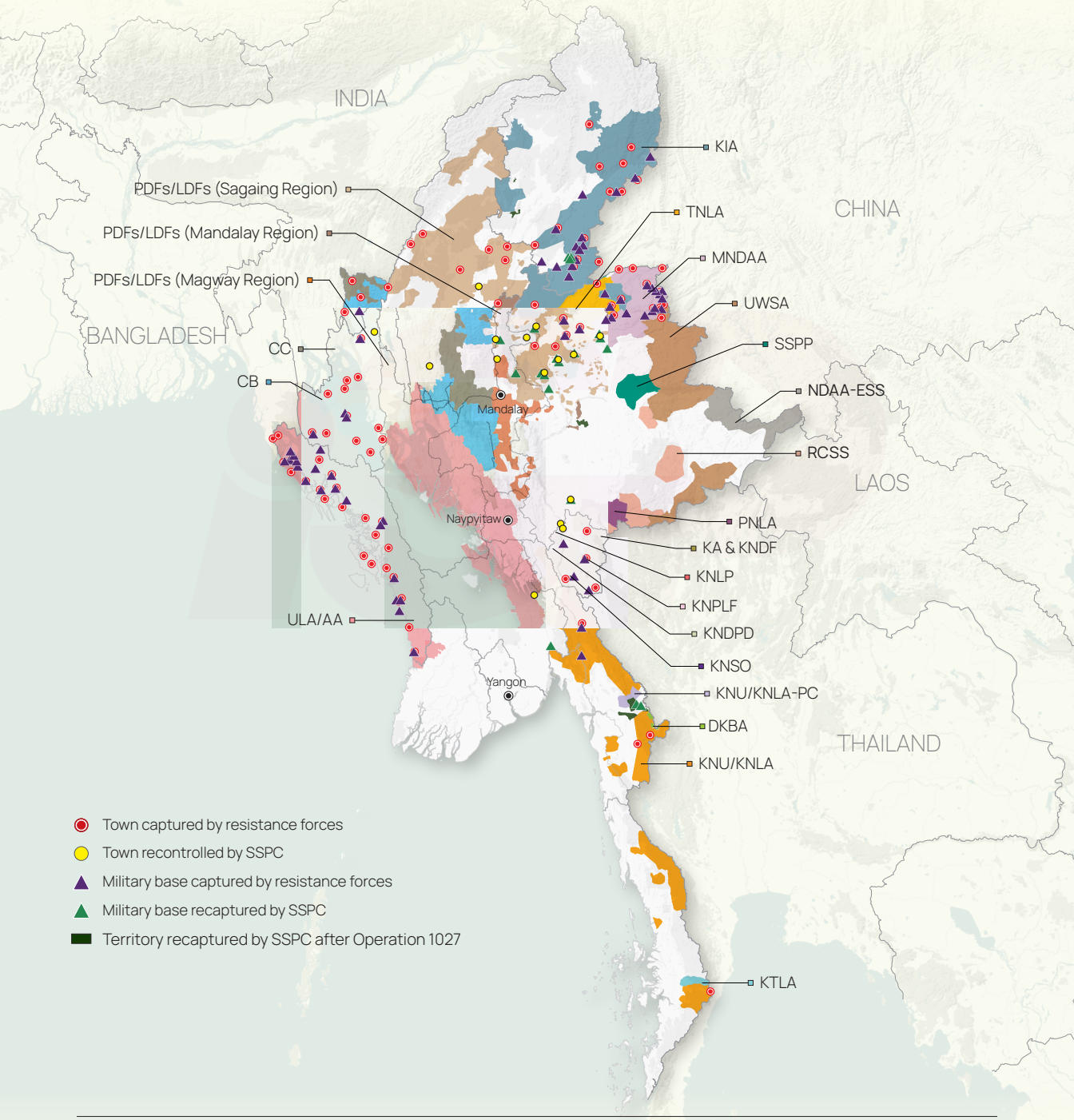
However, negative perceptions of China have significantly increased among Myanmar's political, military, economic, and social key stakeholders. The 2024 findings of ISP-Myanmar's annual survey, *Myanmar's Key Stakeholders and their Perceptions of Sino-Myanmar Relations*, reveal a marked rise in respondents who view China as "not a good neighbor." Notably, the majority of respondents identified China's interference in Myanmar's internal armed conflicts and security sector as the greatest challenge in bilateral relations—a shift from previous years, where economic dominance was cited as the primary concern.

Just as more people see China as intervening in Myanmar's internal affairs, there is a growing belief that Beijing prefers an authoritarian system in the country. The survey also found that among EAOs, the prevailing view is that China aims to turn Myanmar into a client state. A majority of respondents regard China's approach to resolving the Myanmar crisis as unrealistic [see *ISP Data Matters* (ISP-DM2026-004 to 008)].
There is also substantial disagreement over the implementation of the China–Myanmar Economic Corridor (CMEC). To keep projects running and protect their assets, Chinese companies have increasingly been observed engaging directly with EAOs, PDFs, and Local Defense Forces (LDFs).

China's role in Myanmar has purposely weakened the multilateral framework of ASEAN's Five Points Consensus (5PC). Although Beijing has no apparent reason to reject the Consensus and has publicly endorsed it, it shows little appetite for genuine multilateralism in an Asian region it seeks to dominate, except when unavoidable. In practice, China prioritizes action through bilateral relations or "neighbourhood diplomacy" under its leadership, such as the Lancang–Mekong Cooperation (LMC) mechanism. This approach undercuts ASEAN centrality in regional geopolitics, and the Myanmar crisis has become the clearest test of how major powers truly regard that principle.

Regime Loses Control of an Estimated 38 Percent of Territory

In 2025, resistance forces controlled approximately **38 percent (at least 256,000 square kilometers)** of the country. While the armed forces of the State Security and Peace Commission (SSPC) recaptured **26** previously lost military bases, they still have not recovered the control of at least **150** others. Similarly, despite the regime retaking **15 towns**, resistance forces continue to hold **87**.

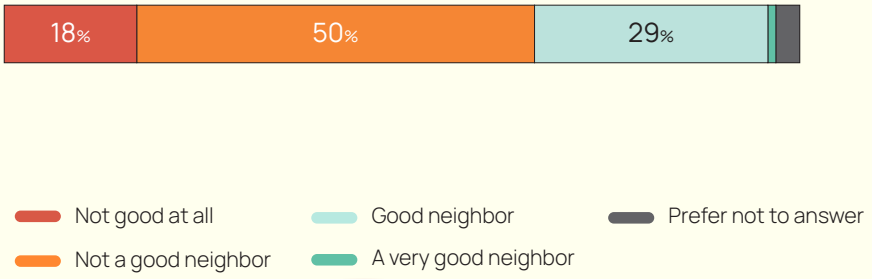


Data as of December 31, 2025, is part of research conducted by ISP-Myanmar's Conflict, Peace and Security Studies. It may vary from other sources due to differences in methodology and data availability.

ISP-MYANMAR • ISP-DM2026-004

Is China a good neighbor for Myanmar?

In ISP-Myanmar's survey of 260 Myanmar's key stakeholders, 68 percent considered that China is not a good neighbor, while 30 percent considered it a good neighbor. Negative sentiment has grown steadily, rising by 14 percentage points since the 2023 survey and 13 points since 2022.



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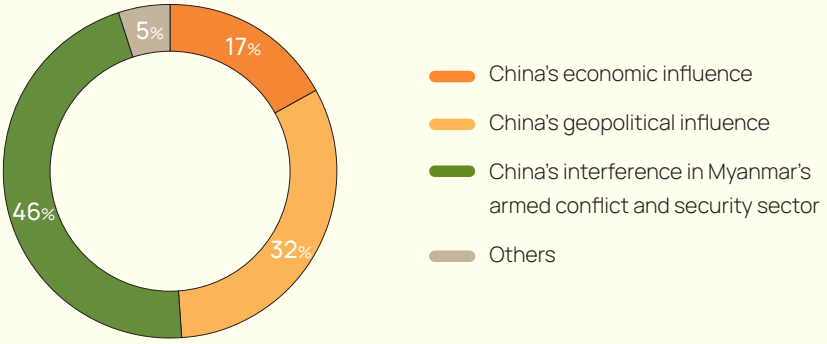
What is the main challenge Myanmar faces in its relations with China?

In ISP-Myanmar's survey of 260 Myanmar's key stakeholders, 46 percent identified "China's interference in Myanmar's armed conflict and security sector" as the most pressing challenge in bilateral relations.

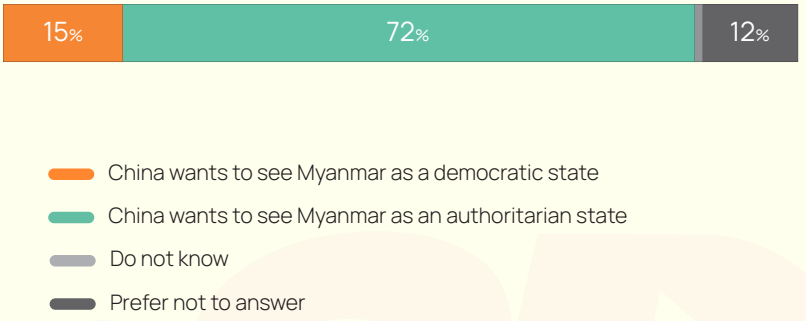


Data from ISP-Myanmar's survey report, *Myanmar's Key Stakeholders and their Perceptions of Sino-Myanmar Relations: A Survey (2024)*. The full survey is available on the ISP-Myanmar website.

ISP-MYANMAR • ISP-DM2026-006

What political system would China want to see in Myanmar?

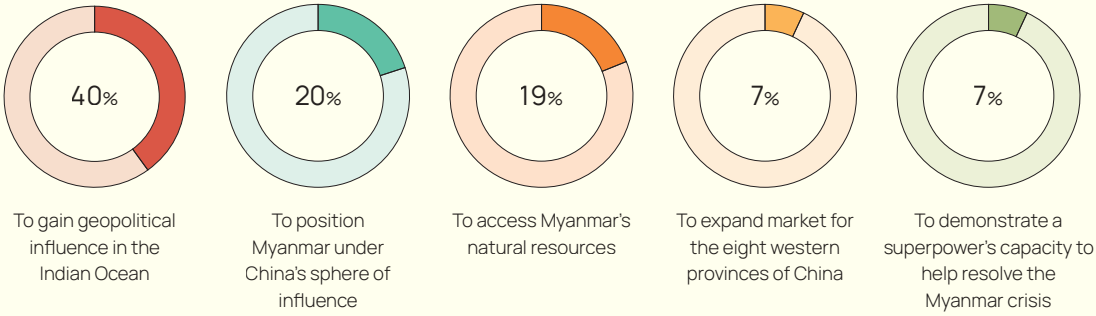
Among 260 surveyed key stakeholders in Myanmar, 72 percent of respondents believed that China considers an "authoritarian political system" suitable for Myanmar, while only 15 percent believed that China favours a democratic model for Myanmar.



ISP-MYANMAR • ISP-DM2026-007

China's major interest in its relations with Myanmar

In ISP-Myanmar's survey of Myanmar's key stakeholders, 40 percent viewed gaining geopolitical influence in the Indian Ocean as China's primary interest. This was followed by 20 percent who selected positioning Myanmar under China's sphere of influence, and 19 percent who believed the goal is to access natural resources.



Data from ISP-Myanmar's survey report, "Myanmar's Key Stakeholders and their Perceptions of Sino-Myanmar Relations: A Survey (2024)." The full survey is available on the ISP-Myanmar website.

How practical are China's three bottom lines for Myanmar?

Of the three "bottom lines" proposed by Chinese Foreign Minister Wang Yi during his visit to Myanmar, two—namely that Myanmar should not experience civil strife and should not be infiltrated by external forces—were widely regarded as unrealistic. Three-fourths of respondents viewed these two bottom lines as impractical. In contrast, 61 percent considered the third—Myanmar to remain within the ASEAN fold—as a practical goal.

■ How practical is the bottom line that Myanmar should not be subject to civil strife?

■ How practical is the bottom line that Myanmar should not be detached from the ASEAN family?

■ How practical is the bottom line that Myanmar should not be infiltrated by external forces?

Not practical Practical Do not know Prefer not to answer

Data from ISP-Myanmar's survey report, "Myanmar's Key Stakeholders and their Perceptions of Sino-Myanmar Relations: A Survey (2024)." The full survey is available on the ISP-Myanmar website.

3. 2026 Scenario Analysis

For 2026 and the following three years, the outlook can be framed in three broad scenarios: a Baseline Scenario, a set of Intervention Scenarios (course-correction paths), and Worst-Case Scenarios.

3.1. Baseline Scenario

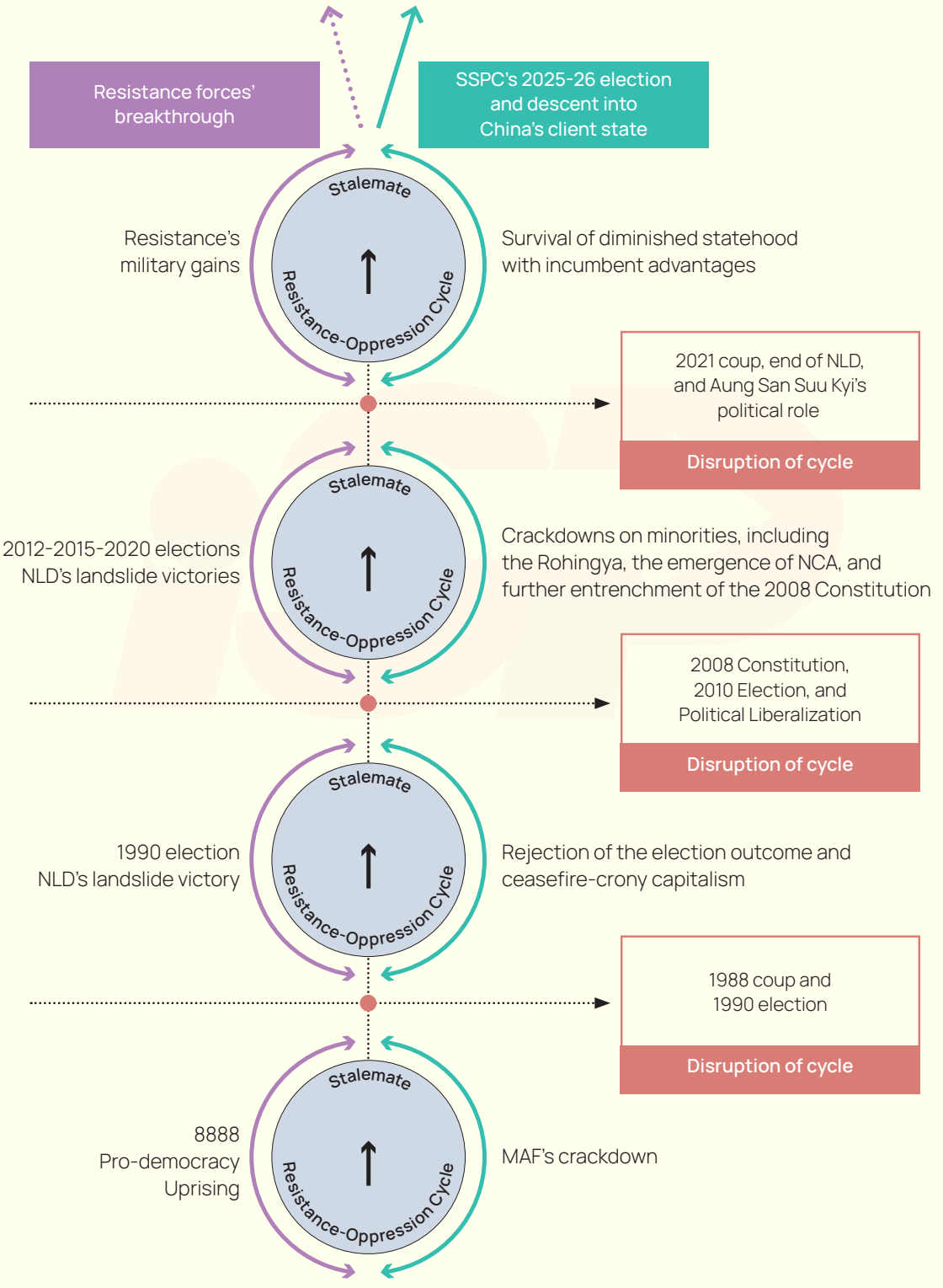
If resistance forces and the international community fail to alter the current trajectory, the baseline that could unfold is as follows.

(a) The regime will retain the upper hand in managing the conflict. Myanmar's resistance or conflict does not move in a linear manner; it unfolds in cycles shaped by generational change, shifting political landscapes, technological advances, and evolving geopolitics. Since 1988, whenever the struggle between resistance and repression has reached a stalemate, it has been the regime that has ultimately broken the deadlock and created an exit on its own terms. In the current post-2021 stalemate, the regime is again trying to rupture the cycle, this time by leveraging the 2025–26 elections and Beijing's support as its main exit strategy [see *ISP Data Matters* (ISP-DM2025-174)].

(b) Because the regime is waging an unpopular war with worn-out troops, it may reduce engaging in the wildfire level of armed clashes seen during Operation 1027, but it will struggle to extinguish the smouldering patches of conflict flaring up across the country. In other words, fully regaining lost territory in the short term is unlikely. The junta will continue to govern a diminished state—characterized by de facto rival power centres and eroded sovereignty—shuffling through a mix of coercion.

(c) Internal fractures within the ruling class are likely to deepen. Under the 2008 Constitution, former junta Snr. Gen. Than Shwe tried to build a hybrid arrangement—the "*Tatmadaw*–USDP joint reign." Snr. Gen. Min Aung Hlaing, by contrast, appears intent on dismantling that model in favour of a personalistic dictatorship. Reports indicate that 489 serving officers have been dispatched to run as USDP candidates, with Min Aung Hlaing personally shaping the post-election line-up—from parliamentary speakers and cabinet members to regional and state chief ministers. This has already generated friction over power-sharing between the armed forces and USDP leadership. If the armed forces cannot rule

Four Cycles of Resistance and Oppression—and Their Disruptions



directly but seek to preserve the appearance of a constitutional multiparty system, the military still requires a proxy party. For generals who distrust civilians, a party led by former officers (those who have left the uniform, such as the USDP members) remains essential. However, this creates a structural problem: many of these ex-generals party leaders will outrank the current *Tatmadaw* leadership by virtue of their Defence Services Academy intake and years of service.

If the regime maintained the "*Tatmadaw*–USDP joint reign" (and in the absence of a serious contender such as Aung San Suu Kyi and the NLD), it could, in theory, preserve the military veto for an extended period. Yet when the Commander-in-Chief harbours strong personal ambitions—as Min Aung Hlaing does—a clash between the old guards in mufti (retired seniors) and the new men in uniform becomes inevitable. To avoid being constrained by former senior generals, the "new men" are likely to bypass the hybrid model altogether and entrench a personalistic dictatorship. This is a built-in structural contradiction in coalition-building for regime longevity.
As the moment for any transfer or re-packaging of power approaches, tensions between the incumbent leader and the old guards will sharpen. Factions will coalesce around individual patrons, keeping patron-client relations, resembling feudal networks or modern gangs, and intra-elite struggles are likely to destabilize the system from within.

(d) The government that emerges from the election is unlikely to win broad domestic support, but it may become tolerable to the international community—especially regional neighbours. Countries such as Thailand, India, and Bangladesh, already grappling with the spillover effects of Myanmar's crisis, may choose to engage more deeply with a civilianised façade as a pragmatic necessity. Under the banners of cross-border crime control and regional cooperation, the new government could secure some diplomatic breathing space.
If it can demonstrate even minimal competence and pragmatism in security and socioeconomic management, the question of legitimacy is likely to shift from a full-blown crisis to a manageable, if persistent, challenge.

(e) The rupture of the 2021–25 conflict cycle implies the dismantling of Snr. Gen. Than Shwe's hybrid institutional design—the "*Tatmadaw*–USDP joint reign" under the 2008 Constitution. As noted earlier, this amounts to a rejection of ASEAN's multilateral 5PC, a pivot toward seeking a pragmatic exit through neighboring states (above all China), and a further weakening of ASEAN centrality in regional geopolitics. It also marks an attempt to end the political era of Aung San Suu Kyi and the NLD—actors who, in comparative terms, occupied the moderate actor rather than radical space in Myanmar politics. The moderation of Aung San Suu Kyi and the NLD lay in a strategy of national reconciliation, particularly with the

military's 2008 Constitution: accepting, at least temporarily, the armed forces' constitutionally entrenched prerogatives and attempting gradual change from within that framework. In doing so, Aung San Suu Kyi and the NLD moved away from liberal human-rights norms on issues such as transitional justice and the Rohingya crisis, and presided over serious breakdowns with their natural allies—ethnic political parties, EAOs, and civil society organizations (CSOs), including the media.

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The disappearance of this moderate force—which commanded the bulk of the Bamar electorate (around 68 percent of the population) and enjoyed roughly 80 percent nationwide political support—will have far-reaching consequences. Fragmentation among the Bamar majority is likely to deepen. Regionalism and factionalism will grow, and in the absence of a unifying leader, the Bamar political arena risks descending into disarray. Myanmar will lose a minimal but crucial opportunity for state-building: forging cross-cutting coalitions across race, religion, region, and generation, even if disputes about the quality of democracy and nation-building remain unresolved. With the removal of the only civilian political party with a public mandate to manage a flawed but incremental political transition, hopes for a peaceful democratizsation track will effectively evaporate. Neighboring countries will be pressured to treat the *Tatmadaw* and its proxy parties as the only viable "winning horse."

With no strong Bamar civilian rival, the Bamar-led regime will no longer regard other Bamar actors as meaningful dialogue partners. In the absence of checks and balances, CSOs will face harsher repression, operate in exile, or be ineffective. As moderate voices are silenced, media and social media spaces will increasingly echo with maximalist calls for total annihilation rather than negotiated outcomes.

For ethnic nationalities, the regime will, in practice, become the sole major interlocutor once any moderate Bamar bridge is broken. Engagement with such a regime is likely to yield bilateral ceasefires, surface-level stability, and rent-sharing arrangements—and, at best, illiberal peacebuilding processes that consolidate the power of armed elites and reinforce central control, rather than advance democracy, human rights, or the rule of law. Federalism discussion, in turn, tends to devolve into a transactional federalism—haggling over control of trade routes, border taxation, and profit sharing from investment projects.

In a more adverse scenario, Myanmar could drift into a polycentric or pluralised praetorian equilibrium, with the regime serving merely as its core. Such a system would only offer minimal, functional stability while remaining far removed from meaningful political transformation. In the absence of a unifying figure or force akin to Aung San Suu Kyi and the NLD—capable of articulating a nationwide bargaining position—external actors, particularly neighboring states, are likely to step more visibly into the vacuum, shaping outcomes through their leverage over border-based EAOs. This trajectory coincides with the gradual emergence of a fourth-generation *Tatmadaw* leadership, within which attitudes are likely to harden: civilians are increasingly viewed as security threats and inherently untrustworthy, while EAOs are framed as fifth columns (or Trojan horses) of neighboring powers.

(f) The conflict economy will continue to flourish across both illicit and informal sectors. Any attempt to de-escalate the war that does not, in some way, account for the conflict economy is unlikely to succeed.

(g) The humanitarian crisis will remain acute—from the Rohingya refugee situation on the Myanmar–Bangladesh border, to ethnic refugees along other frontiers, to IDPs nationwide. At the same time, the country will stay highly exposed to emergencies driven by natural disasters and climate change.

3.2. Intervention Scenarios

Two types of intervention scenarios—aimed at course correction—can be envisaged. The first rests on hardline maxims: *"eradicate the fascist military," "We will get it all or nothing," "We will finish the war in this generation,"* and *"fight to the end."* This approach, widely embraced after 2021 as the only viable path, is now unlikely to crystallize into a broad mainstream current following

the rupture of the 2021–25 conflict cycle. Yet it would be mistaken to assume that, simply because total military victory is unattainable or no longer politically dominant, the will to fight has dissipated or that actors will automatically shift to dialogue. The proliferation of fragmented armed groups, the lack of a dominant power and the absence of a unified chain of command make it impossible to achieve the unified calculation required for a mutually hurting stalemate. A perception of the more armed actors there are, the harder it becomes to agree that *"since no one can win, we must negotiate."* In this context, more groups are likely to narrow their ambitions—from nationwide victory to consolidating local control and authority in specific territories (as ISP-Myanmar puts it, "All Roads Lead to Laukkai")—while others increasingly prioritise the conflict economy as an end in itself.

Even if stakeholders wish to pursue dialogue on nationwide or regional issues, the political risks are severe. The fear of being branded a traitor for negotiating with the enemy often outweighs the fear of battlefield defeat, or even concerns over civilian suffering and frontline casualties. This reflects the high "audience costs"—a concept in political science referring to the domestic penalty leaders face for unpopular decisions. Consequently, there is a reluctance to seek alternatives, revealing a poverty of new political imagination where the only acceptable excuse for dialogue is that it was "forced by China." Furthermore, the compulsion to continue fighting, even when decisive victory is impossible, serves as an opportunity to wave the flag of a "just war," securing narrative legitimacy that appeals to hardliners. This represents an attempt to sustain the battlefield logic and reinforce the political narrative that injustice will lose and righteousness must prevail. The simplistic notion that "territorial control equals victory" serves as a morale booster for those with limited analytical capacity or those not directly affected by the violence. It provides rhetorical ammunition for exiled elites and others who can lobby loudly from a position of safety. However, for true believers who view this not as a political struggle but as an existential "kill or be killed" moral conflict, this mindset acts as a cage. Unable to envision a political solution, they remain locked in a conflict trap with no end in sight.

Some point to the commitment problem—a profound belief that the military will not honor its promises—as a barrier to political solutions. This issue can be resolved through third-party guarantees from foreign governments or the international community. China's involvement with the MNDAA and TNLA serves as a practical example of such a guarantee. Even if stakeholders are reluctant to rely solely on Beijing, mechanisms for broader assistance from ASEAN or the UN exist. However, in the current radicalized climate where the goal is total annihilation, citing "distrust" often sounds less like a logical argument and more like a convenient excuse. A more plausible explanation than the commitment problem is the information problem: all parties tend to overestimate their own capabilities while underestimating the enemy.

Furthermore, the primary driver for continuing the war—even amidst strategic deadlock—is the availability of tactical

gains. Controlling or dominating territory secures access to the conflict economy, generating revenue through resource extraction, smuggling routes, taxes, and toll collections. Such control also sustains the diaspora's enthusiasm and financial support. On the ground, violence has become a tool of governance. The regime employs terror—particularly through airstrikes—to subjugate the population. Similarly, some resistance groups build authority by targeting alleged collaborators and non-CDM staff.
While neither side can achieve a decisive strategic victory, the tactical benefits of territorial control and economic exploitation remain high. In this context, civilian casualties are not collateral damage; civilians have become targets and economic assets—a "piggy bank" for sustaining the conflict.

A re-examination of recent events indicates that large-scale military offensives have not occurred since the second wave of Operation 1027. The primary constraint is a severe depletion of military resources, specifically weapons and ammunition. This scarcity is driven by dual pressures: restrictions imposed by China and skyrocketing black-market prices. Although most armed groups have accumulated substantial resources through the conflict economy, they face a shrinking supply market that forces fierce competition for material. At the same time, new coalitions and military alliances continue to form. The Spring Revolution Alliance (SRA), for instance, emerged with high expectations of achieving military victory. In practice, however, the primary constraints of such coalitions are more likely to be resource scarcity and increasingly disrupted

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logistical routes. Unless these logistical constraints are overcome, the armed revolution is unlikely to become the principal pathway to change through alliance-building alone. Nevertheless, these movements remain vital tributaries, with the potential to feed into—and reshape—the broader currents of political transition.

The second intervention scenario is conflict transformation, which aims to fundamentally alter the sources of violence. Adoption is currently difficult due to the recency effect—the raw pain of mutual cruelty and resentment is still fresh. Both sides are entrenched in a "never again" mentality: the regime is determined to prevent future uprisings like the Spring Revolution or Operation 1027, while resistance forces are equally determined to prevent the junta from seizing power at will. Furthermore, the conflict economy remains a potent financial incentive for sustaining the war. However, if ASEAN and neighboring countries pursue creative strategic approaches, and if key resistance forces adopt political dialogue without setting any pre-conditions as a strategy, this model holds strong potential to become the baseline scenario.

3.3. Worst-Case Scenarios

If the baseline scenario fails, and corrective interventions also prove ineffective, the worst-case scenarios must be considered. Two such scenarios stand out. The first is deepening fragmentation and rivalry among armed actors inside Myanmar, with major spillovers for neighboring states—border clashes, large refugee flows, and hard-to-contain problems such as scam centres (*Kyar Phyant*), narcotics, and infectious diseases. Under such pressure, neighbors may move—directly, via proxies, or under regional and international umbrellas—to enter and temporarily occupy stretches of Myanmar's borderlands in the name of restoring stability. In effect, this would amount to the securitization by neighbors and internationalization of Myanmar's borders.

The second scenario points to a new trajectory in Bamar nationalism. Modern Bamar nationalism, forged alongside the anti-colonial movements of the early 20th century, rested on a combination of race, language and religion, particularly the *Sasana* (Buddhism). In practice, it cast the majority Bamar as the "big brother" to Myanmar's minority ethnic groups—a paternalism that long outlived the colonial era. Though the Bamar are merely one community (albeit the largest) within the country's borders, many have tended to imagine the entire state as theirs by right, in the spirit of the *Dobama Asiayone's* (the Burmese name of We Burmans Association) slogan: "From Myitkyina (in the north) to Dawei (in the south), consider this entire Burma as our great home." Little wonder, then, that under successive military dictatorships, when ethnic leaders floated the idea of a distinct "Bamar State" in conversations with Bamar pro-democracy activists, the notion met a mental blind spot: the majority found it hard to picture itself as just another group, entitled to no more—and no less—than its share.

After Operation 1027, a sharper story has been taking hold within the regime. Many officers now argue that EAOs

- have cynically exploited the intra-Bamar struggle—between the NLD and the *Tatmadaw*—to advance their own aims. In this telling, EAOs have used Bamar People's Defence Forces and local defence forces (PDFs/LDFs) as auxiliaries to expand territory, skim profits from the conflict economy, and serve as a kind of fifth column for neighboring states. In ISP-Myanmar's *Naypyitawlogy* research series, one hears the corollary with growing frequency: if the regime can regain its momentum, it should exact revenge on those ethnic forces seen to have exploited Bamar disunity. That impulse is being stiffened by the emerging officers of the 4th generation of *Tatmadaw* and Russia-trained officers who appear, in some cases, to be importing Moscow's nationalist frame. The lesson they draw from Russia's post-Soviet story is about the dangers of perceived weakness: after the Soviet collapse, so the narrative goes, a diminished Russian majority was outmanoeuvred by minorities who seceded and smuggled in Western liberal ideas that corroded tradition. The prescribed remedy is familiar: punish those judged to have profited from the centre's frailty, reclaim what was lost, and reassert authority over restive peripheries, just as current President Putin's nationalist approach. Notably, this emerging nationalist path—marked by the view that *"the Bamar should stand for the Bamar heartland"* and by resentment at having been *"taken advantage of when the Bamar were down"*—is more secular and more openly vindictive than the traditional Bamar-Buddhist nationalist strain. If it gathers momentum, Myanmar could slide towards a worst-case outcome: a country sustained by Chinese material backing (the hardware), yet animated by Russian nationalist ideas (the software).

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4. Three Strategic Trends for 2026

Myanmar's future—whether it deteriorates further or edges towards a turning point—will hinge on whether policymakers focus on these three strategic trends in 2026, and on whether they act decisively in response. The first is the post-election landscape, in which the role of the *Tatmadaw's* "fourth generation" becomes more prominent. The second is the trajectory of conflict de-escalation. The third is how to navigate China's role in Myanmar politics.

In the post-election period, whether Snr. Gen. Min Aung Hlaing takes the presidency himself or governs through a puppet president, a return to anything like the 2010 Thein Sein interlude looks fanciful. A closer parallel may be the decade after independence (1948–58), remembered in the *Tatmadaw*'s own historiography as an era of "crushing internal insurgency". In that setting, the steady ascent of fourth-generation leaders within the *Tatmadaw* becomes a central variable—and one that deserves close attention [See *ISP Data Matters* (ISP-DM2026-009 to 013)]. When the first-generation rule passed from U Ne Win to the second-generation strongman, Snr. Gen. Than Shwe, Ne Win largely refrained from micromanaging the succession. He paid a price for that restraint, spending his final years under house arrest. A similar pattern followed when Than Shwe handed power to the third generation under Snr. Gen. Min Aung Hlaing: the old patron did not continue to pull strings. The outcome has been a sharp distancing. Min Aung Hlaing no longer pays court to the man who promoted him; Than Shwe's son-in-law has been jailed; and the former strongman and other retired figures have been kept in conditions resembling house arrest—through travel restrictions and periodic, sometimes blunt, reminders of who now holds the levers of coercion, including via instruments such as the "Military Secrets Preservation and Protection Law (2025)". Against that backdrop, Min Aung Hlaing's personnel reshuffles inside the *Tatmadaw* and his apparent effort to pack the USDP with loyalists—effectively hollowing out the party's autonomy—look less like routine management than pre-emptive insurance. The lesson he seems to have drawn from his predecessors is clear enough: a leader who relinquishes control risks becoming a hostage to his successor. By that logic, Min Aung Hlaing is likely to use every available lever to shape—and, as far as possible, dominate—the transition from the third to the fourth generation for as long as his power proves effective.

Whatever happens within the ruling class, post-election politics will still turn on a more basic task: rebuilding the "moderate" forces in domestic politics and civil society, which has become an empty space. On civilian protection, humanitarian relief, easing socio-economic pain, managing big investment projects that could change the fate of the country and with geopolitical consequences, and laying the groundwork for peace, it will not be enough merely to return to street protests. A broader agenda—paired with practical organizing—would help society recover its confidence and capacity.

The immediate strategic questions are hard, but unavoidable. Can the regime be prevented from using battlefield pressure, amplified by neighboring states, to shepherd EAOs into bilateral ceasefires one by one? Instead, how can armed groups bargain collectively rather than capitulate individually? And if ceasefires are coming, what kind? The aim should be a ceasefire tied to political dialogue (closer to the 2010s model) or even a better model rather than a deal without any political dialogue linked (as in the 1990s). That, in turn, demands preparation: for talks that can transform armed revolution into negotiable political outcomes, and for transitional arrangements. China's role is pivotal to any de-escalation and subsequent transition. Hence, how can China be engaged without needless hostility, while broader international support is marshalled to nudge it towards a more constructive posture? How can Myanmar's actors pursue a "give-and-take" political process with enough foresight to achieve a strategic realignment with China? Anyone who claims to offer national leadership will need to brainstorm the answers—before events force choices upon them. ISP-Myanmar intends to prioritize tracking these three trends and the forces shaping them in its research throughout 2026.

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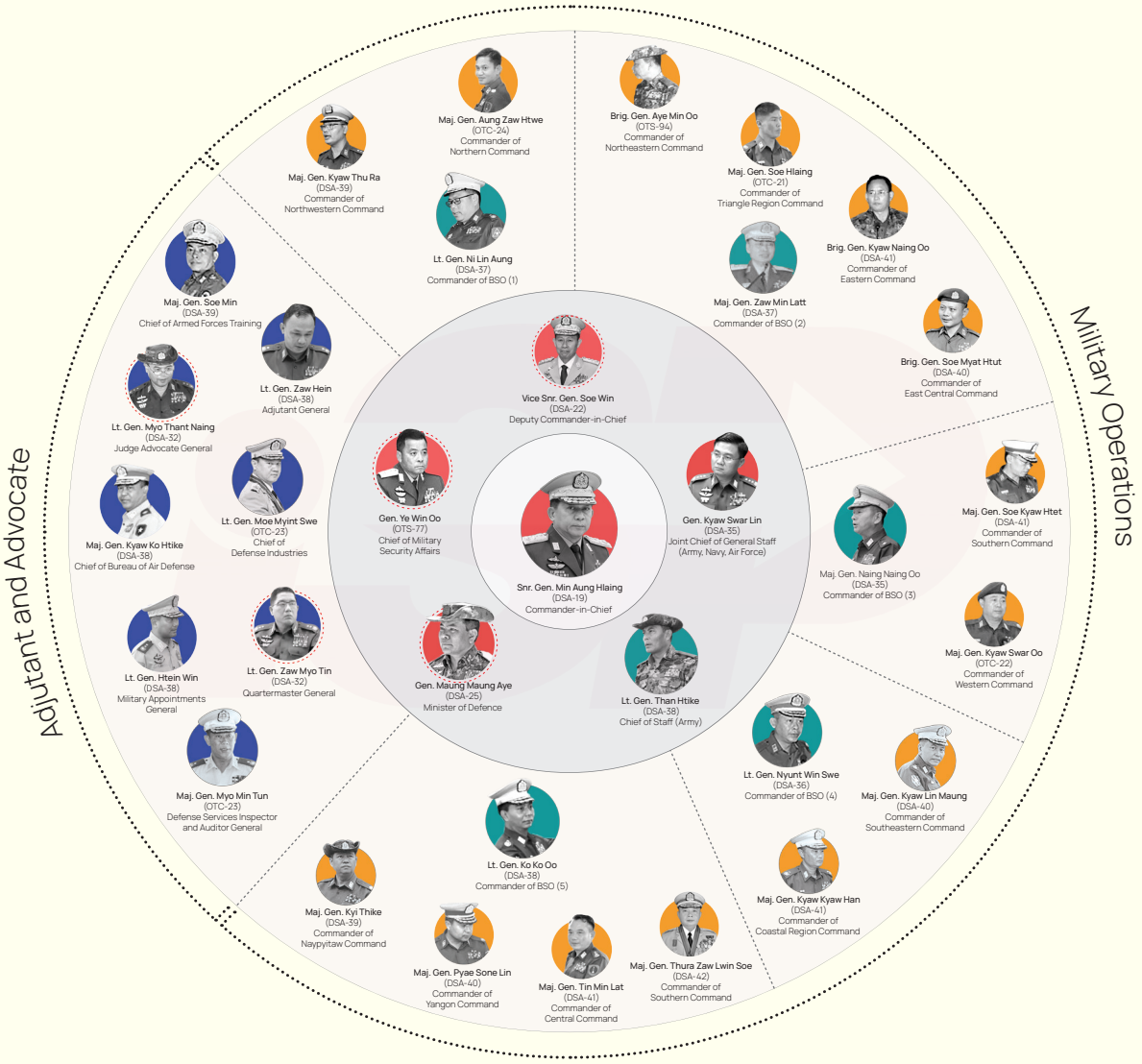
Only Five Third Generation Officers Remain in Top Leadership

Snr. Gen. Min Aung Hlaing has filled key military positions with fourth-generation generals and lieutenant generals. As a result, only five third-generation officers remain in his inner circle: one vice-senior general, two generals, and two lieutenant generals. Nationwide military operations are now overseen entirely by fourth-generation commanders.

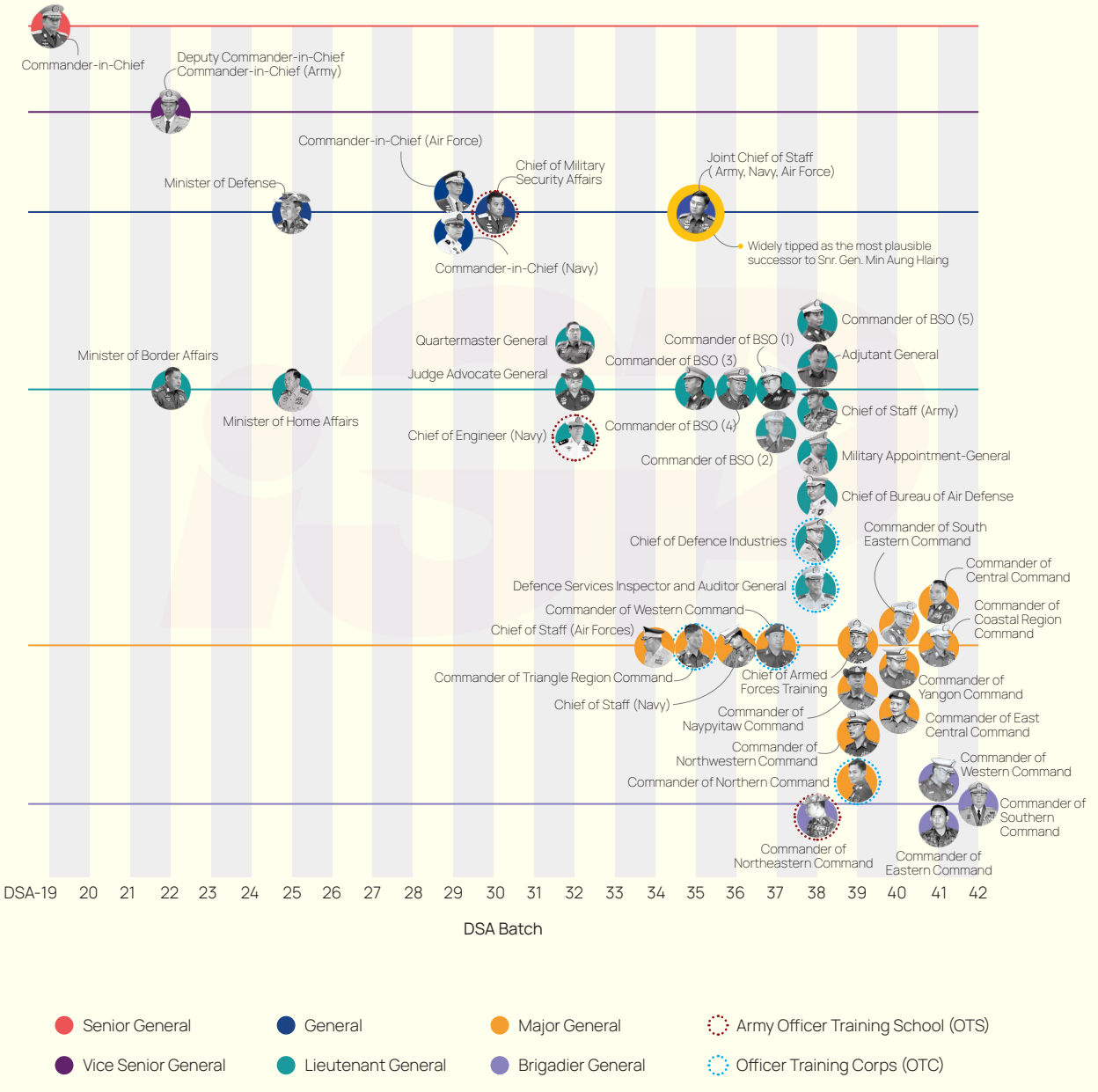


- Center of power
- Generals around the center of power
- SSPC members
- Military Operations Chiefs
- Commanders of Regional Command
- Adjutant and Advocate Generals
- Remaining third-generation leadership

Data as of January 14, 2026, is part of research conducted by ISP-Myanmar's Conflict, Peace and Security Studies. It may vary from other sources due to differences in methodology and data availability.

The Prominent Role of the Fourth Generation in the Post Election

The junta leader has recently been retiring the third generation senior officers of the *Tatmadaw* in quick succession. As a result, there is now a gap of roughly 16 cohorts between the new fourth-generation generals at the top of the command (the chiefs of staff, adjutant general, and quartermaster general) and the junta leader himself.



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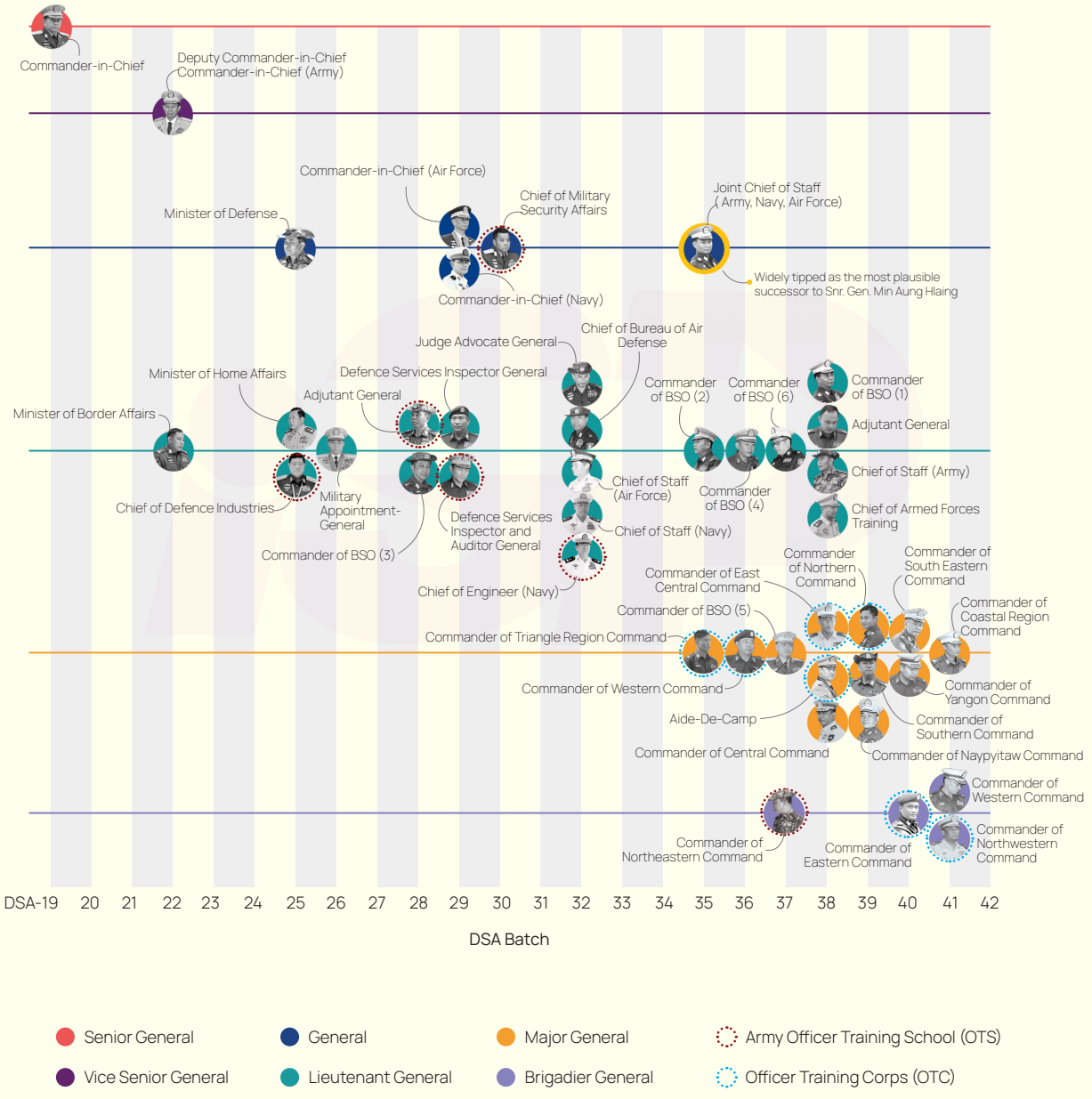
Seniority Gap in Top Military Leadership Before the Election

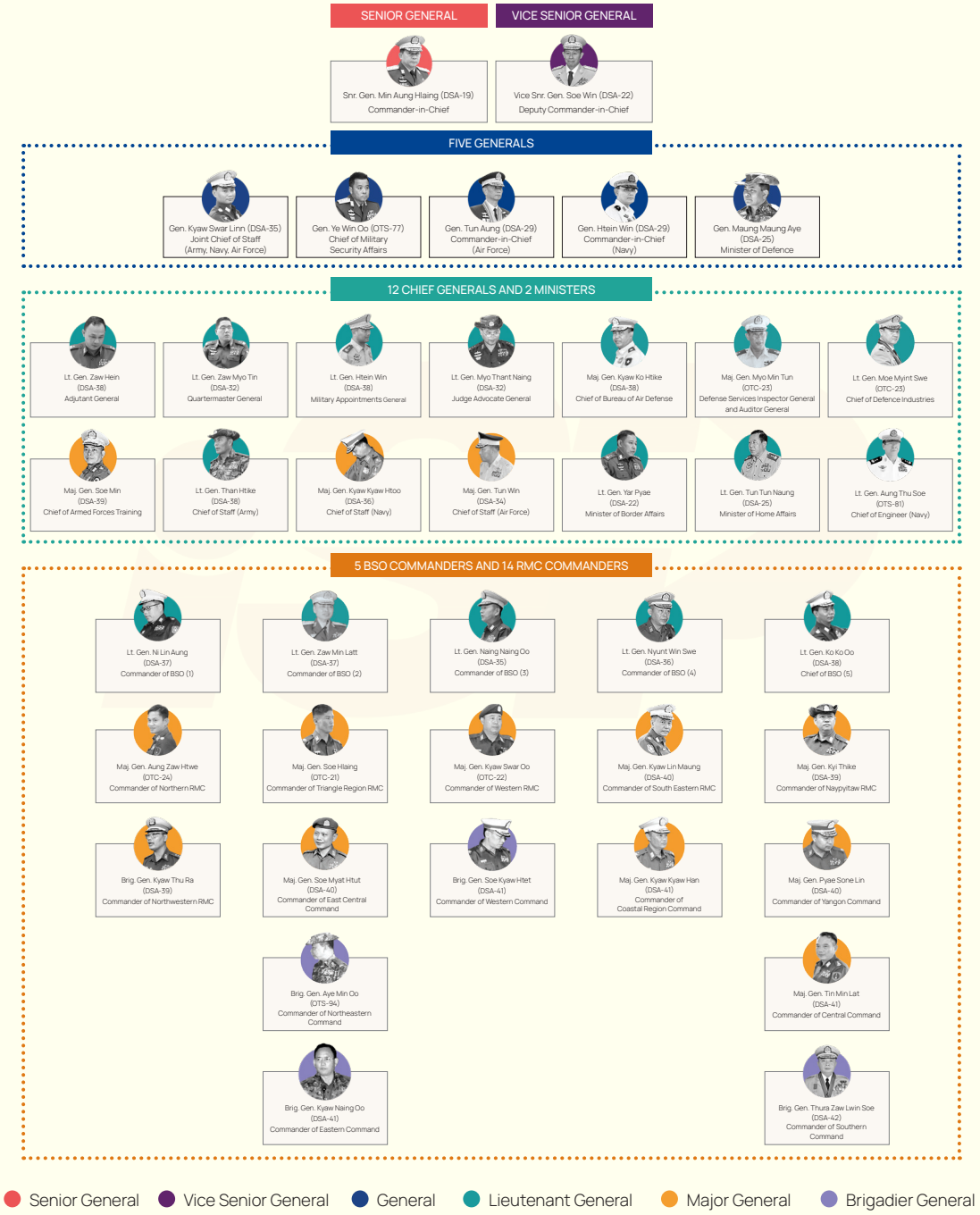
In the current hierarchy, five generals and approximately 20 lieutenant generals serve below Commander-in-Chief Senior General Min Aung Hlaing and Vice-Senior General Soe Win. Notably, four of these generals and at least 14 lieutenant generals have seniority gaps of at least a decade relative to the Commander-in-Chief.



Data as of August 24, 2025, is part of research conducted by ISP-Myanmar's Conflict, Peace and Security Studies. It may vary from other sources due to differences in methodology and data availability. Military personnel who are not DSA Graduates are assigned an equivalent DSA batch based on their commissioning year.

The Power Ladder of *Tatmadaw*

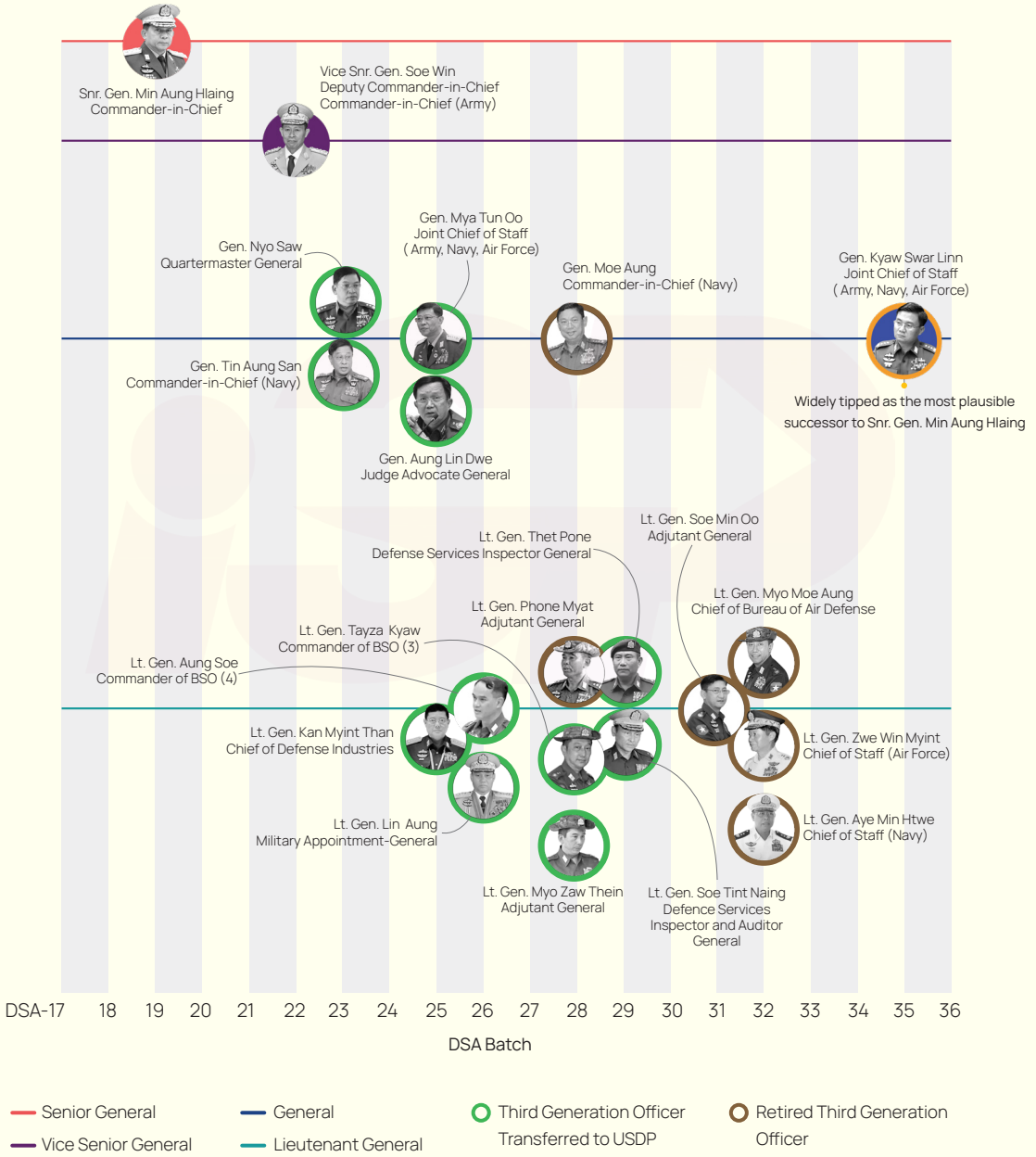
Under the command of Commander-in-Chief Senior General Min Aung Hlaing and Deputy Commander-in-Chief Vice Senior General Soe Win, the command structure comprises five generals, 16 lieutenant generals, 13 major generals, and four brigadier generals.



Data as of January 14, 2026, is part of research conducted by ISP-Myanmar's Conflict, Peace and Security Studies. It may vary from other sources due to differences in methodology and data availability.

11 Third Generation Officers Transferred to USDP

Before and during the election period, the junta leader retired at least 17 senior officers from the *Tatmadaw's* "Third Generation" from their military duties. Of this group, 11 were transferred to the Union Solidarity and Development Party (USDP) to contest the 2025 General Election.



Data as of January 14, 2026, is part of research conducted by ISP-Myanmar's Conflict, Peace and Security Studies. It may vary from other sources due to differences in methodology and data availability. Military personnel who are not DSA Graduates are assigned an equivalent DSA batch based on their commissioning year.

5. Conclusion

Looking back at 2025, Myanmar remains mired in an existential crisis—measured both in human security and in the state's shrinking sovereignty as rival centres of power harden on the ground. The regime, meanwhile, is trying to break the current stalemate by accelerating counter-offensives on three fronts: military, diplomatic, and political. Its aim is clear: to break the current cycle of conflict and impose a transition on its own terms. For domestic and international actors intent on steering the country towards federal democracy, this creates an urgent strategic planning problem. Three trends will shape 2026 and deserve hard-headed assessment in advance: post-election politics and the rise of a "fourth generation" within the *Tatmadaw*; the prospect of conflict de-escalation, including ceasefires; and Myanmar's evolving relationship with China. Handled badly, each of these trajectories could tighten the vise and produce outcomes even grimmer than today's. Handled well, they could—at least—open a narrower path towards easing people's suffering. The difference, as ISP-Myanmar has long argued, lies in cultivating a more expansive "new political imagination" while pairing it with something more prosaic: a pragmatic, strategic, step-by-step roadmap for action. There is still light at the end of the tunnel. But Myanmar today resembles a dark maze, full of false exits and sudden dead ends. Reaching that light will require both "night vision" and a map—and the willingness to do the hard walking. ■

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