

A New Escalation of Armed Conflict in Myanmar

Fighting has intensified greatly in Myanmar in recent weeks. Having started in northern Shan State, it is now spreading elsewhere. As Crisis Group expert Richard Horsey explains in this Q&A, the military is under significant pressure on the battlefield, with worrying humanitarian implications.



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What happened?

On 27 October, an alliance of ethnic armed groups launched a coordinated offensive against regime forces in the north of Myanmar's Shan State, seizing several towns, severing important overland trade routes to China and overrunning dozens of military outposts. Dubbed Operation 1027 after the date they began, these attacks involved several thousand experienced, well-armed fighters attacking multiple locations simultaneously. They represent the biggest battlefield challenge to the military since its February 2021 coup. Sensing that the regime may be at its weakest point yet, several other armed

groups have gone on the march in other parts of the country, threatening to overstretch the junta's military capacity.

Operation 1027 was spearheaded by the Three Brotherhood Alliance, which comprises three ethnic armed groups active in northern Shan State: the Myanmar National Democratic Alliance Army (or MNDAA, a predominantly Kokang group), the Ta'ang National Liberation Army (or TNLA, a mainly Ta'ang group) and the Arakan Army (or AA, a mostly Rakhine group). Several resistance forces that first emerged after the coup also participated in the attacks, bringing the fighting closer to the country's second largest city, Mandalay, and ambushing reinforcements the military is sending to Shan State. On 13 November, the AA then launched a fresh offensive in Rakhine State, in the west, breaking the informal ceasefire that has been in place for a year.

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The operation has proceeded rapidly, with outnumbered regime forces abandoning or surrendering scores of military outposts and bases. The junta has been slow to respond to the initial losses. While the military immediately launched airstrikes and long-range artillery barrages, these have so far not been effective in countering Operation 1027. They have, however, caused civilian casualties and the displacement of some 60,000 people in Shan and 200,000 nationwide, according to the UN, bringing the total number of civilians displaced since the coup to over two million.

At a cabinet meeting on 2 November, junta leader Min Aung Hlaing vowed to undertake a counter-attack. Six days later, almost two weeks after the initial assault, he convened the first unscheduled meeting of the National Defence and Security Council since the coup, at which the regime-installed president warned that the country could splinter and Min Aung Hlaing committed to "taking the required actions to counter acts of terror". The regime has since imposed martial law in eight affected townships of northern Shan State. But the military is having trouble deploying its mobile strike divisions because of the opposition's ambushes on the main roads and destruction of several key bridges. Nor can it rely heavily on air transport given its limited capacity in that regard.

What triggered this new fighting?

The escalation began in Shan State, on the border with China, which until October had been less affected by post-coup conflict than many other parts of the country.

The groups that make up the Three Brotherhood Alliance have all emerged as significant threats to the military in the last decade or so. Both the MNDAA and TNLA have long aimed to establish territorial control in different parts of the state's north. They took advantage of the military's preoccupation with battles elsewhere to launch the attacks.

The MNDAA is seeking to right what it sees as a historical wrong as well as to regain lucrative assets. The group is made up mostly of ethnic Kokang – a Han Chinese minority – which used to control a sizeable enclave on the Chinese border known as the Kokang Self-Administered Zone, and its capital Laukkaing, a hub for unregulated gambling and other illicit industries. In 2009, it defied an order by the military regime of the time stating that all armed groups that had agreed to ceasefires must convert into border guard force units under military command. The military decided to make an example of the MNDAA, expelling it from the Zone and installing border guards from a rival Kokang faction in its place. The operation was led on the ground by none other than Min Aung Hlaing, who later became the military's commander-in-chief before orchestrating the February 2021 coup and assuming his current role atop the junta. Since its 2009 expulsion, the MNDAA has operated as an insurgency from remote hills, with the objective of wresting back control of the Zone. It made a failed attempt in 2015, with clashes inflicting serious casualties on the military and sending more than 30,000 refugees fleeing into China.

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As for the TNLA, as a recent Crisis Group [report](#) documented in detail, the group is seeking to consolidate its control of an autonomous ethnic Ta'ang (Palaung) homeland. It also wants to connect this territory to the Chinese border, for both strategic and economic reasons. The area on which it is focused is adjacent to the Kokang district that the MNDAA wants to take back. The two groups thus have overlapping interests, giving them an incentive to launch a joint operation.

By contrast, the AA does not have territorial ambitions in Shan State, and has played more of a supporting role in the operation. Still, participation in the Three Brotherhood Alliance is important for the group. Its leadership operates from nearby rebel-held lands on the Chinese border; it also gets most of its weapons from the area and it has vital economic interests there.

In its initial communiqué on 27 October, the alliance stated that in addition to its strategic objectives in northern Shan, it was committed to “eradicating the oppressive military dictatorship, a shared aspiration of the entire Myanmar populace”. The articulation of this goal may be more for rhetorical than substantive effect, however, as the three ethnic armed groups involved have stayed mostly aloof from the country's post-coup convulsions, focusing on asserting their territorial aims. Still, the alliance's salvo at the junta has been consequential, attracting the participation of post-coup resistance forces in the operation and reigniting hope among the broader anti-regime movement that armed revolution might succeed in toppling the regime.

How serious is the challenge to the regime?

The situation for the regime has quickly turned from a concerning problem in one part of the country into a multi-front threat that constitutes the biggest battlefield challenge it has faced since the February 2021 coup. The Three Brotherhood Alliance attacks in northern Shan alone dealt a major

blow to the military. Some units have lost significant weaponry to their opponents, who have seized tanks, armoured personnel carriers, multiple-launch rocket systems, a howitzer, trucks and anti-aircraft heavy machine guns. The attackers also laid their hands on large quantities of light arms and ammunition. It is not clear whether the military can effectively respond to these challenges. Unless it can mount a counteroffensive, the regime may have to accept losing control of strategic border areas for the medium term. That outcome would not just be discomfiting for the junta; it would also alter the balance of power in the area.

The Three Brotherhood Alliance has also taken over sections of the two highways connecting Myanmar and China through northern Shan, leading to an interruption in cross-border trade. Long-term obstruction would be a serious setback for the regime, but it is not especially likely, as informal taxes on this commerce are also a key source of revenue for the TNLA. A short-term blockade is not a serious threat to regime finances or to Myanmar's overall economy.

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Taking a broader view, while the situation in northern Shan does not by itself represent an existential threat to the regime, it encompasses a series of failures and embarrassments of the sort that could prove perilous. The military's failures are on display for all to see, emboldening opposition groups outside the alliance to seize on this moment of weakness by launching their own attacks elsewhere in the country. Such attacks have already happened in several places.

First, in early November, a few days after Operation 1027 began, one of the country's largest ethnic armed groups, the Kachin Independence Organisation (KIO), led an assault on the north-western town of Kawlin in Sagaing Region. The town, an important administrative centre, fell after several days of fighting. As Kawlin lies in the lowlands, far from Kachin-populated areas in the mountains where the KIO normally operates, the attack was conducted under the banner of a local people's defence force allied with the opposition National Unity Government; the KIO has long provided equipment and military training to the force.

Secondly, on 7 November, resistance forces in Kayah State kicked off what they called Operation 1107, first attacking Myanmar military targets in the south of the state and then, on 11 November, the state capital Loikaw. They claim to have shot down an air force jet (the regime says mechanical failure **caused the crash**).

Thirdly, and even more significantly, the AA – an alliance member – has seized the moment to press its advantage. On 13 November, the AA, which over recent years has become one of the country's most powerful ethnic armed groups, launched a series of attacks in Rakhine State, ending the period of calm that followed its agreement to an informal ceasefire in November 2022. Tensions had resurfaced over

the last few months, and both sides knew that fighting could resume at any time. The regime kept sizeable forces deployed in the state for that eventuality. But with the conflict landscape evolving quickly elsewhere, and new hotspots to address, the regime can ill afford to get bogged down in fighting on another front. It also will not welcome the idea of renewed conflict with the AA, which it has **struggled to overcome** even when other parts of Myanmar were quiet, back in 2019-2020.

How has China reacted to the fighting on its border?

China has longstanding relations with the ethnic armed groups operating along its Shan State border, dating back to the Cultural Revolution period of the 1960s and 1970s, when most of them were part of a communist insurgency. Beijing has since maintained close ties to these groups, allowing them to integrate their enclaves into China's rapidly growing economy, and directly and indirectly arming them to deter the Myanmar military from attacking these areas. This is part of the "border management" approach that China has long adopted in its relations with Myanmar in order to maintain stability along its frontier. While it would not be averse to a durable peace, it has mostly assessed that that is unlikely, preferring to support the quasi-peaceful status quo, while recognising that it will find itself helping to manage periodic flare-ups when they occur.

That said, these flare-ups can cause outcomes that Beijing clearly wishes to avoid. For example, China has always been sensitive to the prospect of refugee flows or war spilling into its territory. It will want to avoid a repeat of what happened in 2015, when MNDAA attacks on the Kokang border guard force sent tens of thousands of refugees fleeing across its border.

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But while Beijing has called publicly for a halt to the fighting, its response has been limited, and for the most part it appears to be waiting to see how events play out. This approach stems partly from its hope that the alliance will help rein in online scam centres in the Kokang zone. Run by criminal outfits, these centres hire or entrap often vulnerable individuals, whose job is to perpetrate internet fraud and theft. Thousands of Chinese nationals are being held against their will in these centres and forced to carry out scams, many of them targeting Chinese nationals. With such **illicit operations** proliferating across South East Asia in recent years, curbing these activities has become an important priority for Beijing. It has been using its leverage over groups such as the United Wa State Army to close the scam operations in areas under their control. But its biggest problem has been in Kokang, which as noted is controlled by a border guard force allied with the Myanmar military. Laukkaing and other parts of the region have emerged as key scam centre locations.

The Three Brotherhood Alliance is well aware of Beijing's growing impatience with the scam industry and has used its own willingness to take on the scammers in order to manage the risk of Chinese backlash in response to its operations. To make clear its intentions, the alliance flagged to China at the

end of its initial statement on Operation 1027 that “our commitment extends to” cracking down on the online scam industry.

At least in the short term, a desire to make inroads against the scam centres seems to have trumped China’s traditional border security concerns. Given its frustration that the Myanmar regime and Kokang border guard force were doing little to rein in the scam centres, Beijing will have been pleased to see the border guard force under siege and scam bosses fleeing the area. Moreover, given its long-term relationship with the MNDAA, and significant influence it wields with the group, China may well see advantages in the group’s success.

That said, Beijing is not entirely in watching mode. As the situation in Laukkaing becomes chaotic – with most routes out of town blocked by fighting and food in short supply – there are reports that Chinese police and other forces have entered the city with regime permission. They are likely there to evacuate thousands of trapped Chinese citizens and possibly to detain members of Kokang crime syndicates who have been indicted in China in recent days on charges of running scam centres and murdering Chinese citizens. The alleged victims reportedly include a group held captive at a scam centre who were gunned down by security guards during an [escape attempt](#) on 20 October. In addition to the Chinese, hundreds of citizens of other countries are stuck in Laukkaing, including Thai and Vietnamese nationals.

What happens next?

The fast-moving situation, and the potential for fighting to erupt on other fronts, makes developments hard to predict. Much will depend on whether the military is able to regain the initiative in parts of the country or to deter its opponents with punishing air attacks. How the situation evolves with the AA in Rakhine State will be very important, as large-scale fighting there would mean the military would be stretched even more thinly elsewhere.

A likely scenario at this point is that, for the first time in decades, the Myanmar military will have to fight numerous, determined and well-armed opponents at the same time in multiple theatres. But while this challenge will be huge, the military can be expected to show some resiliency. It is a well-trained and well-equipped force, which has been continuously battling various insurgencies since World War II, sometimes against worse odds. Its staying power should not be underestimated. Nor should the regime’s resolve to fight on at all costs. While anti-junta forces are understandably enthusiastic following the dramatic early successes of Operation 1027, military collapse or regime capitulation seem far off. More likely is that the regime will double down on brutal efforts to gain the upper hand on the battlefield, including scorched-earth tactics and indiscriminate bombing and shelling. The result could be that the country settles into a new, even more violent equilibrium, with civilians inevitably paying a heavy price.

Another thing to watch will be China’s reaction as events in northern Shan State continue to unfold. While so far Beijing has largely allowed the fighting to take its course, that posture may not last. If the MNDAA succeeds in taking Laukkaing and routing the border guard force – or if it fails to do so and the

conflict drags on – China may then intervene with both the regime and the Three Brotherhood Alliance to end hostilities. More broadly, China will be uncomfortable if the post-coup resistance movement, which Beijing perceives as Western-leaning and unfriendly to its interests, seems to be gaining too much momentum. It may then move to bolster the regime.

Finally, Operation 1027 could increase inter-ethnic tensions and conflict. The shifting balance of power in northern Shan State is alarming Shan communities and armed groups, who see their ethnic rivals such as the Ta'ang and Kokang gaining strength and expanding their territory into ethnic Shan areas. Ta'ang and Shan fighters have already clashed in recent months, including in **deadly confrontations** on 7 November. The clashes could easily escalate into something more serious.

How should outside actors respond?

China has much more influence over events on its border with Myanmar than any other international actor. If it comes off the sidelines, it would likely have enough leverage to press both the Three Brotherhood Alliance and the military regime to end the fighting. As noted, it could well intercede in this manner should the MNDAA manage to secure control of Laukkaing and the rest of the Kokang zone, or if the conflict drags on and threatens an extended period of instability on its border. But back-room deals that freeze the conflict without addressing its underlying drivers are only going to paper over thwarted ethnic aspirations and set the stage for continued instability and new rounds of fighting in the future.

In fairness to Beijing, a grand solution that brings peace to the border region is hard to envisage. As noted above, one reason China has settled into a pattern of short-term fixes, is that the alternative to such crisis management – that is, a more holistic set of solutions to the post-coup situation – are beyond the ability of any external actor to impose. Essentially, the problem is one of an illegitimate regime and brutal military that have neither the imagination nor the will to craft a peaceful outcome for what is, at its root, a long-term failure of state building.

Nevertheless, Beijing can and should do more than twist arms to bring about a temporary calm. It should do more to transform the political economy of the area, by encouraging and supporting legitimate sources of income in armed group-controlled enclaves along its border, while at the same time pushing for an end to illicit activities across the board – rather than targeting only those criminal activities that are hurting China, as it is doing with scam centres.

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Beyond China, foreign actors have limited influence over the various groups involved in the fighting, but they can at least offer humanitarian support. They should work with both international and local

relief organisations as appropriate to ensure the quick distribution of humanitarian assistance to conflict-affected communities. In particular, funding is urgently needed for organisations providing support to tens of thousands of civilians displaced by the fighting in northern Shan and elsewhere. (Crisis Group has previously made [recommendations](#) about how to give more sustained support as post-coup conflicts drag on.) Moreover, as fighting spreads, the number of displaced people is likely to keep growing. If there is a sustained uptick in conflict in Myanmar, as now seems likely, neighbouring countries – particularly Thailand and India – should prepare for potential refugee flows, ensuring that people fleeing conflict and persecution are given safety and treated with dignity. Donors should provide timely support to these refugee populations and, as necessary, host communities.

Finally, given the scale of fighting, it is more important than ever to have accurate information about what is happening on the ground. The regime's targeting of journalists since the coup means that much of the information emerging from conflict zones comes directly from opposition armed groups themselves, raising obvious questions about its reliability. The work of independent journalists is all the more important because it helps inform a wide range of policy decisions confronting international actors – from where humanitarian aid is most needed to which regime cronies are appropriate targets for sanctions. It is therefore essential to give media outlets and organisations monitoring and analysing the fighting the resources they need to verify that information and provide balanced, independent assessments. Unfortunately, funding for independent Myanmar media, including ethnic media, has been steadily declining since the coup. This latest outbreak of fighting is a reminder of the pressing need for donors to increase their support.

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