Hierarchy as Legitimacy: The Holistic State and the Political Economy of Civil War in Myanmar

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Abstract

This article advances a general theory of legitimacy under authoritarian conflict with Myanmar as the case study. The holistic state is a political order in which hierarchy itself is the basis of legitimacy, sacralising an encompassing moral whole and subordinating individual rights to unity. Bridging Weber, Dumont, Schmitt, and Sen, I argue that the holistic state converts guardianship into civil conflict when the regime's moral authority is weak.

In Myanmar the military has fought a civil war for over 60 years. Military rule is backed up by Buddhist moral claims, clientelist risk insurance, and resource appropriation, but essentially by making civil minorities "the enemy". However, the military coup of 2021 may have finally put this system in question.

Comparing Myanmar to Thailand shows that while the moral authority of the holistic state has always been weak in Myanmar, the strength of the monarchy in Thailand has prevented the military abuses that one witnesses across the border.

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Lack of freedom, armed conflicts, and poverty go together. The number of armed conflicts in the world has nearly doubled from 31 in 2010 to 61 in 2024. Of the 61 state-based conflicts active in 2024, 4 were inter-state, 19 internationalized internal, and 38 purely internal conflicts (UCDP/PRIO 2025). Roughly 15 % of all countries (30 / 195) experienced at least one armed conflict in 2024, but some fought even more. In Myanmar four simultaneous conflicts prevailed. Of these global wars, about 60 % were in countries classified by Freedom House (2025) as "Not Free", 35 % Partly Free, and only 5 % Free. Nearly 80 % of all armed conflicts occur in Not Free countries (see Table 1). This means almost all current wars are fought in regimes with limited or no political freedom, confirming the well-known negative association between democratic freedom and internal conflict (Hegre and Sambanis 2006). The last column in Table 1 indicates that the approximate mean GNI per capital in the three groups[3] is on average higher in free than in unfree countries.

While conflicts have increased, global freedom has declined for nineteen consecutive years. As of 2024, a mere 20% of humanity inhabits countries classified as free, while 40% endure partial freedom and 40% possess none at all (Freedom House 2025). The V-Dem Institute (2025) confirms this democratic recession: only 28% of the world's population—2.3 billion people—lived under liberal or electoral democracy by end-2023.

The combination of lack of freedom with civil conflicts, violence and poverty has obvious international spillover effects, especially mass movements of refugees and economic emigrants into neighbouring countries.

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[3] The figures are only an approximate indication because for some countries the World Bank indicator series does not have data for 2023. They nevertheless give an indication of relative size.

Table 1.

Conflict and Freedom Status				
Freedom_Status	***Number_of_Countries***	***Countries_with_Conflict***	***Approx_No_of_Conflicts_Dyads***	**Approx. GNI pc**
Free	84	1	1	$26,238.82
Partly Free	59	11	12	$ 5,735.85
Not Free	52	18	48	$ 4,954.55
Total	195	30	61	
Freedom_Status	***Number_of_Countries***	***Countries_with_Conflict***	***Approx_No_of_Conflicts_Dyads***	
Free	43.1%	3.3%	1.6%	
Partly Free	30.3%	36.7%	19.7%	
Not Free	26.7%	60.0%	78.7%	
Total	100.0%	100.0%	100.0%	
Source: Freedom House 2025; UCDP/PRIO, 2024, World Bank NY.GNP.PCAP.KD				

These data constitute a fundamental puzzle for political theory: Why are billions deprived of what liberal thought enshrines as humanity's highest goods—democracy, freedom, human rights, prosperity, and peace itself? More provocatively: Why does liberty remain the exception rather than the rule?

The standard answer blames predatory elites and tyrannical rulers who defend privileges and resist income redistribution that would diminish their power (Acemoglu, D. and J. Robinson 2012, 84). This explanation certainly contains truth, but it demands deeper interrogation. How can the powerful exercise power? If military forces violently repress rebellion, someone must issue the order to shoot; someone must obey; someone must pull the trigger; and many must watch silently. Why do people conform and execute such orders from their commanders? The conventional explanation of such behaviour invokes fear of violence that deters rebellion. On this account, people lack freedom because they are oppressed by power, coercion, violence, and fear.

Yet extensive scholarship demonstrates that compliance with repressive practices depends not solely on material interests but also on ideational factors—norms, culture, ideas. Scholars generally define norms as standards of appropriate behaviours for actors with given identities.[4] This definition, however, begs two questions: what is "appropriate," and what constitutes a "given identity"? Gellately (2001) illustrated the stakes of these questions through an extreme case: the Nazi regime succeeded not merely through brutality and fear but by mobilizing existing ideals and phobias that German society already deemed "appropriate" within widespread antisemitic culture. I will argue in this paper that the role of normative systems in legitimising power was not specific to Germany. It is the foundation of many repressive regimes and of what I called holistic states.

[4] (Finnemore and Sikkink 1998, 891). This paper provides a most comprehensive analysis with vast bibliography on norm dynamics and political change.

Authoritarian regimes convert ideology into compliance through mutually reinforcing mechanisms. Nationalism, revolutionary promises, and religion supply sacred values that transform obedience into moral duty.[5] Regimes claim performance legitimacy, portraying economic growth and order as proof of righteous rule. [6] Legalist and "rule-of-law" rhetoric provides moral cover for repression, recasting coercion as justice.[7] Rituals and public displays manufacture visible consensus and emotional identification with authority. Career incentives within ideological hierarchies tie personal advancement to performed loyalty and doctrinal reproduction.[8]

All these mechanisms presuppose a community believing in the validity of the norms the regimes invoke. As Ruggie (1998) observed, "what makes the world hang together" is constructed through norms, aspirations, ideologies, and ideas about cause-effect relations. Yet these ideational factors are themselves shaped by political and social practices. Liberal-democratic theory posits that legitimate collective decisions arise when free and equal citizens engage in reasoned public deliberation oriented toward mutual understanding. This is the practise of communicative action (Habermas 1987). Shunning is an alternative social practise that creates rejection and conflict. This anti-democratic practice finds a stark expression in Carl Schmitt's (1996) *Concept of the Political*, which proposes that states exist as political entities only insofar as they identify and confront enemies.[9] It underlies ethnic conflicts all over the world. When the other is not recognised as equal who deserves living in liberty, what else is left but civil war?

Schmitt's concept mirrors what Derrida (1997) termed political "brotherhood"—communities that define themselves through the exclusion of the Other. In practice, brotherhood typically designates a dominant ethnic group, while the Other comprises minority populations. Derrida grounded freedom in ethical responsibility toward "the Other in his or her singularity" and the recognition that "every other is wholly other" (Derrida 1995, 60, 82). I call the recognition of the Other in her/his singularity individualism. Derrida urged democrats to resist exclusion and embrace difference, while repressive regimes reject individual singularity's inherent dignity, deliberately constructing state unity by excising certain groups from the body politic and declaring them existential enemies.[10] The enemy may be internal or external.[11] States that constitute

[5] (Mann 2005); (Anderson 1983)
[6] (Gilley, 2009); (Heberer & Schubert, 2009)
[7] (Cheesman 2015)
[8] (Fitzpatrick 1999)
[9] "The distinction of friend and enemy denotes the utmost degree of intensity of a union or separation, of an association or dissociation" (Schmitt 1996, 26).
[10] Carl Schmitt (Schmitt 1996, 26 and 45) articulated this starkly: "The specific political distinction to which political actions and motives can be reduced is that between friend and enemy... To the state as an essentially political entity belongs the *jus belli*, i.e., the real possibility of deciding in a concrete situation upon the enemy and the ability to fight him with the power emanating from the entity."
[11] (Bae 2025) analyses the effect of external and internal threats on military dictatorships.

themselves through this brotherhood-enemy opposition are repressive holistic states. Although many countries operate as holistic regimes, standard theories of democracy and human rights remain blind to the structural violence political holism perpetrates.

When states fabricate enemies to justify repressive power, civil war becomes both a logical consequence and a practical reality. Conventional conflict research models conflicts with two actors: a legitimate authority (state or government) challenged by rebels or terrorists. Carl Schmitt's framework inverts this standard theory. If a state creates enemies to affirm sovereignty, the state itself becomes the terrorist organization. Myanmar demonstrates this inversion with particular clarity: the country holds the dubious distinction of sustaining both the world's longest-running military dictatorship (Matelski 2024, 17) and a never-ending civil war.[12] For over sixty years, the military has ruled uninterruptedly by perpetually fighting ethnic armed organizations which it has simultaneously declared threats to national unity. No end is in sight because, as Mary Callahan (2003) put it, the Burmese military is “state building by making enemies”.

This paper explains holistic states' normative logic and identifies structural conditions enabling their transformation. By taking Myanmar's military dictatorship as the paradigmatic case, it demonstrates that repressive regimes sustain legitimacy through normative structures positioning them as guardians of state unity while constructing minorities as existential threats.

The reasons and dynamics of the conflict in Myanmar are little understood. In all dictatorships the degrees of repression and violence vary over time. Periods of harsh repression alternate with softer regimes. This has also been the case in Myanmar although the military has never let go of power, even if it associated civil governments to its rule between 2011 to 2021. This period was not a transition from ‘repressive pariah to potential democracy’ (Kurlantzick 2012)[13] because, as Lall (2016, 3) correctly pointed out, the reforms were never meant to create a Western-style liberal democracy, but rather to develop a ‘discipline-flourishing democracy’. The harsh repression after the 2021 military coup has turned the armed conflicts into full-blown civil war with a degree of violence never seen before.[14] These events need to be placed into the broader context of legitimacy and economic failure of development. I will first examine how the Burmese military

[12] I use the name Myanmar for the country today, and Burmese for the adjective. I use Burma for the historic entity. Bamar is the name for the ethnic majority. For an explanation of the different names and the meaning of name changing, see (Yawnghwe 1995).

[13] For example the World Bank wrote in 2014: ‘Myanmar is currently going through a triple transition: (1) from authoritarian military system to democratic governance; (2) from a centrally directed, closed economy to a market-oriented, open one; and (3) from 60 years of conflict to peace in the border areas’ Quoted by (Oo 2015, 100); access to the website has since been blocked. See also (Lall 2016); (Bünte 2021); (Matelski 2024); (Nakanishi 2012).

[14] Civil wars are defined as counting more than 1000 battle-related deaths in a single year, while civil conflicts count more than 25 battle deaths (Gleditsch, et al. 2002). With this definition Myanmar has never been free of civil conflicts and has experienced full blown civil war since the 2021 military coup.

maintains legitimacy despite or through ongoing civil conflict, then analyse economic failures, and conclude with explaining the persistence of military dictatorship.

The holistic state in Myanmar

The defining feature of military rule in Myanmar is the permanent civil war between the Tatmadaw (as the military is called) and ethnic minorities. Martin Smith (2016) has argued that maintaining the conflicts has allowed the military to 'divide and rule'. This is an age-old strategy to sustain power, but Myanmar is an exceptionally clear case of a state-generated civil war. It is precisely what Carl Schmitt's theory of "state building through fighting enemies" postulates.

Traditionally, the conflict literature emphasizes ideological, religious, and ethnic grievances as drivers of civil war. Economic approaches on material incentives and constraints (Collier and Hoeffler 2007). They assume that everyone wants to live in peace (maximise utility), and they examine the reasons why conflicting parties fail to commit to negotiated settlements: rational or irrational calculations of gain, asymmetric information, and commitment problems.[15] Blattman and Miguel (2010) argue that state capacities and institutions explain civil war more powerfully than rebel grievances alone. These models assume that rebels challenge established authorities presumed to be legitimate. But in Myanmar it is the opposite: the Tatmadaw is a terrorist organisation[16] and the opposition has legitimate claims. Myanmar's protracted conflict therefore invites reconsideration of these frameworks on at least four grounds.

First, Collier and Hoefflert (1998) questioned whether rebels will conduct a civil war if the perceived benefits outweigh the costs of rebellion. They found that for any potential rebellion there is a critical expected duration of warfare. But that does not fit well with perpetual civil war in Burma because the cost would exceed the benefits.

Second, if Smith is right and the Tatmadaw uses civil war to justify its rule, the benefit must accrue to the military, while the standard model assumes that the state or government is challenged by rebels who expect to gain from it. This logic is upside down in Myanmar.

Third, we must distinguish between the state, which is an enduring political institution with sovereignty over a territory and a claim to legitimate authority, and the government, which consists of temporary officeholders who exercise executive authority within the state's framework and through its machinery. The state is the broader concept, the government the narrower. Hence, the institution of the state is grounded in legitimacy from which the government derives its authority. The armed forces constitute the state's coercive arm, formally subordinate to governmental authority. Myanmar inverts this hierarchy: the Tatmadaw commands, the

[15] (Fearon 1995); (Collier and Hoeffler, On economic causes of civil war 1998); (Blattman and Miguel 2010); (Haavelmo 1954); (Skaperdas. 2008)

[16] Special Advisory Council on Myanmar (SAC-M) Briefing Paper: The Myanmar Military is a Terrorist Organisation Under Law 14 December 2021. https://specialadvisorycouncil.org/

government obeys. Taylor (1987, 3) argues that understanding the Burmese state requires "describing the characteristics of the state and analysing its relationships with other institutions in society." I concur that the relationships among the Tatmadaw, the government, and the ethnic armed groups define the nature of Myanmar's state. However, analysing these relationships demands a three-actor framework that departs from the standard two-actors conflict models.

Finally, Max Weber (1919) famously defined the state as "a human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory." But it is a gross exaggeration to say that the state controls the territory in Myanmar. Weber also wrote (1947, 156): "This system of order [i.e. the state] claims binding authority, not only over the members of the state, the citizens, most of whom have obtained membership by birth, but also to a very large extent, over all action taking place in the area of its jurisdiction. It is thus a compulsory association with the territorial basis". This definition recognises legitimacy and control of territory.

In Myanmar, neither the Tatmadaw nor the central government exert authority over the full geographic territory that neighbours recognise as Myanmar. For decades, large parts of the country have been under the control of the Ethnic Armed Organisations (EAOs). They have set up administrative organisations and are supported by a community consensus. But even if the military has ruled over its own territory for six decades, contestation has reached new levels since the 2021 Coup. A parallel, civilian-led government, the National Unity Government (NUG), was formed by elected lawmakers ousted by the coup.[17] They claim an interim federal-democratic mandate, run clandestine parallel ministries and local people's administrations in several areas; the NUG collects some taxes, has funded parts of health and education services, and coordinates hundreds of local People's Defence Forces (PDFs) with ethnic armed organizations (EAOs). Clearly, then, the military government does not control the territory. A November 2024 BBC World Service study found the junta in full control of only 21% of Myanmar, a patchwork of rebel groups holding 42% and both sides contesting the rest.[18] So, what kind of state is Myanmar when neither government nor the military can fully control the territory of the country?[19]

[17] The limited geographic control is evident from the regime's 2024 census when only 145 of 330 townships were fully counted; 58 saw no counting at all, proving the limited access and cooperation in much of the country. https://apnews.com/article/census-conflict-election-military-population-8c00211b6f5b07b945fb1b5f6285f54a

[18] https://www.voanews.com/a/myanmar-s-rebels-closing-in-around-junta-into-fifth-year-of-civil-war-/7958145.html?utm_source=chatgpt.com

[19] The European Parliament (and the French Senate) have passed resolutions recognizing/endorsing the NUG as Myanmar's legitimate representatives. European Parliament, "Myanmar, one year after the coup," Resolution of 10 March 2022, P9_TA(2022)0079. Sénat (France), Résolution portant sur la nécessité de reconnaître le Gouvernement d'unité nationale de Birmanie, Texte n° 2 (2021–2022), adopted 5 October 2021, § 1d.

Legitimacy

Even if Weber's definition of the state does not fully apply, it is undeniable that the Tatmadaw is an institution that exercises power violently and claims to be legitimate. This claim has probably never been less credible than since the 2021 coup, but it has enabled the military regime to divide and rule for 60 years. We therefore need to understand what makes power legitimate.

Again, Weber's concept of legitimacy is a good point of departure. He wrote (1947, 124-5): "Action, specially social action which involves social relationships, may be oriented by the actor to a *belief* (Vorstellung) in the existence of a 'legitimate order'. The probability that action will actually empirically be so oriented will be called the 'validity' of the order in question". He added: "An order which is adhered to from motives of pure expediency is generally much less stable than one upheld on a purely customary baisis through the fact that the corresponding behaviour has become habitual. (…). But even this type of order is in turn much less stable than an order which enjoys the prestige of being considered binding, or, as it may be expressed, of 'legitimacy'. The transition between orientation to an order from motives of tradition or of expediency on the one hand to the case where on the other a belief in its legitimacy is involved, are naturally empirically gradual."

Thus, legitimacy sustains obedience because citizens believe the ruler's authority to be rightful. Weber suggests that power is legitimate when those subject to it believe it to be so—legitimacy derives from belief in legitimacy. Yet this circularity is inadequate (Beetham 1991).

Legitimacy is not grounded in subjective opinion, nor in the ruler's prestige, nor in abstract values such as "law and order"[20] or procedural mechanisms like elections. While these factors matter, they rest upon a deeper foundation: society's "mutual knowledge".[21] I therefore define legitimacy as a claim for action justified by reference to shared normative frameworks embedded as common knowledge within a society. This definition proves analytically more productive than measuring approval ratings,[22] for it demands examining which norms legitimate state institutions and how these norms are generated and transformed.

In Myanmar, the ethnic minorities have rebelled, but why have not more people joined the resistance? If the Tatmadaw claims to preserve the nation' unity, and people seem to accept this, they must, at least implicitly, acquiescence to moral standards whereby the military is legitimised to do so. Mary Callahan (2003, 224) summarised the findings of her study of the military like this:

[20] This was the claim by which Robert Taylor (1987) justified the Ne Win regime.
[21] Searle (2010) has called this mutual knowledge "collective intentionality", Pinker (2025) "common knowledge".
[22] I am not denying that elections and opinion polls have *significance as an indicator* of legitimacy. The United States Institute of Peace reported in February 2024 an opinion survey whereby nearly 92% of respondents (including 93% of Bamars and 91% of ethnic minorities) felt "somewhat" or "very" favourable toward the Interim National Unity Government (NUG) which was formed by the elected representatives from the 2021 elections who were able to escape persecution. https://www.usip.org/publications/2024/02/myanmar-new-data-show-wide-support-unity-government

“In Burma, no one in the central regions ever questioned the morality or efficiency of the Tatmadaw’s counterinsurgency campaigns in the ethnic-minority regions. The idea that minority citizens were potential enemies became orthodoxy for ethnic-majority Burmans committed to holding the union together.”

This does not mean that everyone likes the military regime, but that most people go along with it. For instance, most Bamar would agree that ethnic minorities are not their equal and Myanmar should be purged of the Rohingya minority. Why would one rebel against generals who proclaim to do just that? People have reasons for putting up with dictators, and fear of punishment may be one of them. But in most societies individuals surrender to authorities because effective behaviour in society simply requires the coordination of actions to get on with their lives. But coordination is based on norms which structure expectations when they are considered legitimate.

When he took power in the 1962 coup, General Ne Win mobilized traditional Burmese Buddhist values to justify his dictatorship. The Tatmadaw was elevated to the highest-ranking institution that encompassed the government and even the insurgents. The government had a subordinated role, and the ethnic groups were at the lowest level of hierarchy. They were the enemy but as such still part of the whole. This is consistent with several internal documents defining the Tatmadaw’s mission as “Our Three National Causes — non-disintegration of the Union; non-disintegration of national solidarity; and perpetuation of national sovereignty” (Myoe 2009, 3). Non-disintegration of the Union embraces “insurgents” but assigns them a low status in the social hierarchy. Non-disintegration of national solidarity meant that everyone aligns behind the leadership of the Tatmadaw which, after several purges, was increasingly homogenised through ideological and political indoctrination (Myoe 2009, 59). National sovereignty meant that only the Tatmadaw ruled.

Military rule has been an economic disaster for Myanmar—a fact universally acknowledged. But this means that the utility-maximising and cost-benefit models of conflict explanation stand on weak foundations. The critical question remains: why has it endured? The long history of ethnic conflict (Smith 1999) cannot explain its transformation into *perpetual* civil war. Why have so many people acquiesced to a military dictatorship that impoverished them? Robert Taylor (1987, 285) suggests that British colonial rule "rationalized the state" and sought to legitimate it through Western concepts—justice, liberty, equality—that proved meaningless to most of the population. "Politicized ethnicity, religion or communism inspired more loyalty than did the state."

I argue differently. The problem lies in the normative acceptance of hierarchical order—a shared belief that the existing structure, dominated by the military, reflects natural and immutable social relations. For much of Myanmar's population, hierarchy constitutes the proper ordering of society.

Hierarchy

Louis Dumont's (1980) developed a concept of hierarchy fundamentally distinct from mere social stratification or chains of command. In conventional understandings, hierarchical levels exist as independent elements—higher opposing lower in a simple vertical arrangement. Typically, that takes the form exogenous elements such as rich-poor, working-class-capitalists, majority-minority, etc. Instead, in a holistic hierarchy the elements are structured in a relation of mutual dependence. Dumont recognised (1980, 43) that genuine social hierarchy requires the higher to *encompass* the lower: two opposites necessarily coexist within a unified whole, or in what Mauss (1950) termed a "total social phenomenon." Each element possesses a distinct function, and the functional relationships constitute the hierarchical structure itself.

Dumont termed this logic *holistic*, defining it as a normative order requiring individual submission to the collective hierarchy. A higher-ranking institution must be more universal in scope, establishing the conditions under which lower-ranking elements serve the encompassing whole. The logic is not domination but complementary integration: hierarchy organizes society by defining how particular functions contribute to general purposes.

In holistic societies the highest-ranking groups bear responsibility for preserving the collective. In subsistence economies, this means the ruler is expected to ensure the community's survival. James Scott (1976) called this the "safety first" principle—the normative foundation of the ruler's legitimacy. Holism thus describes a normative framework that legitimates hierarchical authority: the ruler's power derives from the obligation to protect and sustain subordinate members of the social whole.

Dumont contrasted holism with *individualism*—the modern normative framework that defines individuals as free to choose the goals and directions of their lives. Isaiah Berlin described this as positive liberty, where an individual wishes to be his or her own master.[23] Amartya Sen (1999, 4) argues that free and sustainable agency emerges as a major engine of development: "What people can positively achieve is influenced by economic opportunities, political liberties, social powers, and the enabling conditions of good health, basic education, and the encouragement and cultivation of initiatives. The institutional arrangements for these opportunities are also influenced by the exercise of people's freedoms, through the liberty to participate in social choice and in the making of public decisions that impel the progress of these opportunities." This is development as freedom. The normative framework of individualism thus generates conditions for expanding human capabilities and fostering development. While holism legitimates hierarchical authority through the ruler's duty to ensure community survival, individualism

[23] "I wish my life and decisions to depend on myself, not on external forces of whatever kind. I wish to be the instrument of my own, not of other men's, acts of will. I wish to be a subject, not an object; to be moved by reasons, by conscious purposes, which are my own, not by causes which affect me, as it were, from outside" (Berlin 2002 [1957], 178). See also (Collignon 2018) for an in-depth discussion of individual liberty.

grounds legitimacy in protecting individual rights and expanding personal freedoms—creating institutional conditions for democracy and market-based economic growth.

This raises a further question: Why would anyone believe that citizens could support the military regime? The answer lies in risk aversion. Holistic states claim to preserve security. An enemy-ethnic minorities or a foreign state - is a threat to this. Wars create insecurity, but in poor economies, life is precarious. Without social security systems or affordable private insurance, people secure their welfare through hierarchical patronage networks connecting them to higher-ranking members of society.[24] Within these networks, patrons—often leading generals—provide assistance and privileges to their clients in exchange for loyalty and obedience (McCarthy 2020). The imperative to "gain support from the people" translates in practice to expanding clientelist networks. This system stands in direct opposition to one guaranteeing equal, legally enforceable rights for all individuals.

Maintaining patronage networks requires substantial material resources. Economically, civil wars represent struggles over resource distribution. Conflict scholars distinguish between two types of contests: those over productive activities (which generate wealth) and those over appropriative activities (which extract it through looting, bribery, and taxation) (Grossman and Kim 1995). In a zero-sum framework with limited resources, one party's gains necessarily come at another's expense. However, welfare economics identifies scenarios where at least one party can benefit without harming others. Economic growth exemplifies such Pareto improvements by expanding the total resource pool, thereby relaxing the constraint of scarcity. Crucially, while Pareto improvements ensure no one suffers losses, they remain silent on questions of fairness—addressing only efficiency in resource allocation, not equity in distribution.

Fairness is, of course, a highly controversial subject among philosophers. For our purposes here, I will refer to Amartya Sen's (1999) *Development as Freedom*. People's real freedoms are their capabilities to do or to be what they value. This is more than income. It includes freedom from fear, harassment, arrest, and deportation, the right to exercise religious believes and receive decent education. In a holistic society, the norms and rules of hierarchy limit the individual's capacities to be or do as they wish. Resources are allocated by command, and people have no choice over public goods.

Sen (1993) locates fairness in the domain of capabilities rather than resources. A just arrangement expands and equalizes people's fundamental capabilities, which forms the basis for political legitimacy. Income serves as a means, not an end in itself. While economic growth increases available means, it proves neither sufficient nor necessary for achieving many valuable functionings. Sen's conception of fairness asks instead whether individuals gain substantive freedom—the real capabilities they can actually exercise. Though this framework carries broad

[24] For a beautiful description how patronage works for ordinary people in Myanmar, see (de la Perrière 2014)

implications for development theory, I focus here on human rights violations and poverty as proxies for capability deprivation in Myanmar. Moreover, we must recognize that ethnic and racial discrimination can enhance capabilities for dominant groups precisely by restricting them for marginalized ones.

If we apply Sen's interpretation of freedom and fairness to the contest model (Konrad 2009), *productive* activities increase the menu of capabilities, while *appropriative* activities increase the space of capabilities for some groups to the disadvantage of some other group. Acemoglu and Robinson (2013) call this first group "extractive elites". In Myanmar, this is how the Tatmadaw functions. Through brute force, murder, illegal resource exploitation and forced labour, but also financial concentration, the military appropriates resources at the expense of ethnic minorities. It also uses the government to appropriate resources through taxes and regulations. However, these extractive policies reduce economic growth. They limit therefore the space in which fairness is possible. Economic stagnation intensifies the hard resource-constraint, and to sustain its capabilities the military then responded by extracting even more - at the expense of the population and the ethnic minorities. By contrast economic growth works in the opposite direction.

This framework illuminates the function of government. In well-functioning societies, governments facilitate wealth creation by expanding material capabilities and making transfers to ensure fairness and social cohesion. Democracies determine the scale of these transfers through collective deliberation and electoral processes. In autocracies, by contrast, controlling the state apparatus allows extractive elites to capture rents by diverting government resources. When such appropriation is perceived as unfair, rebels will attempt either to seize control of the state—even at the regional level—or to secede entirely (Collier and Hoeffler 1998, 564). The resulting conflict then provides justification for military forces to intervene under the pretext of preserving national unity. In Myanmar, many Bamar people feared that by joining or collaborating with the Ethnic Armed Organisations they would be worse off than they were under the status quo.

Buddhism and the legitimacy of hierarchy

The perpetuity of civil war in Myanmar indicates that the perception of unfair conditions is not universally shared among the people living there. This may have changed since the Coup in 2021, but for decades military rule was tolerated by the primarily Buddhist Bamar majority. This needs an explanation. How could military rule be legitimised for so long? To understand this, we need to look at the ideological role of Buddhism. My argument is not about the Buddha's teachings, nor a mystical indigenous culture but about how Buddhism as a religion has been used (some may say abused) to legitimate hierarchical power by absolute rulers.

When General Ne Win took power in 1962, he proclaimed the 'Burmese Way to Socialism', which he described as a 'scrambled egg of Buddhism and Marxism' (Eh Htoo and Waters 2024). This meant in practice, Buddhism legitimised hierarchy in society and Marxism opposed markets and individual initiative. The combination of these two thought systems ruined the economy and imprisoned the population.

Ne Win's scrambled egg sought to restore ancient traditions whereby the ruler was the guardian of right thinking (*dharma*), while the government was subordinated as the resource manager. This political system maintained a hierarchy of responsibilities between the supreme ruler and the Tatmadaw which enforced this rule and the government which oversaw daily affairs. The ethnic groups were "beyond the pale" – servants to the Bamar largely without rights. From a Western perspective, this institutional hierarchy is not well understood, although it is the key for explaining the longevity of military rule in Myanmar. How did it come about?

All traditional societies are dominated by hierarchy. In the archetypal Indian Vedic system (Dumont 1980), the Brahmins occupied the highest caste because they interpreted the voice of Gods (the universal whole) and defined the law. They had the 'mandate of the heaven', as the Chinese would call it, because God was the most universal whole of all. The Kshatriyas (kings, warriors, and soldiers) enforced the laws. Individuals were assigned status according to functional requirements and they had to live in accordance with the strict laws and norms of the community. Individual freedom did not exist, except for spiritual seekers (Sadhus, the Buddha) who left society in search of individual, inner liberation. When conflicts occurred, compromises were not negotiated but communities split. A dissenting party would set up a new village further down the river where they rebuilt a community with the same hierarchical structures (Leach 1977), (Dumont 1980).

Thus, the religious elites stood at the top of the hierarchy. But King Ashoka's reign in the 3rd-century BCE reframed the status of kingship and the *sangha's* place in the community. It became the classic turning point in Buddhist political ideology. After an extremely bloody war, Ashoka publicized *dharma*—ethical rule, tolerance, welfare—and cast the king as a moral exemplar. This template was later exported to Sri Lanka and mainland Southeast Asia, especially to Burma and Thailand.

The transition from the Vedic system to Buddhist hierarchy took three steps. In the Vedic system, the brahmans were the moral norm setters. Later, the Buddhist *sangha*, the community of monks, transmitted the Buddha's teaching. In both cases, the norm setters made universal claims about right and wrong, and the function of kings and rulers was to ensure the compliance with these norms.

Ashoka became the *rajadharma*, the 'great King', who upheld the moral and natural order of the world (*dharma*) and was sanctified by the Buddhist *sangha*. For Southeast Asian Theravada

Buddhism "the universal cosmic law (*dharma*) is the root and fountain head of kinship" (S. J. Tambiah 1976, 52) and the king as *rajadharma* incarnates this universal law. The *rajadharma* had the duty of protecting the members of the Buddhist *sangha* who were the seekers of universal truth. This is what lent him legitimacy. But to preserve the moral order, the ruler had to wield *danda*, the infliction of punishment and exercise of coercive force whenever and wherever violation of *dharma* occurs (S. J. Tambiah 1976, 23-24, 83).

Individuals followed the law because that was their *kharma* as members of the community. Thus, kharma was the expression of the legitimate rule by the good king. A bad king would generate bad *kharma*. This ideology is still influential in Myanmar today. In her book *Freedom from Fear* (1990) Aung San Suu Kyi lists the Ten Duties of Kings (liberality, morality, self-sacrifice, integrity, kindness, austerity, non-anger, non-violence, forbearance, non-opposition) and explicitly treats them as a yardstick for judging rulers and governments—i.e., what makes a "good" ruler versus a "bad" one in Burmese political thought.

After Ashoka the traditional order was modified. The *rajadharma* became *dharmaraja*.[25] The king was no longer the incarnation of the universal laws but the norm setter who interpreted the Buddha's teaching and acted as a patron to the sangha which propagated his ideas. Burmese kings followed the model of the Theravada *rajadharma.* Some were "good kings", like King Mindon (r. 1853–1878), known for generous patronage and scripture projects. Others were repressive. King Bodawpaya (r. 1782–1819 centralized control of the sangha with powers to examine and defrock monks; he also waged wars, notably the conquest of Arakan. King Hsinbyushin (r. 1763–1776) engaged in imperial warfare, sacking Ayutthaya in neighbouring Thailand in 1767.[26]

British colonial rule corroded the traditional Buddhist hierarchy. Supreme authority for rulemaking and law enforcement now resided with the British administration, which imported a fundamentally different set of individualist values. Britain established a system of abstract rights enforced by independent courts—a framework that clashed fundamentally with traditional patron-client relationships (Scott 1976). Yet unlike in India, Britain never fully committed its power. Upon Independence in 1948, Myanmar inherited unresolved constitutional conflicts regarding the role of 135 ethnic minorities. The Bamar, constituting over half the population, followed by the Shan, Karen, Kachin, Chin, Arakanese, and Rakhine. Many spoke different languages and practiced different religions (Smith 1999), which is why their "otherness" (Derrida 1997) could be used by the Tatmadaw to frame them as security-threatening enemies. Chinese communists and Indian immigrants were also branded as enemies. Today, ethnic groups have often diverging and occasionally united aspirations, but their resistance is motivated by widely felt injustices, human rights violations, and deep poverty. Yet, beyond the common label of Ethnic

[25] *Raja* means king.
[26] For an overview of Burmese early history see (Reid 2015), (Tarling 2008).

Armed Organisations, they have never been more than a loose alliance of heterogeneous actors, unified in their rejection of the Bamar-dominated state and a vague idea of a federalist constitution. Nevertheless, when the NLD government under Aung San Suu Kyi initiated the Peace Process in 2016, the EAOs demonstrated sufficient coordination to negotiate as a unified third party alongside the Tatmadaw.

The disrupted moral order after independence was the context for General Ne Win seizing power in the 1962 military coup. There is little doubt that Ne Win saw himself as a modern *dharmaraja*.[27] Under the system he set up, the Tatmadaw advanced to the highest level in the social hierarchy because it claimed to protect the integrity of the nation in the Buddhist tradition and to restore ancient (precolonial) laws. For many people in Burma, this made sense: in traditional hierarchy, the most universal whole—here the unity of the nation—held the highest rank. At first, the Tatmadaw usurped the functions of government but with the 1974 socialist constitution, the military and the government were formally distinct, although the Burma Socialist Program Party (BSPP) was the kit that kept them together. Ne Win as supreme commander controlled the Tatmadaw and the party, while the government was subordinated.[28] It administered *artha*, the material wealth and human resources necessary for daily life. There was no place for the invisible hand of the market. Economic development halted, and the transition "from status to contract", which would have accredited the understanding of human rights, did not take place.

Economic foundations of the civil war

The transition from traditional hierarchy and status to modern contracts, money, and democracy is complex which cannot be discussed here. It is, however, the *conditio sine qua non* for economic development and for the increasingly broader acceptance of human rights and democracy. Thailand's trajectory offers an instructive contrast: its transition to modernity proved more successful precisely because the monarchy maintained society's moral order (*dharma*) and a reasonable degree of fairness while simultaneously opening the country to foreign influences and nurturing a stable market economy.

Amartya Sen's concept of fairness operates along two dimensions. The first concerns whether individual capabilities expand across society as a whole; the second addresses whether certain groups capture disproportionate benefits from this expansion. Fairness thus encompasses both the absolute creation of capabilities and their relative distribution. Income serves as a means for developing individuals' capacities to pursue what they value. Economic growth therefore enlarges their freedom in two fundamental ways. First, higher incomes directly expand the options

[27] For a discussion of Ne Win's anticolonial xenophobia and the nostalgia of a society 'inherited from the powerful Bama kings of the central plains who dominated their neighbours and maintained a large Royal Army (the Tatmadaw)', see (Eh Htoo and Waters 2024, notably p. 27-29).

[28] (Myoe 2009) recounts that military leaders considered it a demotion if they were transferred from the military to ministerial functions in government.

available for material satisfaction. Second, in a market economy, growth fosters contractual relationships between individuals, undermining thereby hierarchical status and liberating individuals from submission to holistic norms. Yet economic stagnation has prevented Burmese society from transitioning from status-based relations to contract-based ones, and from dictatorship to freedom.

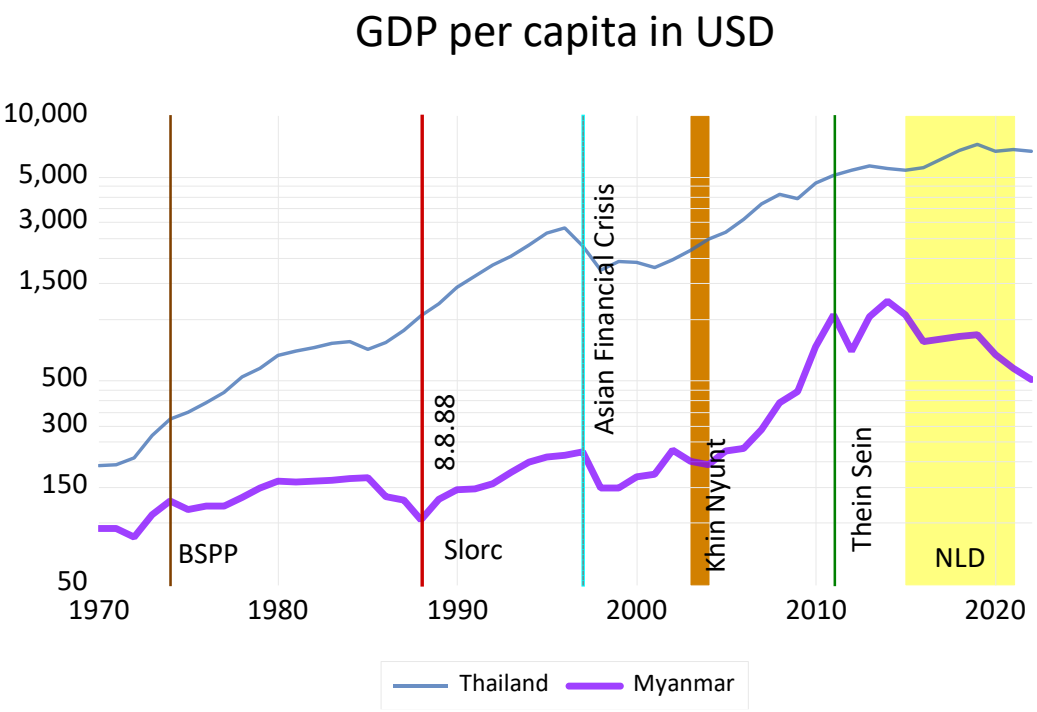
Understanding civil conflicts in Myanmar requires analysing three principal actors: the Tatmadaw, the civilian government, and the Ethnic Armed Organizations (EAOs). The government implements growth-oriented policies that expand aggregate capabilities. Yet sustaining armed conflict requires both the Tatmadaw and the EAOs to appropriate resources, thereby constraining the economy's capacity for growth. The Tatmadaw appropriates resources to preserve its hierarchical dominance in society; the EAOs resist this inequitable distribution by building their own military capabilities. The three stylized actors are not fully homogenous. Despite internal contradictions (Nakanishi 2012), the military has become increasingly unified and coherent over the years. The same cannot be said of the Ethnic Armed Organisations.

Economic capabilities

Figure 1 gives an overview of GDP per capita which confirms the economic stagnation for most of the last half century. The consequences of Ne Win's Burmese Way to Socialism had been disastrous. Before the 1962 coup, Myanmar was known as the 'rice bowl of Asia' (Oo 2015). When Ne Win closed the country to the world, industries and private companies were nationalised, and the free-market mechanism was replaced by government allocations. More than half a century of impoverishment and isolation followed. Burma became the poorest country in the world. GDP per capita (in 2015 constant USD) was $ 25.10 in 1960. Thirty years later, it had doubled to $ 52.75, but Myanmar remained the poorest country in the world until 1990.

People were aware of the growing prosperity in the world around them. In the 1950s, people would go shopping from Bangkok to Yangon; 50 years later income per capita was nearly 10 times higher in Thailand. Figure 1 reveals that Burmese GDP hardly grew until the mid-2000s, while it rose rapidly in neighbouring Thailand. It only started to improve when the military liberalised the economy in 2011. Yet, economic growth stopped again after the Tatmadaw committed the genocide of the Rohingya to which the world responded with sanctions and the withdrawal of FDI. Covid made things worse – not to mention the military Coup in 2021.

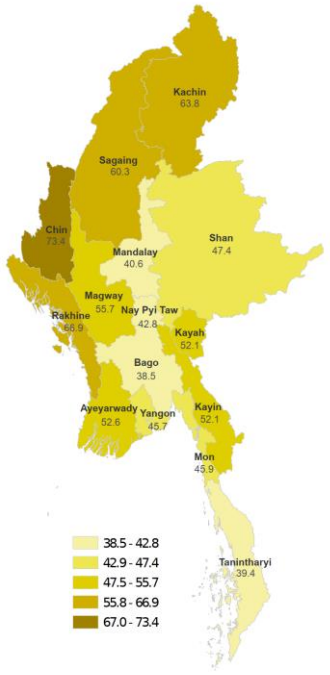
Figure 1.



Without economic growth, resource distribution becomes a zero-sum game: one party's gain is another's loss. Where is fairness? The Tatmadaw's hierarchical dominance necessarily entailed the marginalisation and impoverishment of ethnic minorities. For decades, the military has systematically extracted economic resources from minority-inhabited territories whilst suppressing their cultural and religious freedoms. Faced with this systemic exploitation, ethnic groups took up arms. This resistance has been substantially fuelled by the acute poverty endemic to their regions. The States and Regions most severely affected—Chin, Rakhine, Kachin, and Sagaing—have witnessed both the longest-running and most violent civil conflicts, particularly since the 2021 Coup (see Figure 2).

Figure 2. Myanmar Regions and States: Poverty and Civil War

Poverty headcount by state / region



Poverty by State and Region							
	Poverty Headcount (%)			Poverty depth (%)			
	PH 2017	PH 2022	PH 2023		PD 2017	PD 2022	PD 2023
National	24.8	46.3	49.7	National	5.2	18.5	24.4
Rural	30.2	49.9	52.9	Rural	64	18.3	23.1
Urban	11.3	37.2	41.8	Urban	2.3	19.2	27.9
Chin	58	71.5	73.4	Chin	18.7	28.4	33.1
Rakhine	41.6	63.6	66.9	Sagaing	6.4	22.2	30.3
Kachin	36.6	59.7	63.8	Kachin	10	24.4	29.5
Sagaing	30.7	57	60.3	Magway	7.6	22.6	28.9
Magway	35.6	53	55.7	Rakhine	7	22.5	28.5
Ayeyarwady	31.7	50.6	52.6	Tanintharyi	2.5	22.5	28.5
Kayah	32	49.6	52.1	Yangon	2.7	18.8	26.8
Kayin	24.2	48.8	52.1	Mon	4.2	16.1	24.4
Shan	28.6	43.6	47.4	Kayin	4.1	18	23.8
Mon	19.2	42.3	45.9	Ayeyarwad	6.3	18.8	22.8
Yangon	13.7	41.9	45.7	Mandalay	2.3	15.9	22.8
Nay Pyi Taw	22.1	39.8	42.8	Kayah	8.4	17.2	22.7
Mandalay	13.2	36.8	40.6	Shan	6.8	15.8	19.2
Tanintharyi	13.2	34.5	39.4	Nay Pyi Tav	4.1	14.7	19.1
Bago	17.4	34.1	38.5	Bago	3.8	12.7	16.9
Source: UNDP (2024)							
The national poverty line was 1590 Kyats a day (2023)							

Ethnic grievances have always amalgamated political, cultural, religious, and economic demands. At times, some ethnic groups demanded full independence, at others, they seemed content with a federal constitution. Federalism meant a decentralised democratic system in which ethnic populations could preserve their cultural diversity, attain greater control of natural resources, and foster economic development in the regions and states where they were in a majority.[29] Yet, while federalism was a professed principle among most ethnic leaders, its concrete structure was never clarified. For the Tatmadaw, federalism was unacceptable as decentralisation would have reduced the share of resources they could control and that would have undermined their claim to supreme sovereignty as the guarantor of the unity of the state.[30]

With the extreme poverty during Ne Win's socialism, the fiscal capacity of the government was close to zero. The Tatmadaw therefore depended on the exploitation of natural resources, of which Myanmar was rich (Oye and Lynn 2014). It reaped rents from forests, mining, oil and gas and narcotics. But the military was not alone in exploiting natural resources. For the EAOs, illegal logging, mining precious stones, and drugs were the primary source of income, but the Tatmadaw

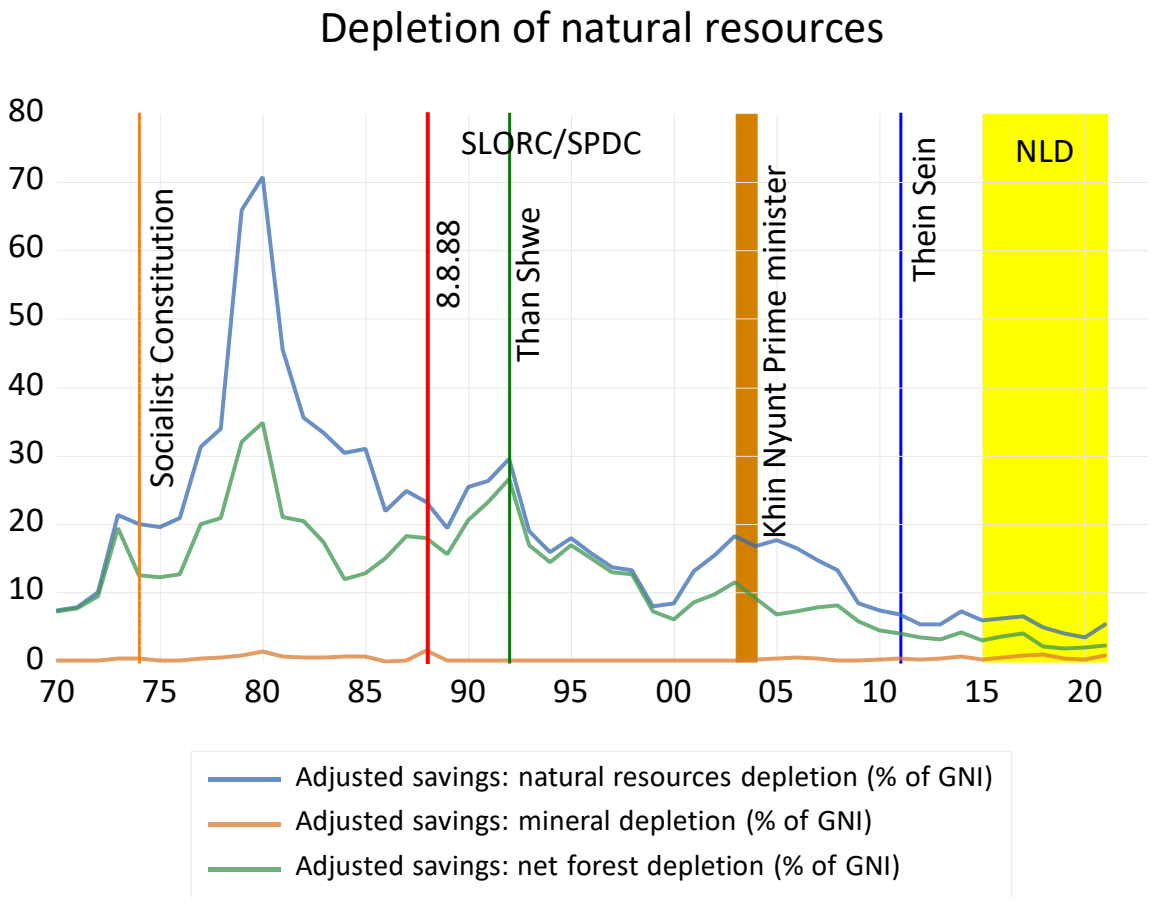
[29] These are the ideas professed by many ethnic minority leaders. For a comprehensive review of federalism in Myanmar, including top-down and bottom-up federalism, see (South 2022). For a discussion of the literature on decentralisation, poverty reduction, and economic development, see (Ahmad and Brosio 2006)

[30] During the Second Panglong peace process, initiated by Aung San Suu Kyi, the issue of how to integrate the ethnic armies into a unified army and police force was a fundamental sticking point (Brenner 2019).

engaged in illegal operations, too (Forest Trends Association 2021 January, 36). It is impossible to say how much the Tatmadaw profited from this trade, but it seems defendable that at least three quarters of the revenue from illegally logging the tropical forest went to the Tatmadaw, one quarter to the EAOs. The drug trade has also been central to the civil war in Myanmar. The country is the world's second-largest opium poppy grower (Meehan 2011). During the economic reform period, the drug trade receded, but since the 2021 military Coup it has surged again by 33% (U.N. Office on Drugs and Crime (UNODC) 2023 January).

We lack systematic measurement of the environmental, social, and infrastructure costs of resource extraction. Nevertheless, the World Bank provides data on resource depletion that illuminate broad patterns. Figure 3 demonstrates that Ne Win's regime crisis coincided precisely with accelerated natural resources depletion.

Figure 3.[31]



By the late 1980s, the Burmese Way to Socialism had reached a dead end. Natural resources were depleted, the drug trade faced mounting pressure from American and international anti-narcotics

[31] File: Burma WB GDP – g_naturesources

agencies, and macroeconomic instability had taken hold. After decades of economic stagnation, grinding poverty, and political repression, popular patience finally exhausted itself. The mass uprising of August 8, 1988 was brutally suppressed, yet it marked a critical inflection point. A military junta called first State Law and Order Restoration Council (SLORC), later State Peace and Development Council (SPDC) took total control of the government. The military leadership recognized that economic growth offered an alternative to direct resource extraction. This approach promised fresh tax revenues to finance the Tatmadaw's military modernization (Myoe 2009)—provided it maintained control over the government and national budgets. Equally important, growth would raise living standards for the broader population, including ethnic minorities, thereby potentially dampening grievances.

To enhance its capabilities, the military leadership pursued a dual strategy. First, to stimulate growth, it relaxed its stranglehold on the economy and permitted the government a more active role in policymaking. Second, so-called “privatisations” consolidated economic power for the military elite through two dominant organisations: the Myanmar Economic Corporation (MEC) and Myanmar Economic Holdings Limited (MEHL). These conglomerates control vast swathes of the economy—from banking and mining to tobacco and tourism—with profits flowing directly as dividends to senior military officers and their families.[32] These privatisations bore no resemblance to functioning market economies. Property rights were allocated hierarchically rather than through contractual mechanisms. This system exemplifies how formal economic liberalisation can mask the perpetuation of extractive, elite-dominated structures.

Instabilities

Macroeconomic instability was another obstacle for the transition to a market economy. Inflation was high and volatile. Under the SLORC/SPDC-regime it exceeded 20% on average. See Table 1. With the economic reforms after 2011, price stability came within reach, although inflation climbed again to 27% after the 2021 coup. This instability was caused by the sizeable government deficits that were nearly exclusively financed by money creation (Collignon 2018). The banking system collapsed in 2003 due to insufficient regulation, affecting growth negatively (Turnell 2003). A government bond market was only formally launched in 2015 under the NLD-led government.

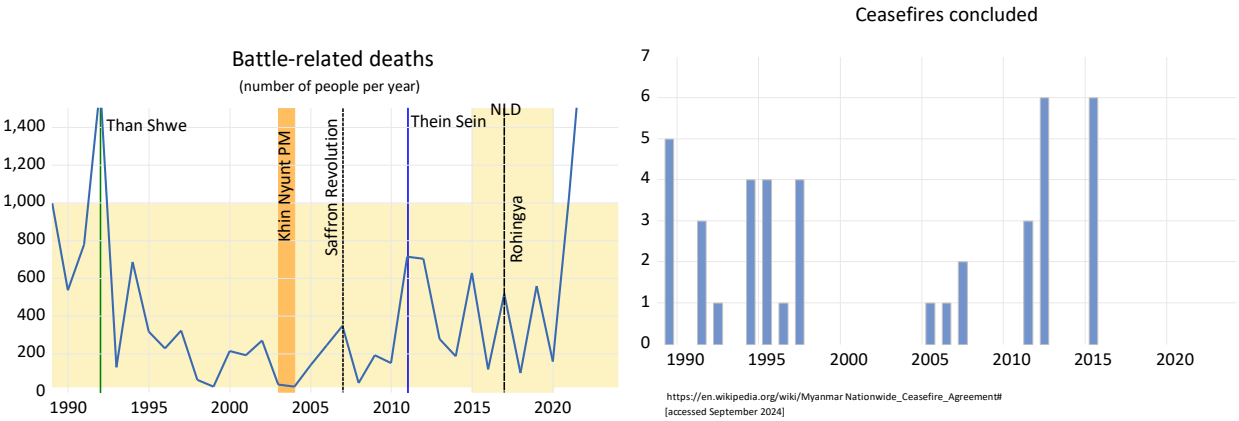
[32] UN Human Rights Council, Independent International Fact-Finding Mission on Myanmar (FFM). “The economic interests of the Myanmar military” (A/HRC/42/CRP.3), 5 Aug 2019. Amnesty International. “Military Ltd.: The company financing human rights abuses in Myanmar,” 10 Sep 2020. According to the Corruption Perception Index Myanmar ranked as 172 most corrupt country out of 180 countries in 2012. By 2019 it had improved to rank 130, but since the 2021 Coup the position has deteriorated again to 162. Myanmar coup: The shadowy business empire funding the Tatmadaw (bbc.com) https://www.bbc.com/news/world-asia-56133766 ;

Table 1.

Average annual consumer price inflation						
	Mean	*Median*	*Maximum*	*Minimum*	*Std. Dev.*	*Observations*
1960-2023	13.4	*8.4*	*57.1*	*-6.0*	*13.6*	*64*
Ne Win 1962-1988	8.1	*5.3*	*31.7*	*-6.0*	*11.1*	*27*
Saw Maung 1989-1992	24.8	*24.6*	*32.3*	*17.6*	*6.4*	*4*
Than Shwe 1992-2011	22.2	*21.5*	*57.1*	*-0.1*	*15.5*	*20*
Thein Sein 2011-2015	5.3	*5.0*	*9.5*	*1.5*	*2.8*	*5*
NLD 2015-2020	6.5	*6.9*	*9.5*	*2.3*	*2.7*	*6*
Min Aung Hlaing 2021-2023	19.0	*20.1*	*27.2*	*9.6*	*8.9*	*3*
Source: World Bank FP.CPI.TOTL.ZG)						

Most importantly, improving the conditions for economic growth required reducing the intensity of the civil war. Negotiating cease-fires dropped the number of battle-related deaths in the second half of the 1990s. But during the post-2011 period of liberalisation, fighting became highly volatile again. See Figure 4.

Figure 4.



The ceasefire agreements orchestrated by General Khin Nyunt, chief of military intelligence, diminished the imperative for resource appropriation by both the Tatmadaw and the EAOs. Military spending as a share of GDP declined following the ceasefires. Yet this fragile trust in equitable treatment proved short-lived. The Kachin ceasefire (1994-2011) illustrates this pattern: negotiated with the Kachin Baptist Church's mediation and predicated on promises of improved living conditions (Collignon 2017), the agreement unravelled when the military government established property rights governing access to jade mines in Kachin State. These rights were then sold to business cronies, fundamentally betraying the ceasefire's premise. In 2011, the KIO resumed fighting.

Reducing the intensity of civil was good for economic growth. Microenterprises in the informal sector proliferated. In 2011, Myanmar's formal sector comprised 126,958 enterprises, of which

merely 721 qualified as large firms. The informal sector, by contrast, encompassed approximately 620,000 enterprises—83 percent of the total economy. This expansion held the potential to cultivate a middle class comparable to those that had become the bedrock of democracy in neighbouring Thailand and Malaysia.[33] Yet such social transformation requires generations, not years, and the 2021 Coup abruptly terminated this nascent development.

In 2011, Tatmadaw and government were split again. General Min Aung Hlaing became supreme commander of the armed forces and General Thein Sein shed his military uniform to become civilian President. While the succession appeared consensual among senior generals, factional divisions between hardliners and reformers soon emerged (Lall 2016) (Win Min 2008). Min Aung Hlaing ensured hardline control of the Tatmadaw as the supreme institution. The reform-minded faction favoured greater autonomy for the government. Aung San Suu Kyi—leader of the National League for Democracy (NLD)—was released from prison, and President Obama visited the country, symbolising Myanmar's tentative re-engagement with the international community.

With the legitimacy conferred by semi-democratic institutions after 2011, international organizations and diaspora experts returned, making Myanmar attractive to foreign investors. Foreign direct investment (FDI) surged from 2.2 percent of GDP in 2012 to 7.2 percent in 2017. However, when sanctions were imposed following the Rohingya genocide in 2017 and the 2021 coup, these capital inflows evaporated—FDI plummeted back below 2 percent of GDP.

Overstretched autonomy: the NLD-government

The broader pattern of Myanmar's development now becomes clear. Ne Win sought to restore the ancient Dharmaraja system by positioning himself and the Tatmadaw at the apex of the social hierarchy. Simultaneously, the regime suppressed market development, thereby preventing the emergence of a framework within which individuals make contracts and claim enforceable rights. This economic failure precipitated the 1988 uprising. The Tatmadaw responded by liberalizing selective aspects of the economy, enabling small-scale businesses to flourish. Yet the commanding heights of economic power remained firmly in military hands through vast economic conglomerates. Meanwhile, despite ceasefires, the Tatmadaw systematically obstructed the Peace Process because it needed the civil war to maintain its claim to sovereignty.

The NLD government

In the 2015 elections, the NLD secured an overwhelming supermajority, capturing 75 percent of seats in the combined national parliament. This democratic mandate conferred ultimate legitimacy on the government. Yet military supremacy remained entrenched: the constitution reserved 25 percent of parliamentary seats for serving military officers, guaranteed the Tatmadaw control over three strategic ministries (Home Affairs, Defence, and Border Affairs), and even legitimized military coups during declared emergencies (Matelski 2024, 26). In essence, the mandate of heaven had been supplanted by the mandate of the people—but this modern

[33] (ADB 2010), (Jones 2014).

democratic principle proved fundamentally irreconcilable with traditionalist hierarchy, creating an intractable conflict.

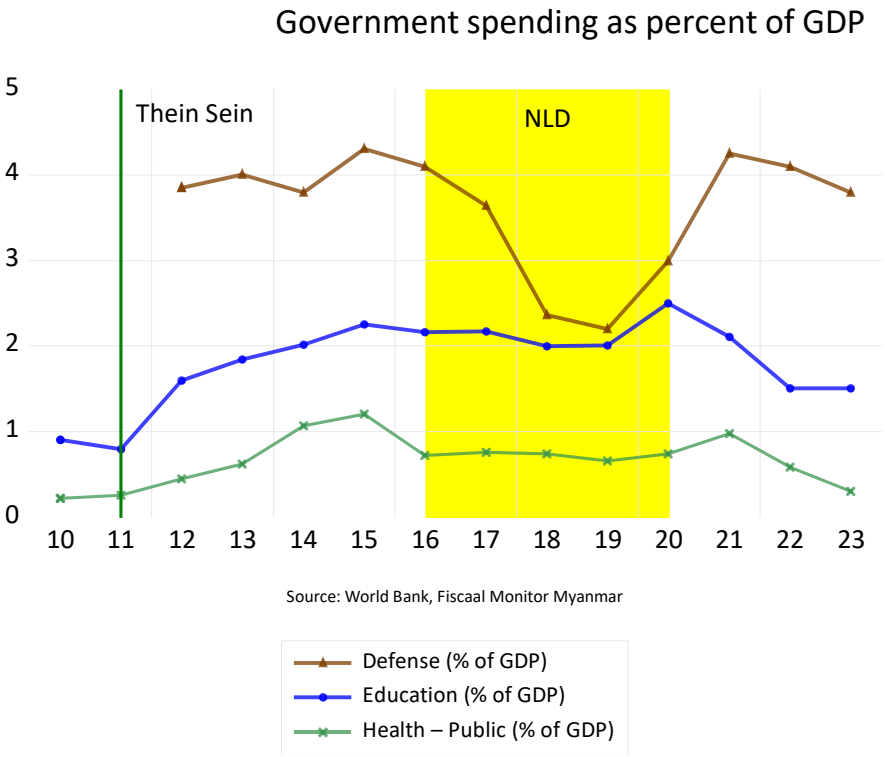
During the NLD-military power-sharing arrangement, Aung San Suu Kyi sought to expand the civilian government's sphere of autonomy. One avenue was the Peace Process with the EAOs, aimed at ending the civil war. It foundered. The Tatmadaw obstructed all reconciliation efforts. Suu Kyi's strategy sought to achieve gradual societal transformation through incremental reforms and by cultivating a stronger ethos of fairness for all citizens.

Gerard McCarthy (2020) has challenged this interpretation, but the empirical evidence supports a favourable assessment: poverty declined markedly during both the reform period and under NLD governance, only to surge dramatically following the 2021 military coup. Economic growth and poverty reduction moved in lockstep—as growth accelerated, poverty rates fell (World Bank 2022). This contributed to the enormous popularity of Aung San Suu Kyi's government which was re-elected by a landslide in 2020. However, the dual crises of Covid and the 2021 military Coup effectively erased nearly a decade of poverty reduction in a matter of two years. The World Bank estimates that poverty in 2022 doubled compared to March 2020. About 40 percent of the population in Myanmar are now living below the poverty line. The reduction in GDP due to Covid and the Coup has affected regions with minority populations most (UNDP 2024).

Aung San Suu Kyi's commitment to advancing societal fairness is further evident in government budget allocations. The NLD cut defence spending as a share of the budget by nearly one half. After the 2021 coup it was doubled again, while expenditure on education and health was cut in half—these two sectors combined now account for less than half of what the regime allocates to defence.[34]

[34] The data in Figure 5 and 6 are different because Figure 6 shows only defence spending in the government budget, based on the World Bank indicators, while Figure 5 shows broad military spending as estimated by SIPRI.

Figure 5.



Following the 2021 coup, General Min Aung Hlaing reasserted direct military control over the government. In response, however, the National Union Government (NUG) has forged a successful coalition with civil society actors who had previously cooperated with the NLD government and ethnic armed organisations, while the civil war has reached an intensity never seen before (Pedersen 2023, 47).

Conclusion: the holistic state beyond Myanmar

When Aung San Suu Kyi formed the NLD government in 2016, many observers—particularly foreign analysts—interpreted this as the end of military rule. They were mistaken. The Tatmadaw retained control of the essential levers of power. How did so many experts misjudge the situation, and why? Perhaps the standard two-actor contest model—in which a rebel group and a government compete over resource allocation (Blattman and Miguel 2010)—proved inadequate. This framework assumed that higher growth generated by a reform-minded government would compensate for potential losses from direct resource appropriation by both the Tatmadaw and the EAOs. Yet it fundamentally overlooked the Tatmadaw's ideological commitment to maintaining hierarchy within the holistic state.

Explaining Myanmar's civil war demands a three-actor framework. The Tatmadaw wields sovereign power, claiming ultimate authority over the Union while oscillating between absorbing the government entirely and granting it circumscribed autonomy to pursue economic growth.

The Ethnic Armed Organizations contest this sovereignty, working to ameliorate conditions in Myanmar's most impoverished regions while demanding constitutional reforms that would secure greater autonomy and guarantee equitable governance. Meaningful transformation, however, would require a genuinely sovereign and autonomous government capable of mediating between Tatmadaw and EAO interests—a condition that has never existed in Burma. The military has invariably retained ultimate control, and Aung San Suu Kyi's efforts to expand governmental autonomy ultimately collapsed.

The precarious power balance between the NLD government and the military became starkly apparent during the 2017 Rohingya crisis.[35] Conservative hardliners had spent years stoking xenophobia, Islamophobia, and Buddhist nationalism. As the NLD government pursued the Peace Process with EAOs concentrated in the east, the army launched a campaign against the Muslim Rohingya minority in the west. [36] It constituted genocide (Blinken 2022). Aung San Suu Kyi faced an impossible dilemma. Defending the Muslim minority would have cost her the support of the Burman nationalist majority, while the military explicitly threatened a coup if she failed to shield them from international condemnation.[37] She chose to sacrifice her moral standing with international supporters rather than forfeit the governmental platform through which she hoped to achieve incremental reform within Myanmar.

Myanmar's civil war cannot be adequately explained by conventional two-actor models that reduce the conflict to struggles between state and rebel forces over power and resources. Instead, the Burmese case reveals a *holistic state*—a political order in which hierarchy itself serves as the foundation of legitimacy. The Tatmadaw does not simply defend state sovereignty; it incarnates it. Drawing upon Theravada Buddhist conceptions of moral order, military rule rests on an enduring belief that stability and unity emerge from the subordination of individuals and groups to an encompassing whole. My point is not that Burmese culture is “savage”,[38] but that through maintaining enemies the Tatmadaw has constructed a culture that has inhibited the transformation of traditional values through economic development as described by Amartya Sen. The Tatmadaw culture has enabled a self-perpetuating elite to claim moral authority even while presiding over national impoverishment and perpetual civil war. This model has wider significance than only for Myanmar.

Beyond Myanmar, the holistic state framework illuminates polities where legitimacy flows from an institution claiming to embody the moral unity of the collective: monarchic Thailand, where

[35] The Rohingya expulsion occurred in 2017, though its economic repercussions materialized a year later..
[36] (van der Maat and Holmes 2023) demonstrate how intra-Tatmadaw rivalries precipitated the genocidal violence.
[37] Reports suggest that when Aung San Suu Kyi travelled to The Hague to defend the military against genocide charges, the Tatmadaw had deployed forces around Yangon and Mandalay as an implicit coup threat should she fail to protect the generals.
[38] This expression is from (Mutua 2002) who’s theory could serve as the perfect defence of Ne Win’s Burmese Socialism. (Mokhtari 2025) put him straight.

the throne represents universal order; clerical Iran, where *velayat-e faqih* (guardianship of the jurist) manifests divine authority; Confucian-Leninist China, where the Party embodies civilizational continuity and national rejuvenation; and civilizational Russia, where the state serves as guardian of Orthodox identity against Western decadence. In each case, the encompassing institution subordinates law, markets, and individual rights to the overriding imperative of unity and traditional moral wholeness. They all share a core logic: legitimate authority flows from guardianship of an encompassing moral whole, while individual liberty and institutional pluralism are valued only instrumentally—if at all—as subordinate to the imperative of preserving unity. This pattern suggests that holistic states emerge not from any single cultural tradition but from political projects that successfully fuse authority with claims to embody collective wholeness, whether divine, civilizational, or therapeutic.

The model reveals, however, a fundamental cleavage. When insecurity prevails and sovereign authority is contested, the repressive Schmittian logic takes hold. Dominant elites designate an "Other" as enemy, precipitating civil or international conflict. Such repressive regimes obstruct development both economically and as normative progress toward the realization of human rights.

The contrast between Thailand and Myanmar is instructive. Thailand exemplifies a Buddhist-monarchic variant where the trinity of nation–religion–king expresses an encompassing moral order. The monarchy, embodies the ideal of the *dhammarāja* (righteous ruler), while the armed forces function as guardians of this sacred hierarchy. Military coups are consequently framed not as naked power seizures but as moral interventions to "restore harmony" (S. J. Tambiah 1976). Critically, Thailand's monarchy represents an unbroken moral lineage within Theravada Buddhist tradition—a continuity that provided sufficient legitimacy for the throne to accommodate gradual economic liberalization. This opening enabled the economic development that, in turn, fosters political individualism and democracy, eventually constraining (though did not eliminating) military dominance.

Myanmar's trajectory diverged sharply because colonial rule severed this continuity of sacred kingship. Lacking an unbroken moral lineage, the Tatmadaw could not ground its legitimacy in traditional sacral authority. Instead, it adopted the Schmittian logic of legitimation through exception—designating ethnic minorities as existential enemies whose perpetual threat justifies permanent military supremacy and the subordination of all other institutions to security imperatives. This fundamental difference in legitimation strategy explains divergent developmental paths: where Thailand's secure monarchy permitted gradual opening, Myanmar's contested guardianship required continuous mobilization against internal enemies, foreclosing liberalization and entrenching civil war.

The concept of the holistic state has definite boundaries. It does not encompass pure patrimonial systems, where legitimacy derives from personal loyalty and private wealth extraction, nor technocratic autocracies like Singapore, which ground legitimacy in rational-legal performance and material delivery. The holistic state constitutes a distinct third type—a moral-hierarchical polity in which legitimacy and organized violence are mutually constitutive, each deriving meaning and justification from the other.

This recognition generates a demanding research agenda. Understanding holistic states requires moving beyond both description and comparative cataloguing of moral cultures. We need a dynamic analysis of normative transformation: How do encompassing institutions adapt their moral claims to changing circumstances? Under what conditions do alternative sources of legitimacy—performance, prosperity, popular sovereignty—erode or reinforce hierarchical unity? What mechanisms of socialization, education, and symbolic practice reproduce holistic worldviews across generations? And critically, what processes—whether internal contradiction, external pressure, elite fracture, or generational change—enable transitions away from moral-hierarchical orders toward pluralistic alternatives? Only by grasping how these contextual social norms evolve, compete, and sometimes collapse can we understand not merely how holistic states persist, but how they might transform.

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