

The working alliance between the main pro-democracy parties running in the November polls has become uncertain after a Rangoon journal reported funding had come from controversial businessman Hla Maung Shwe.

The quarrel among the pro-democracy political parties broke out following a report in the Sept. 29 edition of the Rangoon journal *The Myanmar Post* saying that Hla Maung Shwe, a well-known businessman and vice chairman of the NGO, Myanmar Egress, said he funded the National Democratic Force (NDF) and Shan, Karen, Chin and Arakan ethnic parties.

Hla Maung Shwe said the funding came from his own money and was not related to any persons or organizations, according to the journal.

Hla Maung Shwe is the brother of Brig-Gen Hla Myint Shwe, the commandant of the National Defense College. Along with US-sanctioned business associates of the junta like Tay Za, Htay Myint and Aung Thet Mann, he was among those the junta honored for their involvement in state-projects in the Irrawaddy delta in Naypyidaw on Aug. 31.

*The Myanmar Post* said Hla Maung Shwe is vice chairman of the Myanmar Fisheries Federation and an executive of the Union of Myanmar Federation of Chambers of Commerce and Industry. Both are junta-managed organizations.

The Democracy and Peace Party (DPP) announced on Oct. 6 that it was suspending the six-party alliance called the "Parties of Democratic Friends," saying, "the suspension was pending clarification of the issue [the role played by controversial figure Hla Maung Shwe]."

"U Hla Maung Shwe is a chairman and executive of two government-backed organizations, so we don't want to be associated with him and run the risk of being in contravention of the election law," said Aung Than of the DPP.

The six-party alliance is between the NDF, the DPP, the Shan Nationalities Democratic Party (SNDP), the Rakhine (Arakan) Nationalities Development Party (RNDP), the Union Democratic Party (UDP) and the Chin National Party.

Political sources in Rangoon said apart from funding, Myanmar Egress's involvement with the political parties included appointing candidates and electoral training ahead of the poll, though the NGO had denied earlier allegations of its involvement in politics.

Although the political parties denied there was any deal with Hla Maung Shwe for Myanmar Egress's funding, some candidates in Rangoon understood there was some kind of agreement between him and the political parties regarding voting for the future president in the parliament in the post-election period and replacing the mainstream opposition role currently led by Aung San Suu Kyi and her National League for Democracy.

Hla Maung Shwe declined to comment on the issue when contacted by *The Irrawaddy*.

However, Khin Maung Swe, an NDF leader who supports Suu Kyi, told *The Irrawaddy* last week

that Hla Maung Shwe funded NDF candidates who are associated with Myanmar Egress.

“After all, we are allowed to accept clean money from legal organizations within the country. We cannot reveal these issues before the election because people who are helping us may face threats,” he said.

Though the *Myanmar Post* did not mention specific ethnic parties that were funded by Hla Maung Shwe by name, ethnic leaders were quick to put distance between their parties, Myanmar Egress and Hla Maung Shwe.

Sai Eik Paung, chairman of the SNDP, said his party had not received any funding from Hla Maung Shwe or Myanmar Egress, accusing *The Myanmar Post* of spreading misinformation.

He confirmed that avoiding funding “shortcuts” had been the biggest challenge for his party, however.

“We have resolved our funding problem,” he said.

“Our friends are funding us and none of it is black money.”

Aye Maung, chairman of the RNDP, also denied any relationship with Hla Maung Shwe, confirming the party had received no money and likening the journal's report to an attack on the RNDP.

Thein Htay of the UDP took an opposing stance, however, saying that all businesses in Burma were related to the military, “so if someone’s support is providing something positive for the people, we accept it.”

Hla Maung Shwe and Myanmar Egress’s other executive, Nay Win Maung, came to Bangkok, Thailand, in July for a meeting regarding the Burma election with European diplomats and donors, and received cooperation from the Chiang Mai-based Vahu Development Institute.

Using data supplied by Myanmar Egress, Nay Win Maung said 78 percent of Burmese voters would turn out on the election day and 85 percent of voters supported the junta’s 2008 constitution.

He said key political parties gave a mandate to the NGO to lobby for financial support of the election internationally, a policy considered controversial by political parties and Burmese intellectuals because of Nay Win Maung's close ties to the military due to his father's career as a former military officer and director of the Military Museum.

“We did not give any mandate to any organization or any person, though we participated in some of the training provided by Myanmar Egress,” said the SNDP's Sai Eik Paung.

The six parties met on Tuesday to resolve the issue and have reached some agreement but have not yet made an official announcement.

*Irrawaddy reporter Khin Oo Thar contributed to this story.* The working alliance between the main pro-democracy parties running in the November polls has become uncertain after a Rangoon journal reported funding had come from controversial businessman Hla Maung Shwe.

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