

The regime-sponsored civic organization Union Solidarity and Development Association starts the process of “abolishing” itself after transferring all its property to its political proxy, the Union Solidarity and Development Party.

The regime-sponsored civic organization Union Solidarity and Development Association (USDA) starts the process of “abolishing” itself after transferring all its property to its political spin-off Union Solidarity and Development Party (USDP) led by the regime’s Prime Minister Thein Sein.

“The USDA is no more as an association. Only the USDP will exist as a political party,” USDA spokesman Myint Oo told BBC Burmese radio on Thursday.

“We are now in an ongoing process of abolishing the association on a gradual basis,” he said.

The USDA official said that the association, whose principal patron is military chief Than Shwe, received the regime’s approval on July 6 to abolish itself, paving the way for the USDP to contest the upcoming election as a full-fledged political party. The state-controlled media has yet to make any official announcement of the news.

On April 29, Thein Sein and 26 ministers and senior officials formed the USDP, which the Election Commission officially recognized as a political party on June 8.

Myint Oo also confirmed that all USDA assets have been transferred to the USDP.

“The association [USDA] leaders have already decided to transfer all the assets to the USDP party. And the official transfer has been completed,” he said.

The transfer of USDA assets to the regime’s proxy party confirms the speculation of political observers that since the USDA’s assets belong to the state, any use of the association’s property by the USDP would constitute a violation of the regime’s Political Parties Registration Law—the law that bans political parties from using state-owned properties.

One observer said: “This is neither the abolishment of the USDA nor its assets transferred to somewhere else. This is just a name change from USDA to USDP.”

Organized by the junta in 1993, the USDA began as a social organization under the direction of high-ranking military officials. During the 1990s, government employees and students were either ordered or coerced into joining the USDA which until recently claimed to have more than 24 million members nationwide, including civil servants and members of the military.

During his meeting with top US diplomat Kurt Campbell in Naypidaw in May, USDA Secretary-General Htay Oo said that the USDP would be formed based on the USDA, and that only those who have resigned as government servants would be allowed to join the party and that students who are USDA members are not encouraged to play a role in politics, according to the state-run newspaper *New Light of Myanmar*.

Over the past few years, the USDA, which controls Burma's gem market and the military-run Myanmar Economic Holdings Ltd., has undertaken nationwide organizing activities including paving roads and granting small loans to low-income people. One USDA official who will run in the coming election as a USDP candidate said that the USDP would continue the humanitarian work of the USDA as before.

While the USDP becomes a financially powerful political party, leaders of other political parties say they are still struggling with financial difficulties to conduct organizing activities and to pay fees to the election commission for candidate registration. Election rules require a 500,000 kyat (US \$500) fee for each candidate who contests in a constituency.

Khin Maung Swe, the political leader of the National Democratic Force (NDF), a splinter party led by former senior members of the disbanded National League for Democracy (NLD), said: "If the assets the USDP received were state-owned properties, then it would violate the election laws. For a free and fair election to take place, the government needs to reconsider the financial requirements imposed on the parties."

Some observers believe that the USDA township offices across the country will become the party offices of the USDP. A USDA official in North Okkalapa Township in Rangoon said that the association's township office is still open, but all the offices at the quarter level have been closed.

Several regime officials who resigned their military positions to found the USDP have been accused of involvement in the regime's deadly ambush on pro-democracy leader Aung San Suu Kyi and her convoy in Depayin, Sagaing Division, in 2003.