Arts Internship Report:
Kathryn Baumeister

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Towards a new era in Myanmar -

A case study on planning for the future in the Pa-O Self-Administered Zone

Host Organisation:
The Institute for International Development

Host Supervisor:
John Leake

Academic Supervisor:
Associate Professor Andrew Rosser

Cover image: a Pa-O family pose in front of their most important properties - a brick house and two oxen (Worldview 2004)

ACKNOWLEDGEMENTS

List of Abbreviations

NLD	National League for Democracy
SLORC	State Law and Order Restoration Council
IID	Institute for International Development
PNO	Pa-O National Organisation

Contents

Executive Summary

The present report is the outcome of an internship undertaken with the Institute for International Development (IID) as part of the University of Adelaide, Arts Internship programme. It offers at onset an overview of decentralisation as a policy endeavour for developing countries, and secondly, an examination of the decentralisation reforms which have been introduced in Myanmar, drawing on the nation's history to illustrate the challenges ahead. The main aim of the report is addressed in the final section, with the first sections as necessary contextual background. This aim is to document and critically evaluate the progress of the Pa-O, who represent the first of Myanmar's newly empowered ethnic minority groups to assume their duties to administer and plan for their own future. The Pa-O requested the aid of IID in the pursuit of this endeavour.

Methodology

The report draws upon academic literature on decentralisation as a grounding, and then upon the history of Myanmar and the *Constitution of the Republic of the Union of Myanmar* (2008) to develop a fuller depiction of progress occurring in the nation. The case study relies on formal and informal reports produced by IID and interviews with a director of the organisation and the team leader of the Pa-O project, John Leake. Analysis of the approach taken by the Pa-O is contrived through consideration of the findings of the first two sections. Although there remains a degree of information scarcity in Myanmar as a result of its history of isolation and suppression of free speech, the main limitation of the report is its reliance on IID's documents to assess the progress of the Pa-O.

Findings

Decentralisation is found by this report to be a popular policy direction among developing countries with as many potential benefits as risks. With this in mind, two key themes of local capacity and accountability are focused upon to assess how to best mitigate the risk of undesirable outcomes. For accountability, important factors are competitive and fair mechanisms, unburdensome but effective reporting and evaluation mechanisms, and the presence of a clear statement of funding and management responsibilities. Local capacity development has less clear guidelines, but generally needs to be internally driven or based upon a system of reward rather than reprimand.

When closely analysed the new constitution of Myanmar does not present the dramatic departure from past practices that it promised. Democracy is still limited and the powers of the military remain vast. However, the entrenchment of decentralisation policies which sanction the self-autonomy of six identified ethnic minority groups is an important step towards lasting peace. The Constitution also proscribes a reporting requirement, one step towards strong accountability, and rights are endowed upon Self-Administered Zones and Divisions to access funds from higher levels of government.

The case study suggests an optimistic future for the Pa-O people. Through a self-recognised need to acquire external assistance to account for their shortage of the necessary skills and knowledge they have obtained the guidance of IID. This has enabled IID to encourage participation and strong policies whilst conserving enough autonomy of the Pa-O National Organisation for their own self-driven capacity development. Commitment to accountability has also been evident with a project drafted which focuses solely on the establishment of an evaluation and monitoring system.

RECOMMENDATIONS

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Introduction

Since the 1962 coup against the civilian government, Myanmar[1] has oscillated between direct and indirect forms of military rule which have treated the concerns and demands of the country's many ethnic minority groups as security threats requiring military response (Bunte 2011). The decades of armed conflict have compounded and created further issues in the country, including international isolation, economic decline, severe human rights abuse and displacement, amongst many others (Transnational Institute 2012). Taken at face value, recent developments in the country appear to suggest it is moving towards genuine democratisation, and the new constitution, which came into force by decree in March 2011, entrenches the decentralisation reforms necessary to afford minority groups the powers of self-autonomy they have long been seeking.

The report will be divided into three sections. The first will review decentralisation in general, providing an overview of the theory behind the policy direction and an examination of its risks and potential. Section two will introduce decentralisation in Myanmar specifically, beginning with a snapshot of the nation's cultural and historical context, and then relating this to the decentralisation reforms in terms of why they were introduced and their prospective effect. A closer look at the new constitution and the form of decentralisation which it prescribes will also be delivered within this section. The final section, which constitutes the bulk of the report, provides a case study of the Pa-O people; one minority group which has been empowered by the constitutional re-classification as a Self-Administered Zone. This will document their progress in pursuing self-autonomy and the role of the Institute for International Development (IID) in this process. Included will be the steps they have taken towards producing a Strategic Development Plan for the area, the strengths of the approach chosen and a consideration of challenges met along the way.

The report concludes with a level of optimism for the future of the Pa-O people based on findings of a strong groundwork having been laid in the planning process.

[1] In 1989 the military government changed the nation's official name from 'Burma' to 'Myanmar'. This name change has been accepted by the United Nations, but not by numerous countries including Australia. This paper will use 'Myanmar', but note this does not reflect a political position.

- SECTION ONE –

An Overview of Decentralisation

1.1 INTRODUCTION

The declining legitimacy of centralised states across the globe left ripe an opportunity for an alternate governance structure to emerge. Decentralisation is what took hold. Since the mid-1980s decentralisation reforms have been implemented in an astonishing number and array of countries, with military dictatorships and democracies alike pursuing its many promised benefits (Crook & Sverrisson 2002). According to Manor, its popularity lies in its equal appeal to people of the left, the centre and the right (Manor 1999). Simple in its essence; 'decentralization entails the transfer of political, fiscal and administrative powers to subnational units of government' (World Bank 1999, 108).

The professed benefits of decentralisation are wide ranging and promise an increase in many areas of development which are currently highly valued and popularly sought after, such as accountability and participation. However, more recently the potential risks of decentralisation have been prominent in academic literature, and the previous optimism for reform of this type has been somewhat dulled. Table 1.1 provides a summary of most frequently cited benefits and risks of decentralisation.

Table 1.1 – The Potential Risks and Benefits of Decentralisation

Perceived Benefits	Potential Risks
• Localisation of governance increases efficiency and responsiveness to local preferences, leading to the improved delivery of public services • Through proximity local officials have better knowledge of conditions and are more accessible to their constituents – bringing the government closer to the people • Local elections increase incentive for good performance and give citizens a mechanism for holding officials accountable • Competition amongst local governments provides further incentive for good performance, and allows citizens to 'vote with their feet' and move to areas with better services • Provides and institutional mechanism for bringing opposing groups into a rule-bound bargaining process, increasing communication and decreasing conflict • Can afford ethnic and minority groups greater control over their social, political and economic affairs, reducing conflict and secessionism	• Regional inequalities due to differing fiscal capacity of areas • Unclear management and funding responsibilities of different levels of government, leading to no accountability for deficiencies in service provision • Elite capture at the local level preventing pro-poor outcomes and increasing inequality • Macroeconomic instability due to a reduction in the central government's control over public resources and ability to adjust the budget to shocks • Deficiency in local capacity in technical, administrative and managerial skills leading to debt, poor service delivery, conflict and inefficiency • Local institutions may be given the legal authority to make decisions but not the financial and human resources to implement them – setting them up for failure and diverting the responsibility away from the central government

(List Table Sources)

1.2 Mitigating the Risks

The effect of decentralisation is unique in every locality. However, general lessons compiled through the experiences of the many nations which have instituted decentralisation reforms provide some guidance on how to mitigate risk of undesirable outcomes. The two principal concerns of accountability and local capacity will be examined more closely.

1.2.1 Accountability

Crook and Sverrisson note that the 'Achilles heel' of decentralisation is a deficiency in accountability (2002, 240). Devoid of proper accountability mechanisms, no one is held responsible for mistakes and deficiencies and gaps in efficiency and service provision may be overlooked. Lack of accountability can also lead to elite capture and corruption. Three key mechanisms have been found to enhance accountability:

1. A well administered and competitive electoral system
2. Clear responsibility allocation and administrative structure
3. Strong reporting and evaluation mechanisms

Numerous academics advocate that elite capture is best prevented by competitive electoral politics, supplemented by fair and well administered elections (Brancati 2006, Fritzen & Lim 2006, Crook & Sverrisson 2002). This provides a mechanism by which citizens can hold their leaders responsible for poor performance and elect leaders which best represent their interests. In addition, the direct election of the executive members of local government has been found beneficial. As the World Bank asserts, 'Mayors elected directly are more likely than appointees to challenge the status quo' (1999, 121). Indeed, Turner & Podger (2003) in their critique of decentralisation in Indonesia suggest accountability could be enhanced by following the model of the Philippines, which involves the public election of executives rather than a system which allows elected members to choose amongst themselves who is to hold executive positions. The idea is to maximise the likelihood of leaders being chosen on the basis of their policies and performance, and minimise their ability to buy themselves an executive position.

A serious issue found frequently in countries undertaking decentralisation reforms is a lack of two crucial elements. Firstly, a clear administrative structure and hierarchy. Secondly, a clear statement of funding and management responsibilities. Countries devoid of these find that no one can be held to blame when basic service provision falls short. Kathyola and Job found such issues to be present in all five of the decentralising countries they examined (2011). In Botswana they found that the district council, tribal administration and land boards all operated at the same level, but had their own vested interests which often conflicted. Disputes were rarely resolved as no institution had authority over the others, and any failures were simply the fault of the other institutions. Eventually the problem was solved through national legislation establishing that the district councils had authority to coordinate the activities of all the groups. Ghana had discrepancies between higher and lower levels of government, with higher levels resisting constitutional intentions to decentralise as it conflicted with their own political interests. They also took issue with having to cede any of their budget or influence to lower levels of government. Burki, Perry and Dillinger note from their

experience of decentralisation in Latin American countries, 'success lies in (a) clearly establishing responsibility for performance (***accountability***) while (b) allocating sufficient ***authority*** to deliver results' (1999 x).

1.2.2 Local Capacity

Fritzen and Lim note: 'decentralization expands the responsibilities of local government from just program implementation and service delivery to include policymaking' (2006, 6). This in turn necessitates a greater range of capacities and skills that local governments need to employ in order to fulfil their functions. Brinkerhoff and Crosby note that there are positives and negatives of reformers who are new to governance and unfamiliar with the policy environment. Positives include not being wedded to established routines or mortgaged to entrenched interests. Negatives include that reformers are unfamiliar with administrative structures and unaccustomed to the 'time and energy required to overcome bureaucratic inertia and resistance, and often become warn down'. This can result in higher levels of susceptibility to corruption and poor decision making (2002, 20).

Issues of capacity deficiency have been addressed in a plethora of different ways. A common approach is for the central government to provide technical assistance by placing delegates in local communities. This has achieved mixed results, for example, in Cameroon it frequently led to issues of domination and exploitation of inexperienced members by the central government official. One mayor commented:

> 'The government's idea behind the appointed official is beautiful, to guide those who have just been elected but have little experience in the administration. But some appointed officials tend to exploit the ignorance of the newly elected officials' (Kathyola & Job 2011, 58).

A more innovative response was that of the Philippines and Ghana, which both introduced incentive schemes promoting good governance. In the Philippines, the annual 'Gaward Galing Pook Award' recognising innovative local governance was introduced (Fritzen & Lim, 2006), whilst in Ghana, a performance based grant scheme was established. This had a dual effect in that it encouraged local governments to perform well by offering financial incentives, and also increased their use of the 'Functional Organisational Assessment Tool' as it was necessary to prove their success.

The training of management and administration staff is another option, but lessons may be drawn from Indonesia in this respect. Turner and Podger (2003) noted that in Indonesia the training programs already in place did not alter in step with the introduction of decentralisation. This meant that the skills and knowledge being taught were not appropriate for practice at the local level. In their assessment of the programs aimed at improving technical capacity in Latin American countries, Burki, Perry and Dillinger note that they were more successful 'when organised as information sharing among peers than as top-down technical assistance directed at recalcitrant mayors' (1999, x).

BUT 'even the best set of intergovernmental rules has little effect if it is not consistent with political culture. Successful decentralization requires more than good rules' (Burki, Perry & Dillinger 1999, x).

& will take time

- SECTION TWO –

Decentralisation in Myanmar

2.1 INTRODUCTION

Despite its resource rich environment and strategic location between the world's most populous countries, Myanmar continues to be the poorest nation in south-east Asia with an approximate third of its 60 million living in poverty (DFAT 2012). Although the nation was once amongst the wealthiest in the area, the long-running civil war has had compounding deleterious effects leading to not only economic decline but also international isolation and condemnation. The ongoing and numerous human rights violations and longstanding rule by military dictatorship impelled countries worldwide to impose travel and financial sanctions on the nation throughout the 1990s and onwards. More recently, a series of positive actions appear to mark the beginning of a new era in Myanmar, but some remain sceptical as to how genuine the commitment to change may be.

This section provides a general and historical overview of Myanmar, an analysis of the new Constitution, and offers some conjecture as to the road ahead.

2.2 COUNTRY SNAPSHOT

Officially known as the Republic of the Union of Myanmar, this nation is one of the most ethnically diverse in the world with over 100 ethnic groups existing in addition to the majority ethnicity – Burman (see figure 1). Major exports include natural gas, wood products, fish, rice, clothing, jade and gemstones (CIA 2012). Myanmar is currently ranked 149 of 187 countries on the Human Development Index with an index classified as low (UNDP 2011). 89 percent of the population are Buddhist and the literacy rate is quite strong with nearly 90 percent of the population over 15 able to read and write (CIA 2012).

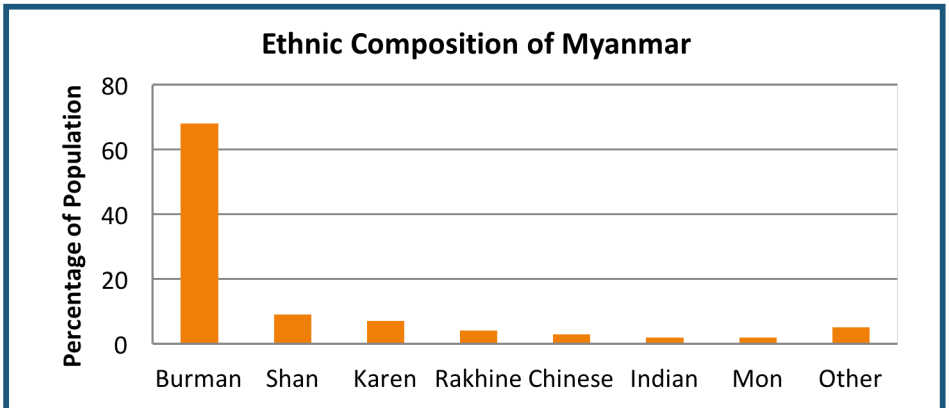

Figure 2.1 - Souce: CIA 2012

2.3 A History of Repression

'To understand the causes of decentralization, it is necessary to first understand the causes of the centralism that preceded it' (Burki, Perry and Dillinger 1999, ch 1). Towards this purpose, a brief outline of Myanmar's history will be provided.[2]

Pre-colonisation, Burma was frequently politically unstable, experiencing multiple attempts by monarchs to establish absolute rule and at times divided into independent nations. This instability worked to the advantage of the British Government which completed its colonisation of Burma in 1886, following three wars spread across a 62 year period (CIA 2012). During the following period as a colonised nation the already existing fractions between Burma's ethnic minorities were further compounded as the British favoured some groups above others (Canadian Friends of Burma n.d). Interestingly, despite the tensions, the country's natural wealth saw it prosper with economic growth between 1895 and 1930 amongst the highest in Asia (IID website).

The 1920s saw the first movements against the British Government for national independence, but this was not finally negotiated until 1947, a success attributed to Aung San who became the nation's new leader. Aung San drafted a new constitution for the nation and strove to unite Burma's ethnic groups, sanctioning autonomy for minority groups in the document. However, prior to the official granting of independence to Burma in 1948, Aung San and several members of his cabinet were assassinated (Canadian Friends of Burma n.d).

The next decade saw constant challenges to Burma's newfound democratic governance, with ethnic groups not receiving autonomy and consequently engaging in civil war. In 1958 a caretaker government was instituted under the leadership of General Ne Win, which ultimately began the period of extreme centralism. Although the General allowed the existing Prime Minister to be re-elected in 1960, two years later he staged a coup, solidifying his rule under military dictatorship. Military force was used to oppress opposing political ideologies and ethnic minority groups, and the General isolated Burma from the rest of the world (Canadian Friends of Burma n.d).

In 1988 the General announced his intent to resign and in response thousands of people took to the streets of Rangoon calling for democracy to be reinstated. This led to a four day massacre with troops firing on the crowds killing over 10 000 across the country (Canadian Friends of Burma n.d). However, this did not quell the movement and the National League for Democracy (NLD) was shortly established under the patronage of Aung San Suu Kyi, daughter of Aung San. The NLD quickly received nation-wide support. Hopes of democracy were once again defeated as the military staged a coup, reportedly commandeered by the General, with control of the country afforded to the State Law and Order Restoration Council (SLORC) which promptly arrested protestors including Aung San Suu Kyi. Although the SLORC held elections in 1990 and the NLD won on a landslide, the SLORC refused to acknowledge the results and cede its power (Canadian Friends of Burma n.d).

In 2008 a constitutional referendum took place and passed convincingly according to the SLORC. Amnesty International report that any activists encouraging people to either vote no or boycott the referendum were quickly repressed. They also dispute the published results (AI 2010).

[2] Note: Myanmar was known as Burma until 1989.

In November of 2010 parliamentary elections were held with the ruling Union Solidarity and Development Party obtaining over 75 percent of seats (CIA 2012). In January of 2012 the new Parliament convened and selected former Prime Minister, Thein Sein, as President. Two months later the 2008 Constitution came into force by decree. The Government has since instituted a series of economic and political reforms which have led to the lifting of most sanctions by the international community. Reforms have included the re-registration of the NLD as a political party, the release of many political prisoners, the permitting of freedom of the press and the loosening of travel restrictions (CIA 2012).

Figure 2.2 - Lieutenant-General U Khin Maung Than presents the 2008 Constitution to a crowd of onlookers (Daly 2010)

2.6 The 2008 Constitution

At article 6, the *Constitution of the Republic of the Union of Myanmar* (2008) (henceforth the Constitution), provides that the Union's consistent objectives are:

(a) non-disintegration of the Union;
(b) non-disintegration of National solidarity;
(c) perpetuation of sovereignty;
(d) flourishing of a genuine, disciplined multi-party democratic system;
(e) enhancing the eternal principles of Justice, Liberty and Equality in the Union and;
(f) enabling the Defence Services to be able to participate in the National political leadership role of the State.

These key themes run throughout the document and at a superficial level are commendable, however, deeper reading lends strongly to a conclusion that section 6(f) has been afforded prevailing importance. Although some effort at facilitating democracy and the unity of the State is evident, military control remains. Aung Htoo, Secretary of the Burma Lawyers' Council, notes that the Constitution 'guarantees the perpetual rule of the military dictatorship' (Htoo 2010, 53). Equally strong comments are present in the commentary of Williams (2011) and Bunte (2011). Numerous clauses of the document provide evidence of their claim. For example:

- Article 20(b) – the Defence Services has the right to independently administer all of its affairs and cannot therefore be controlled by the civilian government.
- Article 40(c) – the Commander-in-Chief of the Defence Services can take over and exercise State sovereign power 'if there arises a state of emergency that could cause disintegration of the Union, disintegration of national solidarity and loss of sovereign power'.
- Article 232(b)(ii) – the legislative chamber is to be comprised of 25 percent serving soldiers, in effect making a constitutional amendment impossible without their support (when read in conjunction with article 436(b).

Such articles make it clear that the military believes itself to be the only institution which can be trusted to safeguard the nation (Williams 2001). History shows that the military has not been shy in stepping in when it believes chaos to be afoot; the Constitution provides the power for the cycle to restart at any point.

2.6.1 Ethnic Minority Groups and the New Constitution

From a more optimistic perspective, some hope of peace may be attained through recognition that a level of autonomy has finally been afforded to ethnic minority groups. Figure 3 depicts the new administrative map of Myanmar, identifying the locations and areas of the Self-Administered Zones and Division. Following the identification of the different areas which are to be classified as Self-Administered Zones or Divisions at article 52, article 196 proscribes the legislative powers listed in Schedule Three to be under the jurisdiction of the 'Leading Body' of a Self-Administered Zone or Division. Legislative areas include social services, development affairs, infrastructure and 'market matters'. Importantly, article 199, and as clarified in article 277, Leading Bodies are also given the executive powers necessary to implement the laws they pass in addition to ordinary executive function such as law and order.

However, a potentially limiting classification of their powers is present at article 198, which provides that if any legislation enacted by Self-Administered Zones or Divisions is inconsistent with that at higher levels of government, the latter will prevail. Furthermore, Leading Bodies are also subject to the requirement that a quarter of their minimum ten members are occupied by Defence Services personnel (article 276(i)). Unlike the other members of a Leading Body, the Defence Services personnel will not be elected. Per article 276 (e), the Chairperson of a Leading Body is to be decided by the Leading Body itself from its own members, and not elected by the public. As earlier identified, this may widen the possibility of buying support and lessen accountability.

- Funding & reporting

2.6.2 The Constitutional Tribunal

An important aspect of the effect of the Constitution will lie in its interpretation, a job for which a special Constitutional Tribunal has been set up for pursuant to article 320. At article 326(c) the Chairperson of a Leading Body has the right to 'submit matters to obtain the interpretation, resolution and opinion of the Constitutional Tribunal'. This is an important provision as it provides a mechanism by which disputes can be resolved between differing levels of Government. Experiences drawn from other countries cautions that constitutional courts are not immune to corruption and frequently obstruct efficiency (RRRRR). The neutrality of the Myanmar equivalent has yet to be called into question, but all nine members were controversially impeached earlier this year.

2.7 Towards a New Era

When considered in conjunction with the history of the nation, the new Constitution is a significant landmark. Dating back to pre-colonisation, the ethnic minority groups forbore central control and sought self-autonomy. Centuries later peace is finally becoming a real possibility and

decentralisation policies are firmly entrenched in the Constitution. This means that unlike a mere legislative experiment, a full referendum will need to ensue for it to be changed. Although military control is still present, processes of reform are occurring and no one can expect that the decades of extreme centralism will be reversed overnight.

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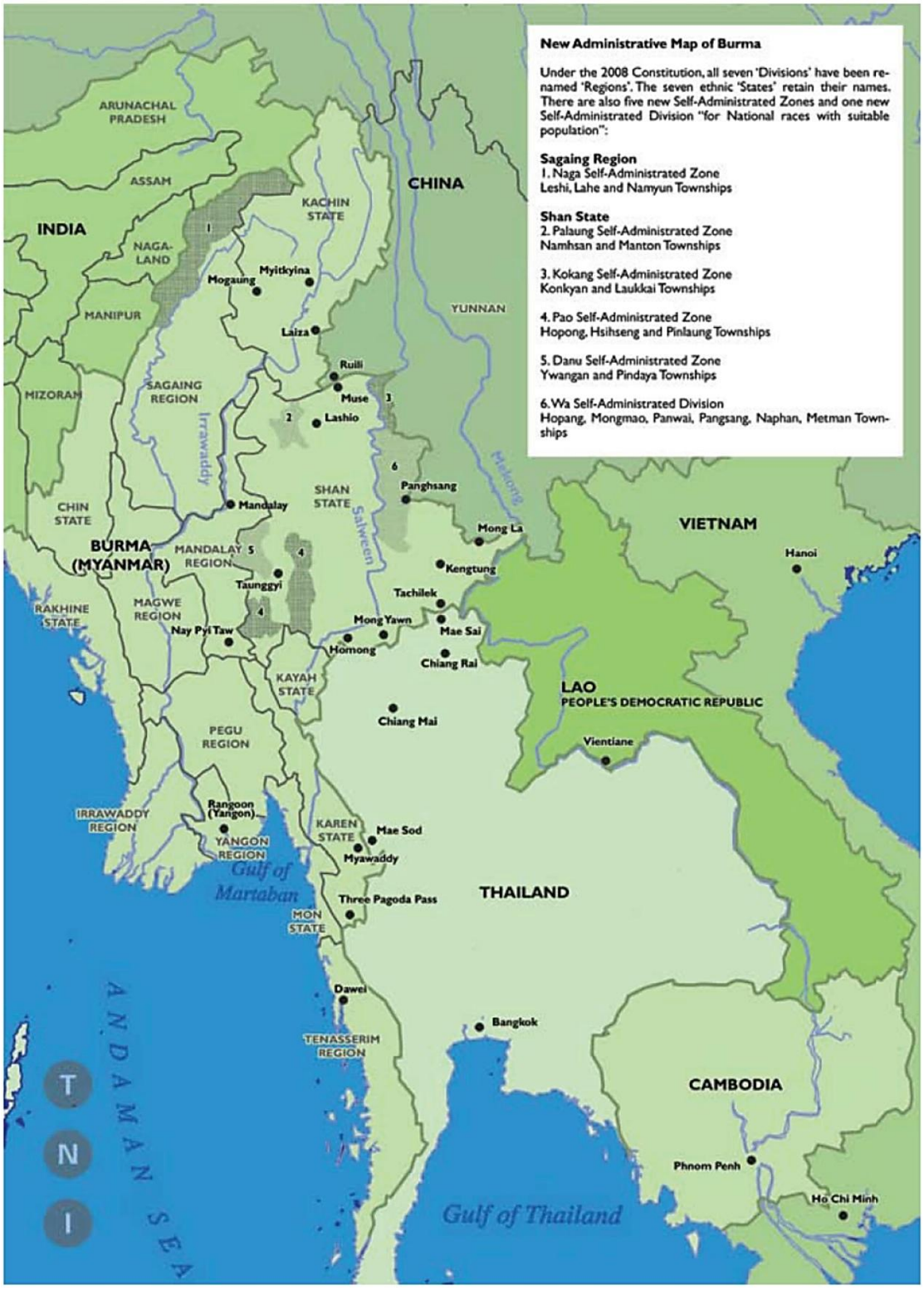

Figure 2.3 – New Administrative Map of Myanmar (Transnational Institute x)

- SECTION THREE -

Case Study: The Pa-O Self-Administered Zone

3.1 INTRODUCTION

The new Myanmar Constitution offers self-autonomy for the six specified areas, and also imparts upon them a duty to plan for their own future. The Pa-O Self-Administered Zone is the first of the six areas to pursue this endeavour. With the assistance of IID, they aim to produce a Strategic Development Plan for their area which outlines their plans and priorities for economic and social development. Their progress will be of note and guidance to the other areas, and the success or failure of the project 'could influence the way the Government of Myanmar approaches development throughout the country and especially the way it supports the empowerment of local communities' (S5). Following a brief summary of the key characteristics and challenges of the Pa-O Zone, this section tracks the steps taken towards the end goal of producing a Plan for the area.

3.2 THE PA-O

3.2.1 The Pa-O People

The Pa-O people are predominantly Buddhist and are considered to be one of the four sub-groups of the Karen (S5). Agriculture provides the main source of employment, with over 90 percent earning their living through cultivation of various crops (S4). Opium poppy cultivation is of particular note as it is a popular choice for people living in isolated areas due to its high value and ease of transport. However, insurgent leaders retain the majority of the profits, contributing to the fact that the people of these areas are poorer, more prone to addiction, less educated, and have a lower life expectancy than the average in the region (UNODC 2009 H2). The cycle is harsh with poverty and poor education leaving opium growers lacking the funds and knowledge required to pursue a substitute crop. Intervention efforts have yielded some positive results, but this is an issue which requires further attention (H2).

Figure 3.1 – IID inspection of opium cultivation in the Pa-O area, March 2012

3.2.2 Background

The Pa-O National Organisation (PNO) was engaged in a 40 year insurgency against the central government, ending in 1991 under a ceasefire agreement. Three years later the Red Pa-O, a communist division of the Pa-O also ceased fire under contract with the Government. Despite these

agreements, little development has occurred since as movement, displacement and isolation have remained unrelenting issues (S5).

3.2.3 The Pa-O Self-Administered Zone

The Pa-O Self-Administered Zone is located within the Shan State (see figure 3), including the three townships of Pinlaung, Hopong and Hsihseng. The area is over 750 000 hectares with a population of approximately 300 000 (S4). The Chairman of the Pa-O Zone's Leading Body is currently Khun San Lwin who is a member of the Shan State Government and committed to achieving development for his people.

3.2.4 Specific Challenges in Moving Forward

The prolonged period of conflict between the Pa-O and the central government has resulted in several challenges in moving forward. The area has been left out of reforms and development programs aimed at education, health, natural resource management, agricultural production and sustainable tourism amid others (S6). Although enthusiasm to see social and economic development is not in short supply among Pa-O leadership and stakeholders, preoccupation with conflict and decades of isolation have consequently resulted in a lack of experience and technical capacity. In addition, time spent as a ceasefire area meant that access was restricted, limiting external interest and knowledge of the conditions (S5). Data and records are therefore insufficient. Finally, the Pa-O hostility to external control and their experiences of repression and conflict strain the relationships between them and higher levels of government. Trust will be an uphill battle and an internalised planning process is therefore imperative.

3.3 Towards a Strategic Development Plan for the Pa-O Self-Administered Zone

3.3.1 Method

Follow stages on timeline then discussion

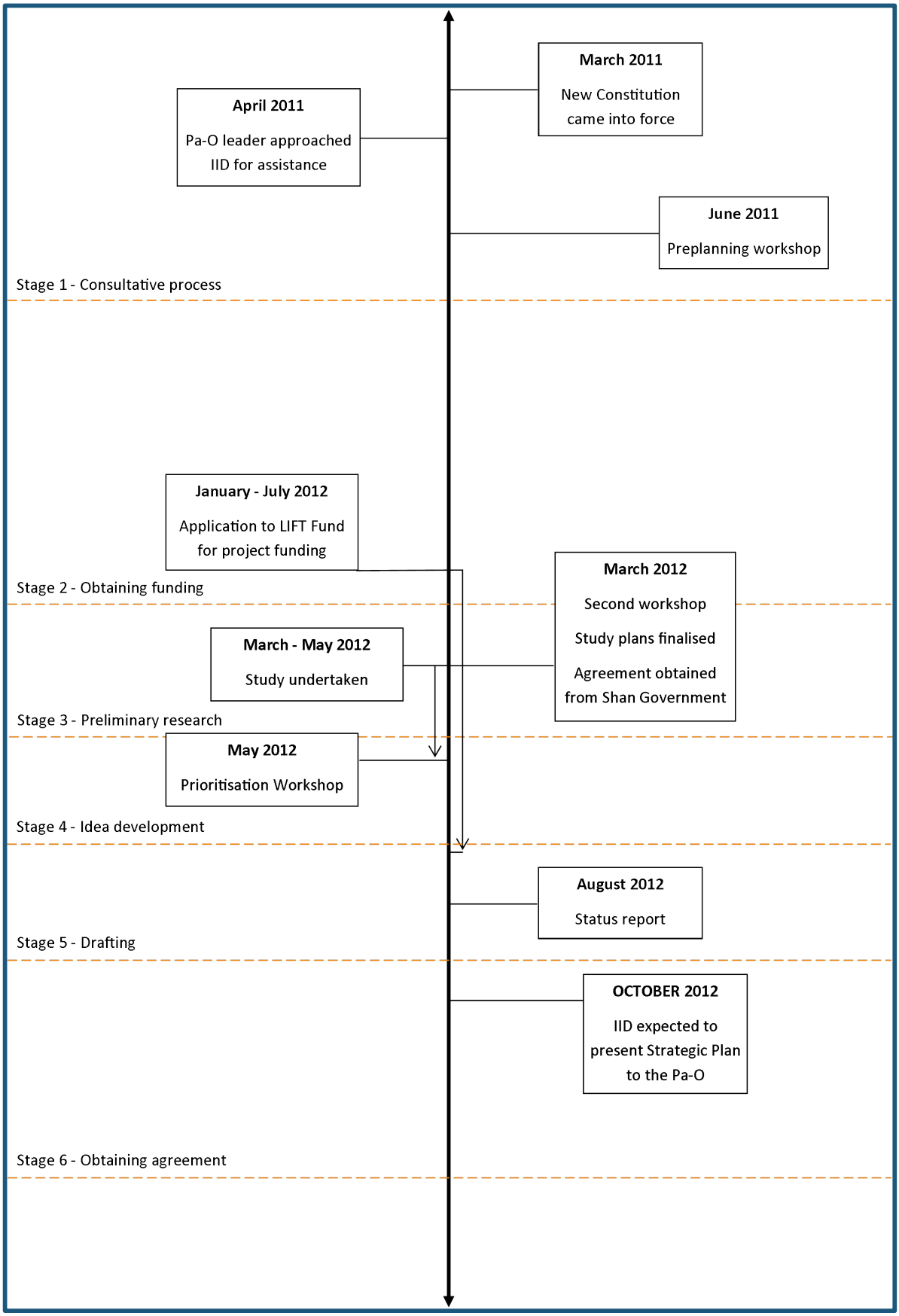

Figure 3.2 – Timeline depicting the six stages towards the end goal of an official Strategic Development Plan

ADD LAST BOXES INDICATING APPROVAL STEPS

3.3.2 Stage 1 – Consultative Process

In April 2011, Chairman of the PNO, Khun San Lwin, communicated to IID member, Joern Kristensen, his concern that the PNO did not at present have the capacity to be able to fully optimise the opportunities afforded by the new constitution. He therefore requested the assistance of IID. Importantly, the PNO recognised this issue internally and made the decision itself to approach IID for help. As noted in Section One, local capacity is a frequent issue of decentralisation and there are many ways that a solution may be gained. The PNO have decided to elect a trusted neutral party. IID also have experience in the region and in negotiating with numbered invested parties (see Box 3.1). This appears to be an appropriate solution as any influence of central government officials may have given rise to issues of distrust or domination. However, there are still some risks to this solution which will be discussed later.

Box 3.1 – IID in Myanmar

IID has established an office in Yangon; officially registered enabling it to provide development services in Myanmar. Although IID was founded in 1993, the experience of staff in Myanmar exceeds three decades. IID has worked with numerous high-profile development organisations on projects in Myanmar, for example, the commissioning of IID by UNODC to undertake a decade long study of opium cultivation areas (S7). In addition, IID is currently implementing a conservation programme for the Inlay Lake and surrounding watershed, which is located within the Pa-O Zone. This is a profound advantage as in this way economic initiatives can be in line with sustainability and conservation efforts (S5). For the Pa-O project their aim is to employ 'participatory approaches to ensure effective communications with all stakeholders' (S7, 8).

The Stakeholder Workshop

In June 2011, IID responded to the request of the PNO by visiting the Pa-O Self-Administered Zone. The visit was funded by IID's own resources. The primary undertaking of this visit was a Stakeholder's Workshop which sought to gain insight into the community's ideas and needs relating to development. The 38 workshop participants were nominated by the PNO and included seven women, eleven administrators, eight agricultural workers, ten educators (some of which were also engaged in the tourism industry as guides), and a group of PNO members (S10). Three sessions were run across two days. Throughout the sessions, participants were divided into their respective interest groups. This as aimed to 'facilitate the emergence of some contrasting views for the benefit of others and to broaden the groups' analysis' (S10, 5).

The first session focused on explaining the process, answering questions and clarifying the meanings of any technical terms used. A vision statement for the Pa-O Zone was also suggested, not aiming to become permanent, but to provide a grounding direction for the participants: *'To build a prosperous community for this and future generations'* (S10, 5).

The following sessions involved group exercises facilitated and recorded by IID staff. The first exercise asked the participants what they thought were the most significant developments which had been achieved since the 1991 ceasefire, and then to put them in priority order. The second session aimed to ascertain consensus on what the group believed were the biggest assets of the area under the categories of financial capital, natural capital, produced capital, human capital and social capital. The gathering of this information had a secondary purpose in that it would be used to guide later processes of data collection (S10).

The final and most significant exercise involved a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis. SWOT is a tool popularly used for business and market planning. It allows organisations to develop strategies which align their resource capabilities with the requirements of the environment in which they operate (Europa 2005). IID has followed the standard model, with assessment of strengths and weaknesses taken from an internal standpoint, and opportunities and threats considered from an external standpoint. SWOT analysis can be somewhat limited in that it can be too simplistic for analysis of complex issues (Government of QLD 2012). For example, one factor may be both a strength and weakness. However, used at it was by IID as a preplanning, team building and brainstorming tool, such limitations have minimal effect.

The report produced by IID which documents the results of the exercises provides numerous key conclusions and suggests several areas to focus upon in further study and plans. These results are available at Appendix 1.

The workshop also allowed an opportunity for IID to make recommendations for which the Pa-O could pursue until the next collaborative planning workshop. The primary recommendation was the foundation of a secretariat tasked to collecting further information necessary for planning and to prepare for the next workshop. IID requested that the secretariat perform such tasks as:

- Report on potential funding from investors, banks and NGOs
- Obtain current maps which provide details like the standard of the roads marked and the capacity of schools
- Assess the skills requirement for both public and private sectors
- Conduct a stakeholder report which lists and describes all stakeholders, as well as proposes how to best involve their skills and interests

3.3.3 Stage 2 – Obtaining Funding

Blank spots on S11, getting funding for the project

3.3.4 Stage 3 – Preliminary Research

The Inception Workshop

The IID team returned to the Pa-O Zone in March of 2012 and attended an Inception Workshop convened by the PNO. The workshop had four main elements:

1. The IID team leader, John Leake, presented the results of the previous workshop and reviewed the key strategic concepts which were introduced at that meeting.
2. The PNO reported their achievements since the initial workshop. A secretariat had been established, however, only some of the information requested had been collected.
3. An exercise was run which aimed to reassess key stakeholder groups and confirm that each were represented. The lack of representation of religious stakeholders was the most prominent absence.
4. Study plans were finalised and the Pa-O stakeholders to be part of the study team were elected.

The purpose of the study tour was to review potential development opportunities and take note of any constraints to development. This information could then be used to produce options for the development of each sector which could be prioritised by their feasibility in terms of implementation difficulty, costs and returns. Due to the limited capacity to generate income from tax the Pa-O need to rely on the private sector, central government and NGOs to fund most initiatives. An important part of the study was therefore also an analysis of the availability of investment capital. A third element of the study was to assess the implementation capacity of the PNO in recognition of IID's experience that most plans or projects fail due to issues of implementation capacity and not funding (S11?).

Planning of the study tour was aided by the maps and data that the PNO Secretariat had collected. The plans divided the study into sector specific teams. The plan of each group listed the team leader and members, summarised the methodology to be employed, and supplied the logistics and the purpose of their research. The studies were divided into the following sectors:

- Natural resource management
- Education
- Health
- Infrastructure
- Agriculture, sustainable farming and agro-processing and marketing
- Sustainable tourism
- Agro-Forestry and community forestry
- Pa-O institutional development

The study plans had required a permission request to be submitted for travel into parts of the Pa-O Zone which had been restricted to foreigners. The response was an invitation to address the Shan State Minister and three of his cabinet members on March 10. IID report that 'the Minister warmly endorsed the team's objectives and offered his Governments support to the study' (S11, 3).

The Study Tour

The study tour took place primarily between March 10-30, but also ongoing throughout April and May. An in-depth report was produced for each sector.

3.3.5 Stage 4 – Idea development

The Prioritisation Workshop

This workshop was run over two days in late May. The first day was dedicated to presentation of study findings from each sector. The second day involved group discussion and the prioritisation of proposed projects (see box 3.2). The workshop was attended by 38 participants, and IID report that the discussions were animated (S13). Participants were grouped into common interests:

- PNO members
- Service providers such as health and education
- Tourism focused
- NGOs
- Farmers and market people

- Local and international consultants

Box 3.2 – The eight proposals (S13)

1. Parami: An organisation to plan and coordinate the Pa-O development plan; *an intervention in capacity development*
2. Market development unit: *an intervention to develop markets and market knowledge*
3. Education and health services: *recommended technical inputs and improved infrastructure*
4. Farmer field schools: *An intervention to develop an extension capacity and help farmers organise for credit and other collaborative action*
5. Agro-forestry/plantations: *an intervention to seek international collaboration for plantation forestry and community agroforestry*
6. Specific agricultural development projects; *Specific support to assist in the development of new income earning opportunities*
7. Tourism Capacity development for GIC to develop tourism in Pa-O region: Interventions in training etc.
8. Infrastructure: Capacity to repair and build secondary roads, bridges, water supplies, irrigation, ability to repair and maintain health and education facilities*: Equipment and training for more self reliance in repair and maintenance*

After discussion and debate the participants voted using a preferential voting system. Figure 3.3 provides the overall preference votes, which shows a fuller perspective of the participants' priorities than looking only at their first preferences.

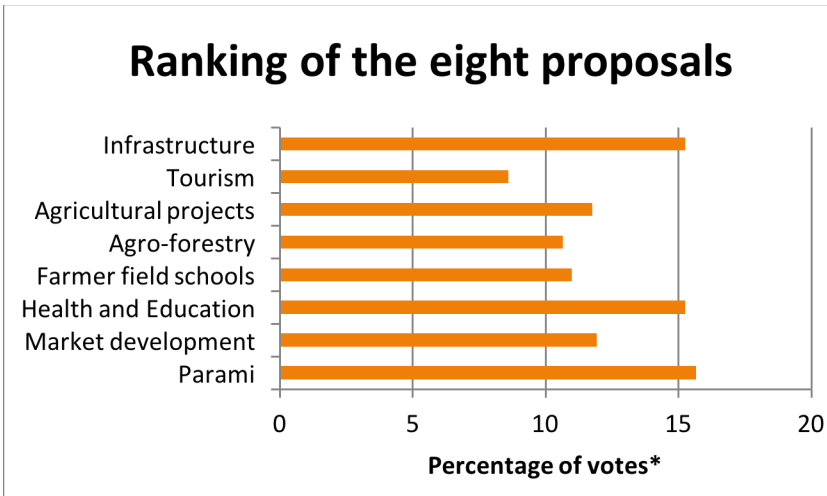

Figure 3.3 – Ranking of proposals through use of a preferential voting system

*Score attained by assigning 8 points to first priority and 1 point to the participants last priority

The Parami proposal not only attained the highest weighted score, but also attained 19/38 first preference votes. 'Parami' is an apt name for the proposed civil society organisation as it connotes exceptional talent. The roles would include:

- Generate community action for enhancing and maintaining own environment; mobilizing support for projects and funding

- Encouraging capacity development by providing scholarships for learning in areas such as project planning and monitoring, economic and social analysis, and business planning and management
- Planning and coordination of the development plan; advocating for investment and policy change
- Coordinating NGO actors and assisting small community groups in their development

This represents a clear commitment to development of institutional and social capital and to addressing their self-recognised shortfall in technical capacity. The Pa-O have shown resolution to expanding their own knowledge and skills and have developed a system which is internalized so that trust and domination issues are avoided.

Infrastructure and health and education proposals came in equal second overall, but infrastructure was ahead on first priority votes. Expansion of markets and improvements to social services will require development and maintenance of infrastructure so this result is logical. An issue is that funds available at Union level for this task are insufficient particularly for the construction of main roads. Consequently additional funds will need to be sourced. Infrastructure expansion is also an important step towards replacing the cultivation of opium with an alternate income source. The importance placed upon health and education is also not surprising given the study results, which illustrated how far behind the Pa-O are behind the average of Myanmar. (S13)

3.3.6 Stage 5 – Drafting

In the months subsequent to the prioritisation workshop, drafting was the primary endeavour. This involved further fieldwork in townships and rural areas and consolidation of plans as to produce reports which could be presented to stakeholders. Also taken into account were any suggestions made by participants of the prioritisation workshop.

Status Report

IID issued a status report in August 2012 which summarises the proposals and their progression since the prioritisation workshop. For each proposal a breakdown of the tasks for each proposal is given along with the responsible agent and cost for each task. However, the responsible agent has only been vaguely identified, for example, 'experienced training organisation' is listed, indicating that the specifics are yet to be realised. Furthermore, the party responsible for the cost of each task is not clear, nor whether funding had indeed been sourced for the task. To demonstrate this, the breakdown provided for the Parami proposal is as follows at Table 3.1:

Table 3.1 – Task breakdown for the Parami Proposal (S14)

Task (Average costs over 6 main towns over 1,5 years)	Responsible agent	Number	Unit cost	Cost ($USD)
Project inception phase, detailed planning including travel	Implementing agency	1	20,000	20,000
Administrative and organisation training for Parami Network leaders in HQ and each main town.	Experienced training organization	6	3,000	18,000
Training of trainers in group formation	Consultant to Parami	24	2,000	48,000

and administrative support, 4 in each of 6 towns	Network,			
Study tours within Myanmar to visit other public service NGO's, tours open to all civil groups by tender, groups of 5 in each town + Parami HQ	Parami Network	30	600	18,000
To provide a focused project to improve community exposure to modern trends in civil society including building civil society links to other areas in Myanmar.	Parami Network Implementing agency	1	85,000	85,000
NRM input grants for natural and heritage asset restoration, one round in each town	Parami Network	6	2,500	15,000
Grants for tree planting and 'tidy town' campaigns one in each town	Parami/DOF/ Dept Rural Dev	6	1000	6,000
Administrative support to Parami Network in each township, rent, utilities 1,5 years. Among other duties would be assistance with distribution of National Registration Cards	Parami/ Implementing agency	9	2,000	18,000
Local staff salaries (assumed already to be residing in each township) includes assistants, 3 sets in each office	Parami Network	6	5,000	30,000
Vehicle and motorcycle purchase one vehicle 2 motorcycles, petrol and service,	Parami Network Implementing agency	4	30,000	120,000
Printing and media to promote Parami within the Self-Administered Zone	Parami Network	3	2,000	6,000
Facilitate marketing of the Pa-O brand	Parami Network	1	10,000	10,000
Support for education of community councils, study tours and maintenance of 'partner councils' relationships for 3 selected officials	Parami Network	4	5,000	20,000
Total				414,000
Admin fee		0.7		29,000
Total				443,000

A reassuring aspect of the Status Report was that it also detailed a proposal for establishing an evaluation and monitoring system. This was discussed in all of the workshops but was not specifically covered by a proposal at the prioritisation workshop. IID aptly summarises the importance of this proposal:

> Decades of isolation have left the Pa-O region with little capacity to manage social and economic development and utilise the community experiences in a systematic way. A permanent monitoring mechanism is needed, to administer the outcomes of development activities and to report on the results in a manner that facilitates change as circumstances change. There is also need to communicate information across Government departments at the Shan State level and to supporting donors (S14, 5).

This proposal also recognises that training in the use of accountability systems is as important as their existence. Interestingly the proposal does not provide the intentions or any plans for what will occur at the end of the two year period identified. Continuity of training and mechanisms will be important for long term development.

3.3.7 Stage 6 – Obtaining agreement

To be presented to the PNO when?

Next steps? Shan state approval? Central gov approval?

Implementation intended to begin?

3.3.8 Discussion of the Approach

Participation

Accountability

Local capacity risks of domination and dependence – no indication of presence

Conclusion

Summarise findings
List recommendations

References

1. Hurform 2008, *Suppressed: Freedom of Speech in Burma,* Human Rights Foundation of Monland, <http://rehmonnya.org/archives/124>. 2. World Bank 2012, *World Bank Prepares Interim Strategy Note for Myanmar*, <http://www.worldbank.org/en/news/2012/08/10/world-bank-prepares-interim-strategy-note-for-myanmar>. 3. Amnesty International 2010, *The repression of ethnic minority activists in Myanmar,* AI Publications. Photos: Worldview 2004, <http://www.peace-on-earth.org/Myanmar/mm10.html>.