Helping Villages Help Themselves

Localizing development in Myanmar

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Abstract

Key to Myanmar’s current reform is the shift towards people-centered development. In wake of this trend, I/NGOs are localizing their projects through autonomous village organizations. This research appraises the motivations leading to the proliferation and effect of such VOs in Myanmar. Data was gathered through desk review, surveys, FGDs and interviews. Sample for this study was drawn from development projects funded by Livelihoods and Food Security Trust Fund in Myanmar. The findings and conclusions suggest motivation of I/NGOs for creating VOs are reactive and opportunistic; VOs are established in response to the government’s development strategy and gradual opening of development space in Myanmar. VOs also manifest national mood of economic liberalization, and I/NGO’s unwavering faith on market as the solution to poverty reduction. I/NGOs are setting up VOs for instrumental ends, as channels to implement projects efficiently. Most of the VOs have created a boundary spanning role, working with decision makers at the grassroots to make services work with and for local people. Similarly, power over development works are being shared amongst different VOs and given rise to plurality of development actors and increased social capital at the village level. However, interference from village authorities and influential leaders over VOs appear to be a pertinent challenge facing all villages. As the findings suggest VOs are also frequented by micro-management from host I/NGOs to larger extent.

Key words: Village organizations, participatory development, social capital, Livelihoods and Food Security Trust Fund, Myanmar

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Abbreviations

ADB亚洲发展银行
CBO社区为基础的组织
CfW现金工作
EC欧洲委员会
FFS农民田校
FGD焦点小组讨论
HI帮办国际
ICAP综合社区行动计划
<table>
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<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>IFAD</td>
<td>International Fund for Agriculture Development</td>
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<td>IHILA</td>
<td>Integrated Household and Living Assessment</td>
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<tr>
<td>I/NGO</td>
<td>International/Non-Governmental Organization</td>
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<td>LIFT</td>
<td>Livelihoods and Food Security Trust Fund</td>
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<td>MCS</td>
<td>Myanmar Ceramic Society</td>
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<td>MDG</td>
<td>Millennium Development Goal</td>
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<td>MFC</td>
<td>Micro Finance Center</td>
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<tr>
<td>PNO</td>
<td>Pa O National Organization</td>
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<td>PRA</td>
<td>Participatory Rural Appraisal</td>
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<tr>
<td>SHG</td>
<td>Self Help Group</td>
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<tr>
<td>SRG</td>
<td>Self Reliance Group</td>
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<td>TC</td>
<td>Thadar Consortium</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>UNOPS</td>
<td>United Nations Office for Project Services</td>
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<tr>
<td>USD</td>
<td>United States Dollar</td>
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<tr>
<td>VA</td>
<td>Village Administrator</td>
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<td>VAC</td>
<td>Village Administration Council</td>
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<td>VDC</td>
<td>Village Development Committee</td>
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<td>VERP</td>
<td>Village Elders and Respected Persons</td>
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<td>VMC</td>
<td>Village Management Committee</td>
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<tr>
<td>VSLA</td>
<td>Village Savings and Loan Association</td>
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<tr>
<td>VTA</td>
<td>Village Tract Administration</td>
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<tr>
<td>VO</td>
<td>Village (based) Organization</td>
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<td>WB</td>
<td>World Bank</td>
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Acknowledgement

Putting together this research has been a great expedition in itself- a travel across climates, countries and cultures. It had its own highs and lows, peak motivations and frustrations, but like any journey it has led to an inner fulfilment and re-discovering my passion for this profession we call ‘development’. Thanks to all my travel companions, my new found friends and work colleagues who have made this journey less grueling and more exhilaration.

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1 Introduction
The ongoing political-economic transition in Myanmar is opening up decision making about country's development, in particular reflecting local situations and public opinions. Key to the government’s reform is the shift towards people-centered development and public participation at the grassroots. Involving rural villages and communities in decisions that shape their lives is central to making development more effective, and it has the potential to transform the role that poor people play by giving them voice and agency (Nishino & Koehler, 2012, p. 7). In wake of this trend, development organizations in Myanmar are widely localizing their projects through a self-governing beneficiary organization at the village level, called village organization. But, the potential benefit of such organization depends very much on the specific approach and design.

Most practitioners would acknowledge that mobilizing autonomous VOs and injecting democratic decision-making at the grassroots is useful for Myanmar’s transition. Not least because a number of studies have concluded that current project practices suffer from several shortcomings. A World Bank study, for instance, raised concern about duplication of INGO funded VOs and need to address the problem of aid fragmentation at the village level (WB, 2012). In addition, Myanmar’s abrupt shift from an autarchic, command based paradigm to a bottom-up development approach creates considerable conceptual and practical challenges for mobilizing such autonomous organizations. Finding ways to strengthen VOs, while taking into consideration the differing approaches of implementing I/NGOs, their relationship with the local authorities, and legacy of half a decade military rule and of the people living in these villages is therefore a challenging task.

Only a relative handful of studies have specifically examined about VOs in Myanmar; e.g. one of the first studies to explore the nature of village level governance was conducted by Susanne Kempel, a UNDP consultant in 2012 (Kempel, 2012). Whether the motivation of and why I/NGOs are setting up VOs has a direct effect on participation and access to decision making of project beneficiaries, however, remains an open question. The scarcity of information about VOs in Myanmar is regrettable because it is the sort of evidence the government, donors and I/NGOs appear to be requiring if they are to support people centered, bottom-up development.

1.1 Purpose of the research
This research critically appraises the way in which VO is currently understood and practiced by International/Non-Government Organizations (I/NGOs) in Myanmar and the effect mobilizing these village organizations have on Myanmar’s development; but also to highlight prospects for
improving current practices. This research attempts to inform development actors and policy makers on some of the definitional issue surrounding the concept of VOs, before moving on to explore some of the driving factors in the phenomenon, and different approaches and types of support provided to the VOs.

In particular, this research examines two key questions:

- Why are village organizations proliferating in Myanmar’s development projects?¹
- What has been the effect of mobilizing these village organizations for Myanmar’s development?

1.2 Disposition

Following to this introduction chapter, consists a background chapter describing Myanmar’s historical and contemporary issues surrounding political and economic reforms, development context and overview about Livelihoods and Food Security Trust Fund (LIFT). Chapter three describes the methodologies and thorough data acquisition processes undertaken for this study. It also sheds light on the sampling design, analysis of data and limitations faced during the study. The conceptual basis surrounding the research topic is offered in chapter four, which also serves as the analytical framework for answering the research questions. In particular, chapter 4.1, 4.2 and 4.3 entails discussions on the emergence of participatory development, and village organizations as the interface of participation in development projects. Meanwhile, subchapters 4.3.1 and 4.3.2 describe the intricacies and potential effects VOs have over social capital and power dynamics of the target villages and on development in general. Findings of this research are reported in chapter five as two overarching domains: (a) why form new village organizations, (b) what has been the effect of mobilizing village organizations? This is however preceded with a brief introduction to the sample respondents, 3 NGOS and 3 INGOs, and the type of village organization they mobilized. Chapter six offers conclusion against the research questions, and thereafter references and appendices follow.

2 Myanmar: Country at glance

Myanmar (historically called Burma) is the largest country in Southeast Asia with a total land area of 676,577 sq. kilometers (ADB, 2012). The country has an estimated population of 59.1 million, consisting of diverse ethnic groups speaking over 100 languages and dialects (UNDP, 2012a). The country is administratively divided into seven states in the upland/hilly areas and seven regions,¹

¹ This particularly relates to projects implemented after Myanmar’s political reforms and funded through LIFT grants.
which cover mostly the lowland or plain areas. The regions, also called divisions- Ayeyarwady (Delta), Bago, Magway, Mandalay, Sagaing, Tanintharyi and Yangon- are populated predominantly by Bamar, the dominant ethnic group that is 68 percent (IHLA, 2011) of the population. Meanwhile, the states- Chin, Kachin, Kayah, Kayin, Mon, Rakhine and Shan- in quintessence are regions, which are largely populated by ethnic minorities.

The administrative divisions are further subdivided into townships, village tracts, and villages.

Within the states in upland areas, there are ethnic-based struggles for self-autonomy and independence. Ethnically a diverse country, Myanmar’s modern history has been ravaged by ethnic and sectarian conflicts, which still continue in some of the states like Kachin (ADB, 2012).

2.1 Development context

Myanmar is the poorest countries in Southeast Asia; the country ranked 149 out of 187 countries in recent human development index and poverty levels are currently high, at an estimated 26 percent of the population (UNDP 2012a). Absolute poverty is twice as high in rural areas than urban, higher in upland areas than plains and highest of all amongst the ethnic minorities (ADB 2012, p.2). Also, disparities in food security and other forms of wellbeing- including employment, access to education and health care, gender equality- are evident across regions, states and ethnic groups (ibid).
Agriculture is the mainstay of the economy, with almost 70 percent of the labor force engaged in farming (IHLA, 2011). This, however, only accounts for 36% of gross domestic product and food insecurity is a major development challenge for the country (ibid). The contribution of rural enterprises and agriculture to economic growth, job creation and poverty reduction is also limited. Largely organized on a small scale without significant access services, development support or effective market linkages, people’s livelihoods are structurally precarious, operating on low input, low return household economies.

2.2 International access to Myanmar

Until recently, Myanmar was almost a closed country, detached from progress elsewhere; its people living through grinding poverty under 50 years of successive military dictatorships. Popular revolutions were crushed by violent crackdowns in 1989 and 2007 consecutively (Nishino & Koehler, 2012), press was restrained, civil organizing was banned and development was centrally managed by the military regime (Irin, 2012). The country was controlled to an extent where even village chiefs were handpicked by the junta (ibid). International sanction was placed against Myanmar, which intended to punish the country’s military junta for human right violations, but also constrained the levels of foreign aid (Saha, 2011, p. 7). Myanmar received such low aid that it used to be called "aid orphan" between 1990 and 2007; official development assistance per capita was less than 5 USD annually, the lowest for any developing country (ibid).

After decades of authoritarian regime, and being shut out of aid money because of it, Myanmar is starting to see a shift in donor attitudes after the recent political reforms. Over the last year, the military junta presided over elections. Since then, the new civilian government has freed political prisoners and permitted a modicum of political participation by opposition groups (Philips, 2012).

Today, Myanmar is undergoing three major transitions; from an authoritarian rule to democratic governance, autarchic economy to a market-based modality, and from 60 years of internal conflict to national reconciliation and peace (ADB 2012, p. 4). Key to this government’s reform is the role of citizen participation. New laws and policies, such as Myanmar’s Rural Development Framework, are being enacted with a people centered approach. As the government of Myanmar continues to pledge political reform, it has led to increased donor’s confidence and exponential growth of aid flow in a country that has historically received among the lowest per capita development aid of any developing country (Saha 2011, p. 4-7).
2.3 Livelihoods and Food Security Trust Fund

In response to the Burmese government’s call for assistance after Cyclone Nargis\(^2\), the Livelihoods and Food Security Trust Fund (LIFT) was set up in 2009 as a multi donor fund to support Myanmar make faster progress towards the eradication of extreme poverty and hunger, one of the MDGs (LIFT, 2012a, p. 6). Donors include the governments of Australia, Denmark, the European Commission, France, the Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom and the United States of America. The donors contracted United Nations Office for Project Services as the Fund Manager to administer the funds and provide monitoring and oversight of the financial and technical performance of the grantees. To date, LIFT has been the main aid instrument for rural development in Myanmar and collectively the donors have provided US$ 176 million and reached two million rural poor (Kobia, 2013). In doing so, LIFT has provided grants to 32 implementing partners: 21 INGO, 7 local organizations, and 4 UN agencies (LIFT, 2012a, p. 6). LIFT’s first grants in 2010 funded projects in the Delta, which assisted the cyclone-affected population. Between 2011 and 2013, LIFT has expanded its funding countrywide over the Dry Zone (Sagaing, Magwe, Mandalay and Bago regions) in the lowlands, as well as Shan, Chin, Kachin and Rakhine State.

2.4 Shift towards public participation

Two central reasons dictate the need for scholarly attention to village organizations in Myanmar. The first comes from series of empirical evidence. In Myanmar, 2/3rd of the population live in villages and it is where poverty is concentrated (Kempel, 2012). The second reason that the topic is worthy is that the current government prioritizes villages as the key entry points for development

\(^2\) In the immediate aftermath of Cyclone Nargis in May 2008 - a disaster that left over 140,000 people dead and affected 2.4 million through the Ayeyarwady Delta - international aid workers were initially prevented from working in affected areas. Only a week after the crisis, faced with insufficient resource to carry relief work and growing international condemnation for barring international support, the Burmese government finally opened up space for aid workers and also requested official assistance to the UN (Maung, 2012).
and sees it as engines of economic growth and poverty reduction (Myint, 2013, p. 3). The concept of VO is, therefore, becoming integral to the socio-economic development of Myanmar. All of these observations highlight the fundamental importance to focus on villages and local communities and understanding institutions that shape people’s lives and decision making at the rural level.

With the ushering government reforms, I/NGOs now have more space and opportunity to operate in the villages. Almost all the I/NGO projects currently have an increasing stress on the social mobilization and participatory governance aspects of their target beneficiaries. The World Bank (WB, 2012, p. 59) found that of all 40 villages included in its research, aid projects delivered assistance primarily through village based organizational set up. Of 247 different schemes reported in the study, only 9% of projects handed aid directly to beneficiaries without any village based organization. In LIFT funded projects alone, 30 I/NGOs reported having supported a total of 7200 VOs in the last three years (LIFT, 2012a). These VOs vary by type and include from village development committees representing the entire village to smaller livelihood committees and self-help groups formed around specific project activities. The configuration and function of these VOs also differ significantly. Some development projects are using VOs as a channel to disburse aid and deliver project services to their target beneficiaries, while others actually employ these organizations to help villages identify their problems, enact action plans and implement activities based on their collectively agreed priorities.

3 Methodology

Because this inquiry about VOs concern unobservable conditions as much as observable events, it requires a philosophy of science that presumes a stratified understanding of social reality as well as the possibility of discovering it (Hattori, 2001, p. 637). Accordingly, I have adopted a pragmatic worldview (Creswell, 2012), which assumes reality as a set of layered relations and is therefore ontologically deep. As a result, this study was conducted as a mixed design, which tackles and unpacks these layers of social relation through iterative processes of abstraction and inductive reasoning (Creswell 2009: 10). Since my approach to the relationship between theories and research is primarily inductive, this study involves drawing generalizable inferences out of observations and collected data (Bryman, 2008, p. 15). I am using theories at the very least and as a foreground to my qualitative investigations.
3.1 Data Collection

Data for this study was collected from October 2013 to March 2014. Information for this study associated both quantitative and qualitative forms and triangulated through various methods and at different levels of development interventions, government, donors, stakeholders, implementing organizations and beneficiaries, hence increasing the reliability of the findings. Data was collected through multiple sources to include an extensive desk review, followed by a detailed survey questionnaire, focus group discussions and semi structured interviews.

3.1.1 Desk review

The aim of desk review was to collect factual information, theoretical discussions, lessons gathered and good practices and baseline for arguments surrounding VOs. Relevant secondary data was gathered during July-December, 2013 from an extensive desk review of government legislations, donor strategies and guidelines, LIFT internal monitoring reports and case studies, project reports and research publications of I/NGOs, information on the internet, news articles and policy briefs surrounding Myanmar’s rural development. Further data was drawn from UNDP’s recent study on village level governance, i.e (Kempel, 2012) and the proceedings from Myanmar’s first ever national workshop3 on rural development. Data gathered from the desk review was used to create a conceptual basis for the study, develop research questions and detailed questionnaires for next stage of primary data acquisition (Bryman, 2008). Literature reviewed during this stage has also influenced the reporting of findings and drawing conclusion on the research topic.

3.1.2 Sampling

The sample for this study was drawn out from the I/NGOs implementing LIFT funded projects. Because LIFT is a harmonized multi-donor fund for rural development and has a countrywide geographical coverage, a well-designed sample of its grantee I/NGOs represents the VO experience of development agencies in Myanmar. Sample of I/NGOs was drawn out from a sequential approach. In a sequential approach, sampling from the first phase or strand informs the second phase (Creswell, 2009, p. 183). In the first phase, all 32 LIFT funded I/NGOs were surveyed through a self-completion questionnaire. Their answers were analyzed, which later informed the choice for a representative sample in the second phase of data collection. Six organizations, 3 NGOs and 3

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3 Jointly organized by Ministry of Livestock, Fisheries and Agriculture of Myanmar and LIFT, this workshop featured expert’s inputs on methods for design, monitoring and evaluation of development projects, rural growth, decentralization, institutional learning and related topics, among many other things.
INGOs, were purposively selected to ensure variation in three factors: a) types of village organizations; b) geographical coverage; and c) experience of mobilizing VOs.

3.1.3 Survey
A survey was conducted during November 23- December 4, 2013; self-completion questionnaires were distributed to all 32 international and local organizations receiving LIFT grants between 2010 and 2013. An attempt was made to reach as many I/NGOs as possible by distributing questionnaires through email and following up by telephone. Only 6%, 3 INGOs, did not respond to the survey. The questionnaire covered the following areas: types of village organizations supported by the I/NGO; number of newly established VOs for LIFT project and number of VOs from previous projects; brief description about the role and function of the VOs; and different types of I/NGO support and resources provided to the VOs. This survey gave me a standardized and systematic method for gauging variation between the I/NGOs (Bryman, 2008, p. 42): it gave me a consistent benchmark for comparing all the 32 respondents and revealed important features and type of VOs mobilized by the I/NGOs.

3.1.4 Focus group discussion
Focus group participants were chosen from among the I/NGOs who had reported in the survey their willingness to be involved in a further discussion. Six international and local organizations were approached for FGDs during 13-21 December, 2013. It was useful to conduct FGDs per organization than individual interviews at this stage, because I wanted to quickly obtain a range of views regarding VOs within the I/NGO. All the discussion were done solely in English, except for times when translations were needed with some field staffs. I was assisted by Aung Aung Kyaw, LIFT monitoring officer, who accompanied me to all the FGDs and helped with the translations. For the discussions, I used non-directive style of interviewing and open ended questions, which allowed the respondents to talk freely and spontaneously. The main focus was to allow the respondents to come out with their thoughts and stories. Building on the general data gathered from the survey, FGDs revealed ‘valuable insights’ (Bryman, 2008, p.47) about the rationalizations and arguments behind mobilization of VOs and their effects on Myanmar’s development discourse.

3.1.5 Semi-structured interviews
After the FGDs, I followed up with five semi-structured interviews in the last week of December, 2013. Interviews were conducted in English with four LIFT staffs- programme manager, monitoring and evaluation officer, civil society officer and delta programme coordinator-, and UNDP livelihoods and recovery expert. The purpose of these interviews was to gather a macroscopic view of issues
surrounding village organizations in Myanmar. Guiding questions were prepared in advance, which provided a framework to ensure that key areas were covered during the interviews. But flexibility was retained to pursue issues of particular relevance and probe for details.

### 3.2 Analysis of data

Data analysis commenced by looking for the common themes shared by all sample I/NGOs, and the differences that set them apart. I then assessed each organization and its projects separately. I have analyzed and treated data based on two qualitative techniques, first typology analysis to categorize different type of village organizations in the survey results, and second- inductive analysis to develop generalizations about village organizations from the experiences of sample respondents. Inductive analysis was appropriate for this study because it focuses on finding the essence and meaning to the experiences of participants in mobilizing VOs, and then building up generalizations through a bottom-up approach (Creswell, 2009, p. 133). Accordingly, this inductive process allowed me to organize the data into increasingly abstract units of information until certain comprehensive themes emerged from the process (Creswell, 2009, p. 135). As a result, I was able to draw a more complete account of the VOs and their effect in Myanmar's development.

### 3.3 Ethical considerations

I have thoroughly abided by the researcher's code of ethics (Bryman, 2008, p.51) throughout the research process. Safeguards have been employed to protect the respondent's rights (ibid) - every participant in the study has been articulated about the objective of the study and informed consent has been attained before focus group discussions and interviews. On the other hand, decisions regarding informant's anonymity were left to the informant (Creswell, 2009, p.148). All the participants have approved disclosure of their names, and therefore mentioned in the list of participants in Appendix- I. The research has also been made as participatory as possible; participation of respondents in the study has been voluntary and the initial findings have been shared to the respondents to suggest corrections for possible misinterpretations and validate the findings.

### 3.4 Limitations of the study

Although originally thought, field work at village level was dropped due to number of bottlenecks. The bottlenecks included limitations on travel permits, there were processing delays and curtailed access to majority of the villages, while development workers also needed to be accompanied by local officials to the villages, which only made my access to villages largely off limits. Nonetheless,
since I was a UNOPS intern, alongside my identity as an independent researcher, I leveraged my intern position to access a rich harvest of internal monitoring reports and case studies about VOs in LIFT funded projects. As such I have partially tapped into the voice of VOs through secondary LIFT data. However, it is important to note that the research questions and hence the findings are deliberately situated at the macro and meso level, at the level of implementing international and national organizations.

While, VOs’ ultimate goal to improve full participation and representation of end beneficiaries in the development process is a long-term impact, introduction of VOs is fairly new to Myanmar’s development process. Also, most of the I/NGO projects in question of this study were still ongoing during the time of my fieldwork. I fully acknowledge that this study warrants for a much later assessment and the findings I have uncovered only hints towards upcoming achievements and potential effects of VOs in near future.

4 Conceptual basis

International and national organizations engaged in development efforts have recognized the need not only for economic development but also for human development. Efforts have shifted globally from standalone project intervention to including institution building and citizen involvement. According to this perspective, development is viewed as not merely increased income for poor and economic growth for a nation, but also on pattern of behavior, decision making in communities, organization skills, and local self-reliance. Development then becomes something that people and communities do to themselves than something that is done to them by others (Umpleby, 2002, p. 5).

4.1 The emergence of participation

This emergence of ‘participatory development’ however has its own long history. According to Escobar (1995) and Chambers (1997), ‘normal’ development is characterized by biases, which are disempowering. These biases were Eurocentric; where development was merely an issue of economic growth, and implemented by government in a deliberated top-down hierarchy. This meant an overarching phenomenon to equate development with ‘modernity’ as achieved by the western countries and to copy them in a series of rational planning by experts. In the flipside, the non-experts, poor and local people were the problems which were to be solved by education and technology transfer (Chambers, 1997). Local people were the objects of grandiose, national schemes and project plans. From 1950s through later 1980s, professionals and experts were
considered to be the answers to development challenges, while development projects were organized and implemented by government agencies and centrally implemented, which often produced inappropriate solutions (Israr, et al., 2009).

This ideology was increasingly challenged and undermined; in particular radicals (Friere, 1970) advocated participatory action research, which advocated for people’s participation in their learning environments. The research methods for doing this were inspired by Paulo Freire and have grown into a veritable industry (see Chambers, 1997: 106-13), but all center upon trying to see the world from the point of view of those directly affected by the developmental intervention. Added to this were academics, most notably Robert Chambers (1983), who argued that ‘putting the last first’ was the only way to achieve rural development. Unlike the expert knowledge of normal development, participatory development stresses the necessity of local knowledge. The expert systems of modernity depend solely on scientific approaches where planners worked from normative social models so that the recipients of development were treated as passive or, more often, conservative and obstructive. Participatory development reverses this. According to Chamber, the essence of participation is change and reversals—of role, behavior, relationship and learning. It is a move from a model of outsider driven domination, lecturing and transfer of technology and rational planning by experts to a plurality of development goals to be realized at the grassroots level; giving the community self determination to planning and implementation of development intervention that affect them (ibid). As a result, development initiatives have now transformed to bottom-up, participatory approach. Such bottom-up approach contrasts with top-downism whereby the development agenda is externally set by national targets, projects or donors’ priorities.

4.2 The new ‘Holy Grail’

There are numerous definitions of the term ‘participation’, which often varies between personal conceptions, project specific aspirations and different ideologies that contest what participation should achieve. If people participate, what are they gaining by participating? One view is instrumental whereby participation was cost effective and increases efficiency of ‘formal’ development programmes: with participation, local people do more; projects cost less; and achievements are more sustainable (Chambers, 1998, p. 12). Another view is empowerment, the participation of citizens in decision making processes that affect their lives and access to accountability mechanisms is fundamental for sustainable societies and poverty reduction. Centrally led, top-down development policies and projects cannot alone solve the complexities of
rural development and it is the people themselves who have to be empowered to lead their development. Participation is, thus, fundamentally concerned with helping communities to help themselves and to achieve greater influence over decisions that affect their lives (Gilchrist & Taylor, 2011, p. 75). Put (1999, p.17) wisely intertwines these two group of thoughts and reminds that two variables are decisive for any transaction in participatory development; institutional and target group. Participation of target beneficiaries is indispensable to making development efficient and work but, for such participatory development to occur target group should be organized and must possess certain institutional variables like human, material and financial resource, stable internal structure and stimulating leadership to achieve desired development objectives (Put, 1999, p. 18).

Though I want to avoid one particular definition of participatory development, it is beneficial to look at some of the major approaches. Development agencies today widely define participation as “co-determination and power sharing throughout the project cycle” (reference). Participation in this context involves external and local agencies working towards a shared end on a project basis; the implication being that the project was reasonably circumscribed. Equally, participation has also grown as a new orthodoxy in the World Bank. Since mid-1990s, the World Bank has implemented flagship participation projects, and projects are monitored for their level of participation. In particular, the World Bank's participatory poverty assessments stand out as their seminal introduction to this topic. For them participation entails involvement of stakeholders who “influence and share control over development initiatives, decisions and resources which affect them”. This recognition fed into the ‘good governance’ agenda which envisions shared responsibility for project implementation in contrast to 1980s where aid-receiving countries had their policies driven entirely by the donors (Mohan et al, 2000).

4.3 Village organization- participation in practice

Through late 1990s, developing countries have witnessed lesser role of the state and liberalization has particularly constituted in decentralization in particular aspect of public sector reform (EC, 2013). It involved the transfer of a range of political authority and powers including responsibilities in service delivery, financial, human and administrative resources from higher levels in the political system to public authorities at lower level. For donors like European Commission, decentralization is inherently a political question that affects the overall organization of the development sector. Hence, support to village organizations from development partners should be envisaged only where there is political will to initiate or where decentralization reforms have already put in place (EC, 2013, pp. 10,11). In rejecting the statism and top-downism of ‘normal development’, the focus
for participatory development has thus become the local or grassroots level (Mohan and Stokke, 2000). Increasingly, this has permitted a plurality of development goals that could be realized by giving local communities the self-determination it needs. In a development context, it has largely been interpreted as the realm of self-governing village organizations (Bernard, et al., 2007, p. 5). These village organizations are bottom-up institutions that apply participatory dictum that ‘people know, people discuss and people supervise’. The purpose is to demonstrate what is possible when people work together at the local level. In this perspective, VOs encourage the participation of local people in analyzing their problems and opportunities, and finding out solutions to solve their problems.

Ever since, village organizations have been the interface for participation and increasingly considered as essential partners by development agencies, which frequently rely on VOs to implement their programs/projects (Israr, et al., 2009; Chambers, 1997; Bernard, et al., 2007). As a result, VOs today have prevailed as new custom of development; almost all donor funded projects stress on participatory approach to development; social mobilization and organization components at the village level (Hickey & Mohan, 2004). This particularly is the case for community-driven development programs based on decentralization and participation (Mansuri & Rao, 2004, p. 3).

### 4.3.1 Social Capital

Like participatory development, village organizations are also contested territories. There is a considerable heterogeneity across VOs in terms of what they do, their scope and scale of work, underlying intervention assumptions, and their de facto structure and functions. Some of the organizations are strong and sustainable while others are weak and scattered organizations. However, what is certain about VO is their role in rural development, which derives from the importance of social capital in growth, poverty reduction, and sustainable development (Uphoff & Wijayaratna, 2000). For theorist Putnam and James Coleman (1990), social capital is a collective resource on which individuals can draw. Portes (1995, p.12) however describes it as an individual resource- “the capacity of individuals to acquire scarce resources by virtue of their membership in networks or broader social structures. Pierre Bourdieu, on the other hand, argue social capital as an individual resource which like any other form of capital is inequitably distributed and thus reinforcing existing divisions and privileges in the society (Bourdieu, 1986). It was Michael Woolcock (1986) who bridged these dimensions and demystified social capital in three layers (Gilchrist & Taylor, 2011, p. 46-47):
• Bonding social capital, which derives from strong relationship between people in similar situations, such as close friends and neighbors,
• Bridging social capital, which is weaker but involves wider connection between different people, or different ethnics or geographical communities, and
• Linking social capital, which describes connections between people that cut across status and link people with differing levels of power, service users and service providers.

So what does this mean for village organizations? The distinction between different types of social capital is particularly important because, social changes and empowerment cannot be achieved alone by working at the village level on small scale development projects. Bridging and linking social capital are needed to harness resources and influence beyond the village, to connect with allies and broader social movements. While many disadvantaged communities in the villages are characterized by strong ties, they are poorly connected with those outside their boundaries, other communities and power holders. Village organizations therefore need to build trust and relationships within and between heterogonous communities as well as with power holders in order to identify and act on common interests (Gilchrist & Taylor, 2011, p. 48). Narayan (2001), further stresses that VOs presence and shared history with their beneficiaries provide a fundamental basis for social capital, but these relationships should be embedded in inclusive membership and active participation.

4.3.2 Powerful Processes
As discussed in the previous chapter, it is clear that village organization, whether their aspirations instrumental or empowerment, both the processes is fundamentally about power, power of villagers to access decisions that shape their lives. In village organizations power is inherently a political struggle for project beneficiaries to retain privileges or access to accountability mechanisms in development and in a broader local context. Many of the theories of state (since we see decentralization as a driving motor for establishment of village organizations) see power as a zero sum commodity game i.e. the powerless can gain power by only taking it away from those who have it. From this point of view, it can imply that power is being granted on communities and is in someone else’s gift (and by influence can be taken away). This school of thinking arises from Michael Foucault’s analogy of power as domination, that there is no avoiding of domination and there is no reasoning independent of it (Gilchrist & Taylor, 2011, pp. 54-57). In Foucault’s ideas governing has become a domain of strategies, techniques and procedure, namely here participatory development, through which villages and communities can be mobilized, enrolled and positioned in
novel development programmes, “they might be seen as acting as their own overseers... believing themselves to be free of powerful domination, making their own choices, pursuing their own interests and forming their own conclusions and priorities” (Lukes, 2005, p. 12). In reality, many supposedly pro-participation development agencies are incredibly powerful and show a marked reluctance or controlled processes to release control. Central to Foucault’s argument is that exercise of power requires complaince of willing subjects and how this complaince is secured. For village organizations, this underlines the importance to understand how power works between them and their host I/NGO, relationship with the state and local stakedholders, and to make this interactive power visible and demystify their own governance space.

Sherry Arnstein’s (1969) pivotal ‘ladder of participation’ addresses this question of who has the power and how much power VOs have. Her influential participation typology has eight ‘rungs’ based on degrees or levels of participation from manipulation at the bottom to citizen control at the top. Although the ladder of participation seems a hierarchy, it is a continuum of levels of power from non-participation (manipulation and therapy), through degrees of tokenism (in ascending order informing, consultation and placation) to rungs of citizen power (partnership, delegated power and citizen Control) (Arnstein, 1969). Arnstein’s theory shifts the argument away from power as zero- or positive-sum model and emphasizes the potential for agency within VOs than confining it as a project structure.

5 Findings and Discussion

Initial survey from the first stage showed that of all 32 I/NGOs approached, 29 I/NGOs at least used village organizations in their projects funded through livelihoods and food security trust fund. 3 INGOs did not respond to the survey request, which had their program focal person on leave during the enquiry. The respondent organizations reported to have mobilized 4988 VOs in total; of which about 56% were newly established after the LIFT funding. The remaining 2228 VOs were mobilized mostly in the Delta region and continuation from post-cyclone (Nargis) interventions.

Asked to self-report the type of VOs mobilized in their projects, answers from the respondent I/NGOs recorded 32 different types throughout Myanmar. Village Savings and Loan Association (VSLA) are the most common type, 30% of the total reported VOs, and mobilized by 4 I/NGOs across Myanmar, followed by Community Based Organization (CBO), which comprise 26.7% of the total VO share but implemented by only 1 INGO. Third in the list is Self-Reliance Group (SRG) which is implemented by 7 I/NGOs and constitute 13% of total VOs. Meanwhile, Village Development
Committee (VDC) is the fourth largest type, which constitute 10.2% of the total VOs, and implemented by 11 I/NGOs. And, Farmer Field School Committee (FFS), a type of farmer’s self-help group, is implemented by 3 I/NGOs and constitute 7% of the total VOs share.

The remaining 13% of the VOs are 28 different types of self-help and/or project groups closely knit around I/NGOs standalone project activity, e.g. forest user group, machinery group, tea producer group, aquaculture group, baking group, etc.

5.1 Organizations in spotlight

As described in the methodology section, the sample respondents selected for second leg of data collection, focus group discussions, are purposively selected to represent different types of VOs recorded in the survey, their geographical coverage and I/NGOs experience in mobilizing the VOs.

For VDCs, because it was implemented by higher number of survey respondents, two I/NGOs were selected- Helpage International, an INGO, and Thadar Consortium, a NGO consortium. Helpage International is currently mobilizing 30 newly created VDCs in Sagaing and Mandalay regions. And, Thadar Consortium currently mobilizes 37 newly created VDCs in the four regions of central lowlands, also called Dry Zone. Thadar, however, has longer experience of mobilizing VDCs in the Delta region after the cyclone Nargis, and just before the political reforms started to take hold in Myanmar.

Two INGOs, Pact and Proximity Design, were selected for VSLA and CBO respectively. Both the organizations are renowned to have a big village portfolio and mobilized a great number of village organizations. Proximity has mobilized the highest number of village organizations compared to any other organizations in the survey- 744 new CBOs and 573 old CBOs, and proclaimed to outreach 80% of Myanmar’s rural areas. Pact on the other hand works with 318 new VSLA across Myanmar. In particular, Pact is also one of the few longest serving INGOs working in Myanmar and used to mobilize 926 SRGs, another type of village organization, before political-economic reforms took shape in 2012.

Myanmar Ceramic Society (MCS) and Metta Development Foundation, two local NGOs were selected for SRG and FFS respectively. MCS works with 149 old and 149 new SRGs in 7 pottery villages of Shan state and Sagaing division with a specific target group, potters and their families. Meanwhile, Metta works in the conflict areas of in two northern states of Myanmar- Shan and Kachin. Metta is
currently mobilizing 40 new FFS committees and 160 old FFS, which were established during 2001 to 2011.

5.1.1 Helpage International

Helpage International is an international NGO that has been working in Myanmar since 2003. Majority of Helpage's work is carried out through self-governing VDCs which are set up to reduce poverty in the rural areas (HelpAge, 2014). The VDCs comprise of subcommittees which administer specific project activities, e.g. agriculture, livelihoods, education, health, fund raising, and income generation sub committees. The subcommittees are convened by project beneficiaries, who then democratically form a representative central committee overlooking Helpage's work within the village. Helpage claim to use an ‘inclusive development’ approach to its project and VDCs. Gender balance is at the heart of inclusiveness of VDCs, which now necessitate 40% members to be women. During the project inception, “we focus on socialization with villagers before the formation of sub-committees and VDC (FGD-HI, 2013).” Once the VDCs have instituted in the villages, Helpage provided series of trainings to VDC members on Integrated Community Action Plan (ICAP). After the completion of training, all VDCs organize an open village gathering where they find out different needs of communities and individuals. The villagers prioritize their needs and create an ICAP for their village. The focus on individual need is to ensure that vulnerable groups like elderly, women and people with disabilities also have their needs heard and prioritized in the action plan. Helpage’s staffs facilitate and provide guidance during the planning processes in every project village. Helpage cannot fund all the activities from VDC's ICAP, but try to link their project fund to the prioritized activities. Helpage's modality of VDCs aspires to make development activities in villages demand driven and beneficiary initiated.

5.1.2 Thadar Consortium

Thadar Consortium consists of six local NGOs and was formed by Action Aid, an international NGO, after cyclone Nargis in 2009. The consortium currently uses VDCs as a bridge between them and the villages they serve. The members of these VDCs are representatives from existing traditional organizations within the villages, elders, religious leaders and village authorities. Normally, the VDC has 9 committee members, with a 4 member executive board of president, secretary, treasurer and accountant, while the remaining members lead community based organizations and/or user groups formed under the supervision of VDC to manage agricultural and livestock activities, e.g. cow and goat breeding groups and revolving fund. Thadar’s support to the VDC ultimately aims at capacitating the VDCs to sustainably operate the revolving fund, which provides much needed
capital for poor farmers to set up micro enterprises and diversify their income source. During the onset of every VDC, Thadar facilitates a Participatory Rural Appraisal (PRA), a village level meeting, where villagers create their own resource maps, identify all available economic resources in the village and their accessibility to poor households, especially vulnerable groups and women headed households (Lynn, 2012, p. 1). Each VDC create a ‘village book' through an ongoing PRA. This village book is a document owned by the villagers, which contains information about socio-economic conditions of the village, existing problems and needs, as well as possible solutions identified by the villages and a plan to achieve the solutions. In order to make these village books relevant, it is revised and updated every year in an annual VDC meeting. As an exit strategy, Thadar has asked township authorities to conduct a handover ceremony of village books to both village authority and VDC in all their project villages. Doing so, Thadar believes will institutionalize the cooperation between VDCs and village authorities in future.

5.1.3 Proximity Design

Proximity Design is a Myanmar based, but registered in California, not-for-profit social enterprise established in 2004. The organization aims to reduce rural poverty through designing innovative and affordable market products and services⁴, which low income farmers purchase and use to grow higher value crops and significantly increase their incomes. Proximity is pro-market and has distributed its products and services to approximately 80 percent of Myanmar's rural population through a network of independent village-level agents. Following Cyclone Nargis in 2008, Proximity also started designing and implementing humanitarian relief and development projects for rural population. Proximity's projects reach villages through a community based organization, which brings together customers/beneficiaries in the villages for implementation of project activities. Organizing customers in a self-governing village organization gives them impetus to help villagers work their way out of poverty. All the customers and potential customers are members of the CBO, while an executive committee consisting of approximately 5-10 members is democratically elected from target customers and village leaders, who administer proximity's project activity and handout of credit to product buyers and cash for work payments to mansions and laborers working in the infrastructure activities. Proximity considers it’s CBOs as innovative and low cost practical mechanisms to build group accountability, transparent decision making and good governance in its cash for work activities. Proximity provides facilitation and capacity strengthening of its CBO members to implement their project. Proximity attributes its market modality for sustainability of

⁴ These products include foot-powered irrigation pumps, water storage containers, drip irrigation systems, solar lighting and farm advisory services.
its CBOs; because customers invest their money in proximity activities, the VOs will continue even after the donor funding cease out.

5.1.4 Pact

Pact is an international NGO, which specializes in using microfinance as a poverty reduction tool across developing countries. It has been working in Myanmar since 1997, at a time when very few other international NGOs were doing so (Muddit, 2012). Pact’s village organization, Micro Finance Centre (a type of VSLA), is based on a ground research to use microfinance as a tool for poverty reduction in Myanmar. This approach supports women to build transparent savings and credit groups at village level and empowers them with financial literacy needed to run microenterprises. Pact uses MFC, a type of village savings and loan association, to channel micro credit to beneficiaries in the project villages. The creditors in the villages are arranged in micro credit groups of 5-6 members, which then democratically elect a central governing federation called micro finance committees (PACT, 2014). Like other I/NGOs, Pact introduces its project through a village level workshop, open to all villagers, where its loan products and rules and regulations surrounding it are explained. Loan officer from PACT conducts a PRA and creates a wealth ranking of rich, moderate, poor and poorest in the village. Interested loan borrowers from moderate, poor and poorest ranks are identified and organized in micro credit groups according to their neighborhoods. A MFC is then federated in every village with 10 members selected democratically from the micro credit groups. This VO coordinates Pact’s project activities, loan disbursements, payment of interest and principal within the villages.

5.1.5 Myanmar Ceramic Society

MCS was established as a local NGO in 2005 and envisions to revive the traditional technology of glazing and to rehabilitate the livelihood of potter families, who are living in subsistent conditions. MCS does this by setting up self-reliance groups, which bring together the potter families in a closed group. “Through SRGs, MCS provides vocational training on business planning, traditional and modern ceramic making, technology transfer, loans to kick start ceramic micro-enterprises, and logistics support for livelihood development of potter communities (FGD-MCS, 2013).” MCS uses a collaborative approach with the government authorities in setting up its village organization. MCS conducted two consultation meetings in every village which led to formation of Self Reliance Groups (SRGs); one with potters who own a kiln, and another for potter households without a kiln (Monitoring-MCS, 2011). MCS also has an organizational membership across most of its targeted potter villages. These members also play an important role in identifying the members for SRG
committees. The SRGs bring together all the creditors from pottery households in a group of 8 members, who like in PACT approach, then democratically elect a central governing association called Village Management Committee. However, there are two types of SRGs, one which administers the micro credit financing for the well-off potters, i.e. kiln owners, and another which administers the micro revolving fund for the poor potter family households who do not have a kiln to make ceramic potteries. The revolving funds are different because borrowers first practice regular savings before they can access small loans (50-100USD) and with a payback time for interest and principal. When the members successfully complete their loan paybacks and have been able to own a kiln, they become eligible for micro-credits. In micro credit schemes, the potters have access to loan (200 to 700USD) directly from a private bank, where MCS works as a guarantee and spares the borrowers from having to deposit collateral.

5.1.6 Metta Development Foundation

Metta Development Foundation is a local NGO registered in 1998 with the Ministry of Home Affairs. The organization is recognized for pioneering Farmers Field School (FFS) programs in Northern states of Myanmar to diversify rice production, upland agriculture, and community forestry and nursery. Initially Metta’s FFS began in 2001 in Kachin and Shan state, but after the political reforms and influx of donors in 2011, it has scaled up its work to Kayah state and Irrawady division of Myanmar. The main objective of the FFS is to provide agriculture technology and farm business management to farmers to help increase their agricultural productivity. Metta’s claims to have set up its FFS committee on a community based participatory approach. Metta’s approach to formation and mobilization of FFS is in fact a non-confrontational approach and power brokering with village gatekeepers, which remain unaltered since its early days in 2001. Metta has established a FFS for every project village, which organizes 25-30 farmers in a committee and provides direct support such as technical trainings, small grants and loans for farming activities, and low-tech agriculture equipment. During its project inception, Metta liaises with these gatekeepers, namely village leaders, elders, and monks in a workshop before forming a FFS committee in a new village. These gatekeepers participate in a FFS planning and deliberately suggest members for the formation of Metta’s VO. An executive committee of president, secretary, treasurer and accountant is however, selected by the members of FFS. The FFS executive committee decides on a study plot and regular meeting place, which are attended by all FFS members in regular sessions (FGD-Metta, 2014).
5.2 Why form new village organizations?

All organizations in FGDs unequivocally claim that they are setting up VOs to fill the void of civic engagement in their project villages. The extent to which development organizations feel the need to establish new organizations at village level is interesting given that collective action at that level is so common and village based traditional and administrative organizations already exist. Kempel’s (2012, p.3) study about VOs in four states of Myanmar recorded between seven to twenty organizations per village. These include administrative (government), traditional socio-religious and some I/NGO facilitated organizations. The most common VO is village tract and village administration, which is the lowest tier of government administration, followed by socio religious youth group and pagoda or church trustees, which exist in almost all villages. Elders particularly, have a special designation in Burmese society and almost all villages have an elders’ council called Village Elders and Respected Persons (VERPs). The other traditional organizations, like socio-religious youth group conduct some development related activities and mobilize broad participation from a wide segment of the village population, but do not take any leading role in decision making and development affairs (ibid). The World Bank study in fact did not find any development oriented village organizations that had arisen organically or that preexisted aid programmes (WB, 2012, p.59). And, for all the old village organizations reported by the survey respondents, upon close inquiry on FGDs, it was clear that all of them were actually established by the I/NGOs in their previous projects. None of these VOs had evolved or continued from any traditional forms or other I/NGO facilitated VOs. So why form these new village organizations?

5.2.1 Political renewal

Myanmar’s political reforms and opening up has had significant impact on all I/NGOs. Prior to 2011, village organization had to include village chiefs and government officials in their executive committees. With ushering political changes and shift towards people-centered development, Burmese government has opened space for development agencies to promote democracy at the micro level and mobilize autonomous village organizations (Thein, 2013). Proximity, HelpAge and PACT’s VOs are utilizing these reforms to bar any village authorities and government officials from the management of its VOs. FGDs also infer that village authorities lack participatory development credentials and claim I/NGOs to be the real implementers of government’s people centered development paradigm. Meanwhile, MCS, Thadar and Metta use a non-confrontational approach with village authorities who are even included in their VO memberships.
Looking back at the military regime, Myanmar had government installed village chiefs and administrators, who implemented development projects in villages without any consideration for participation of villagers (Kempel, 2012). Selection of projects and budget spending were opaque, whereby village administrators had power over selection of members in any village organizations, including that of I/NGO projects (FGD-Metta, 2014). The government-led development approach, like in other developing countries until the wake of participation in 1990s, was centralized and expert led (Chambers, 1997). It put the intended beneficiaries of development, these very villagers and communities, in a passive position. Myanmar’s new rural development framework aims to rectify these aforementioned shortcomings in two aspects, one focusing on public engagement, the other on democratization (Myint, 2013). It aims to lay foundation for ‘new’ Myanmar, where the state derives legitimacy from the people’s will, while securing accountability for state actions, and the potential for achieving devolution of power to the lowest rung of administration- villages. Such participatory paradigm attempts to introduce a bottom-up style of development in order to remedy the government-led approach’s shortcomings, specifically by focusing on qualitative improvements in local society’s participation (JICA, 2012). I/NGOs are tapping into this new development space and setting up autonomous VOs in their project areas. This can be also viewed in a broader canvas of aid effectiveness- of development agencies that are aligning their objectives with the government’s development strategies. All FGD participants also believe that this plurality of VOs at the grassroots will be fundamental to Myanmar’s sustainable development.

5.2.2 Getting rid of the ‘obsolete’

Helpage and Proximity openly express their distrust and lack of confidence in the government and traditional organizations as a reason to create new autonomous VOs. These INGOs see the government as quasi-civilian, composed of the same old guards and their handpicked village administrators, and claimed to be independent of government monopoly and without any hidden political interests.

As part of the political reforms, the government has created Village Administration Council (VAC)\(^5\) in every villages of Myanmar, which comprise seven members responsible for local development (Kempel, 2012). The members are drawn from influential village leaders and village administrators who are brought together by the township officials. These village leaders are recognized figures within the villages, but do not have previous administration and management experience (ibid). In

\(^5\) Each village has several village administrators (VA) who are the leaders of 100 households and report to the Village Tract Administrator (VTA). VAC/VTA have an officially sanctioned position and authority over the villages.
spite of village administration, village elders however have a significant say in the village matters. They act in a senior advisory position and informally take up the village governance, sometimes to an extent where VAC is in fact playing a nominal role (Kempel, 2012, p. 4). Meanwhile, other traditional organizations in the villages solely focus on socio-religious activities, but none of them implement any livelihoods and poverty reduction activities intended at individual households. They also do not have any formal mechanisms for leadership transfers (ibid). Power in the villages is thus uncritically concentrated at the hands of few. Field managers of almost all I/NGOs, except for MCS, reminded that irrespective of new makeover of village administration, VACs continue previous culture of elitism and hierarchy within villages.

“Under military rule, everything was controlled from the township level through one government appointed village administrator. With current structure, control continues but through several members of VACs (FGD-HI, 2013).”

Henkel & Strait (as mentioned in Lentfer & Yachkaschi, 2009) refers this distrust on the state institutions as a ‘new orthodoxy’ of participatory development, which is based on the notion that bottom-up is morally superior, and empowerment and inclusion of the marginal is stressed. FGD participants infer the vacuum for participatory organization in villages as the major reason for creating VOs in their development projects. Such motivation has its root in Freirean philosophy of radical empowerment, which associates both individual and class action with the transformation structures of subordination through radical changes in law, rights and the institutions of society (Geyer & Chechetto-Salles, 2006). Since, the existing traditional organizations do not implement activities targeted for individual households, I/NGOs also derive an obvious need to create a VO which caters to the individual needs. It is in this backdrop, Helpage and Proximity claim to have set up truly representative and participatory VOs in their project areas. Helpage and Proximity envision its VOs to spearhead local development and champion democratic decision making at the village level.

5.2.3 In market we trust

Economic liberalization has provided immense development opportunity for Myanmar. But, these opportunities are very urban centered (Kreuscher, 2013). Proximity envisions these market to be available to rural villages as Myanmar continues to grow economically; villagers should have platforms to voice their opinions freely and choose their products from the market. As part of economic liberalization, the role of state is shrinking, and to romanticized extent, expects communities to become self-financing (Gilchrist & Taylor, 2011, p. 141). Accordingly, Proximity
uses its CBOs to be micro institutions of economic growth. Much like in other developing countries, who have taken democratic reforms, the state is the fall guy in much political rhetoric (Chambers, 1997) of Myanmar today. The government is reducing its role and opening up space for development and market actors to address the needs of rural villagers. Proximity's approach is very much market driven such that it uses term ‘customers’ instead of beneficiaries in its development work (Monitoring visit_Proximity, 2013). The organization is outspoken against charity based development and believes that the best way to address poverty is to design, build, and market affordable products that poor people are willing to buy. In order to do that Proximity established CBOs to spend more time with its customers, conduct in depth conversations and understand their needs.

“Poor people won’t spend their limited financial resources, if our products do not meet their needs and add value. It requires having close relationship with people you are trying to help, and a relationship that’s based on trust and empathy, a relationship that is equal exchange where they are open with their feedback (Din, 2013).”

This market based approach is a very much discovery process, where you learn by doing the work, where you get feedback from people you are trying to help (Schwartz, 2013, p. 3). Proximity underscores the importance of having a strong grassroots presence with their village organizations; they believe to have insights on what is going on in the villages, in terms of economic development, entrepreneurship climate and rural people’s needs. Proximity also uses its VO to regularly take inputs about the market gaps and service demands underserved by commercial and government sector. This rich harvest of data enables proximity to be responsive to its customers’ needs and feedbacks. Being a social enterprise, Proximity also shares its business data with other stakeholders, which fosters evidence based business development at the village level.

In Pact, the choice for opting MFC is also directly influenced by Myanmar’s economic liberalization. From 1997 to 2011, Pact’s work in Myanmar was possible because of its partnership with UNDP, which was one of the few international organizations with global operational immunity in Myanmar (Muddit, 2012, p. 2). Thus, Pact also adopted UNDP’s VO modality- self-reliance groups for its project activities. But in 2011, the government ushered in economic reforms and passed ‘Microfinance Institution Law’ which authorized microfinance agencies like Pact to offer their services freely (Muddit, 2012). Ever since, Pact has set up its own MFCs to deliver microcredit in its project areas. Unlike SRG, MFC is not a voluntary organization; the borrowers are obliged to be part of the microcredit groups. MFCs are market driven and require borrowers to submit their business
idea along with their loan application (PACT, 2014). Most importantly, "MFC integrates villagers to the banking system, without which Myanmar's economic rejuvenation is all but a dream. We are taking financial services to rural people (FGD-Pact, 2013)."

5.2.4 Small and medium enterprise development

As the multifaceted reforms deepen in Myanmar, the 'development engine' is set in motion by means of private capital accumulation - a process that was basic to the old concept of economic development (Wignaraja, 2005, pp. 1165-1167). Small and medium scale enterprises (SME), such as pottery enterprises, and their access to capital are receiving much attention and Myanmar's rural development framework in fact considers it as foundation for the country's development (Myint, 2013). The framework particularly prioritizes village based SMEs as engines of economic growth and considers the poor as part of the solution (ibid). This is the sway of neoliberal thinking over participation discourse, which recognizes that the poor can also contribute to growth (Collion & Rondot, 1998). In MCS, self-reliance groups were created to provide potter households with access to capital and banking services, which is expected to expedite rural growth and reduce poverty.

According to MCS, the lack of affordable credit and lack of savings practices prevent pottery villages from taking full advantage of economic opportunities in front of them. This is compounded due to the banking law and regulations that still require collateral from the borrowers. SRG fills this gap by providing much needed capital to the potter entrepreneurs. MCS liaises as a third party for the SRGs and guarantees the bank with a fixed deposit of about USD 25000 for 3 years. The SRG members have quick receipt of much needed capital, while the bank has confidence in disbursing loans to small scale pottery enterprises. The borrowers also gain critical experience in dealing with the bank and by the end of MCS project, the SRGs are envisioned to run as successful SMEs and raise collateral for themselves. SRGs thus fulfil the governments' and development agencies search for a self-sustaining capital accumulation. This pro-poor growth strategy is based on generating organizations of the poor as subjects in the accumulation process (Wignaraja, 2005, p. 1165). Even in the narrower conception of SRGs, the pattern of growth is on the poor having access to credit and then to invest. This pattern of growth then provides the link between political democracy and economic liberalization, initially at the micro level.

Meanwhile for the poorest of potter households, who do not own a kiln, SRGs provide revolving funds which enable them to make some savings and invest in the kiln. Once this happened, the new kiln owners graduate to become recipients of micro credit schemes. In doing so, MCS argues to have eased poor villagers' access to banking and finance. Ultimately, through SRGs, MCS envisions potter
households to expand their businesses with extra capital and setting up a sustainable ceramic enterprise.

5.2.5 Response to cyclone Nargis

Though VOs have sprawled exponentially after Myanmar’s political reforms, it also has some roots in the recent past. Aid analysts conclude that Cyclone Nargis in 2008 was a watershed moment in Myanmar’s development discourse. The humanitarian crisis and mounting international condemnation of the state incapacity to respond it resulted in the military government to open space for international aid (Maung, 2012). Many INGOs intervened in the affected Delta region and delivered aid through various village based organizations (Kempel, 2012). Thadar Consortium was in fact conceived to help people restore their livelihoods activities as well as to implement relief and recovery work in the cyclone affected areas of Delta. In its phase-I project (2010-2011), Thadar mobilized village organizations primarily to deliver assistance to the target beneficiaries, and worked individually like many other I/NGOs. The organizations did not have participatory components like village consultation meetings and democratic decision making; however they did bring villagers in various single-purpose project groups.

The donors, overwhelmed by the astounding number of VOs in the Delta, encouraged I/NGOs for a harmonized process for their phase-II projects (2011-2012); this intended to avoid duplication and fragmentation at the village level (Naytun, 2013). Development agencies like Thadar realized this by consolidating existing VOs in their project areas into a centralized ‘village development committee’ and directed their projects through various sub-committees (FGD-TC, 2013). Contrasting Helpage approach, VDCs were culmination of donor’s ambition and reactive motive from Thadar. Also Thadar has a non-confrontational attitude to the village authorities, who convene the village gatherings and also set up criteria to appoint executive members of the VDC.

5.2.6 Overarching motivations: instrumental vs. empowerment

Interviews and FGDs suggest that the primary motivation of I/NGOs for setting up village organization is project driven. Eylers and Forster (1998, p.101) view this as instrumental understanding of participation, which perceives VOs as an effective mechanism to mobilize local resources for preconceived projects, increasing beneficiary engagement, and finally that implies the decentralization of decisions and control over development resources. Indeed most of the survey
respondents view VOs as village based project intermediaries, whose prime responsibility is to implement activities efficiently. For example, Proximity and Thadar term their VOs a bridge between villagers and their organization.

I/NGOs also use their VOs to focus on specific segments and groups in villages. Pact only focuses on women, Metta only works with farmers, and MCS spends all its energy for potter households. Apart of purposively uplifting rural farmers, Metta created FFS also to establish and maintain good relations with local authorities and agriculture extension workers in the area. FGD participants are convinced that FFS committees help them discuss, interact and understand the need of their target groups at different levels of project implementation. Specifically, participation of target groups at the grassroots level gives INGOs easy access for technical assessments and robust reporting mechanism (Gilchrist & Taylor, 2011, p. 61).

“Having a village level organization makes delivering inputs, designing new tools, monitoring and surveying, and other relevant tasks easier throughout the project cycle (Monitoring-Metta, 2012).”

Nonetheless, the VOs also have an empowerment aspect to it. Initial survey results indicate that almost all VOs are strongly linked to an empowering process of villagers; through VOs villagers have a common voice and unprecedented bargaining power vis-à-vis government authorities and they are, to certain extent, planning and prioritizing development activities for their own villages. The ‘handing over’ of decision making power, together with capacity building at the grassroots, gives special meaning to the ‘empowerment’ of target groups (Eylers & Forster, 1998). In this perspective, participatory development consciously addresses how people negotiate and share control of development processes and, at least normatively, makes these processes accessible to the marginalized sections of society (ibid). Data from FGDs and LIFT monitoring reports reveal that most of the VOs are designed to be membership based organizations, developed, formed and managed by an inclusive group of community members, who are democratically elected by their respective communities to promote socio-economic development at the village level. For example, Helpage and Thadar established VDCs to weave villagers in one centralized organization. Helpage aims it VDCs to be inclusive development organizations, which builds on existing capacities and resources at the village level, but also empowers and takes along the marginalized groups in societies. By building the capacity of VOs executive committees and members of project activity groups, I/NGOs usually foresee villagers driving their own development, strengthening good
We designed and began the broad usage of transparency notebooks, which are handled by our CBOs. We’ve learned how they can play a crucial role in establishing a culture of openness and accountability for an entire village by affirming the ‘right to information’ (FGD-Proximity, 2013).

5.3 What has been the effect of mobilizing village organizations?

Nevertheless, these empowering aspects of VOs should be accepted with caution. Kreuscher (2013, p.3) argues that VOs partnership with I/NGOs can unintentionally limit them into agents of assistance rather than empowered civil society actors. The shift from traditional organizations to project led VOs can make villagers reliant on external funding (not local contributions), and they might emulate the system that developed them—that is, the international aid agencies (Collet, 2013). Much of the ‘capacity building’ provided to the VOs might teach them to comply with project requirements and reporting to host I/NGOs, rather than becoming independent entities addressing local problems with local people (ibid). Nonetheless, “...we see indications that good things are happening. Every village we go, first thing people tell us is [that] they are working, doing and achieving things together (Kreuscher, 2013).” *So the pertaining question is what has been the effects of mobilizing these village organizations? Who benefits, what changes have occurred in the rural development space and what challenges remain?*

5.3.1 Participatory development and democratic governance

All village organizations in question of this research are responsible for managing participatory and democratic processes. FGDs, interviews and LIFT internal monitoring reports confirm that performance and impact of village organizations has been very promising in terms of gender balance, social inclusions, transparency and accountability towards the villagers. Particularly, needs of individuals and usually neglected vulnerable groups like person with disabilities are being heard for the first time in a village level action planning. People are having their voice heard and confident to raise their opinions in public. All of this is having huge ramifications at micro level.

Community consultation has been the cornerstone of all VOs. All I/NGOs, irrespective of their type of VOs, conducted a project sensitization workshop at the village level, which was open to everyone and transparently explained their project objectives. These meetings were used to ask people for ideas and suggestions, create action plans for village development and select beneficiaries among others. Participatory planning processes across all VOs
has created a shared vision at the villages, which distributes the ownership of project activities and long term plans amongst wider village audience (Magyaun, 2012). This public engagement provides a strong and sustainable foundation for long term community commitment and citizen empowerment by creating dialogue and cooperation, which generates and demands accountability from all involved stakeholders (Gilchrist & Taylor, 2011, p. 79). In case of Proximity, Helpage, and Thadar, their records of all project inputs are available for discussions at the villages. Every year their VOs also conduct a social audit where information on annual expenditure is accessible to everyone. These procedures have led to involvement and ownership of development interventions at the village level.

All VOs also have a robust financial management system in place. Power over administration and financial management has been diversified across VO members, and this has significantly democratized development works in the villages. Chamber (1997) argues that this role of participatory development is fundamentally about power, power of villagers to access decisions that shape their lives. People now understand that it’s the committees that make and manage decisions rather than individual leaders. Power which was originally concentrated in hands of few, particularly village chiefs and elders is now devolved across different village organizations. VOs have resulted in ‘community self determination to planning’ (Israr, et al., 2009) and democratic implementation of development interventions.

“All of these participatory practices did not exist few years ago. Our people today have a say on how development happens in front of them (Consortium, 2012).” Regular interactions and working together for project activities has increased trust and solidarity amongst villagers. All VOs seem to be functioning very well, demonstrating the strengthening of relationships with the villagers and creating a sound platform for participatory planning and democratic decision making at the village level.

5.3.2 Digging deeper into reality- whose voice?

Village organizations are exposing people in most of the rural villages to democratic governance for the first time in Myanmar’s history. In almost all the VOs, except for MCS, people are electing their leaders democratically, decision about project activities are being made based on their priorities. However, the concept of a participatory VO and democratic decision-making is a very new found
luxury in Myanmar. According to the participants of Pact FGD, although executive members of their MFCs are elected democratically from their microcredit group members, village leaders and elites continue to have influence over the group. Village elders, monks and former village administrators have significant influence and even control members of VOs. These group of people command high respect from villagers and have historically been listened to. Not to forget that most of the MFC presidents are usually powerful people themselves, and for example, although, Pact releases their MFC leaders and appoints new ones annually to maintain power balance, the released leaders are recycled as heads of VOs set up by other development projects. Though, the political landscape has changed in Myanmar, VOs cannot run without closely collaborating with the village administrators and influential leaders.

“They have been in driver’s seat and making decisions for a very long time. We cannot just expect them to stay silent and away from our projects (Jaiswal, 2013).” “One out of 20 CBOs in our projects experience custody of their budget from village chiefs (FGD-Proximity, 2013).”

Most of the VOs discussed in this study appoint village chiefs and leaders in honorary and advisory positions to avoid conflict. Theoretically, they do not have their say in the project implementation, but it will take patience and some years to achieve this ideal stage. Chambers (1997, p.15) refers this challenge as frontiers of ‘disempowerment’- a long process of enabling powerful people to recognize power as a resource to be shared, where they can find fulfilment and satisfaction from disempowering themselves and empowering common villagers.

Other limitations exist too. In case of MCS, SRG fellows were handpicked by the village leaders and MCS members. Metta has faced similar experiences in Shan state, where PNO has urged in several occasions to appoint their village leader as head of FFS committees. Thadar claims that communities were in charge of deciding the agenda, membership and function of the VDCs, but in reality, village authorities and Thadar project staffs were involved hands-on selecting the agenda and negotiating members. Mosse (2001, p.19) calls this ‘patronage of project agencies’ over the ‘planning knowledge’. Mosse particularly stresses on the difficulty to internalize participation procedurally, which is especially relevant for transitioning Myanmar. The transfer of autonomy and control to the local population is equally problematic; while, VOs are aspired to be setting their own development priorities, I/NGOs also have a need to meet their project objectives (ibid). This ultimately has resulted in a patronage between I/NGO field staff and the VOs.
All VOs across 29 implementing organizations manage and monitor project activities at the village level, however only 59% of them allow their VOs to operate independently without their micro-management. For example, only 5 out of 11 I/NGOs with VDCs have delegated beneficiary selection responsibility to their VOs. Similarly, all respondent organizations reported that neither the target beneficiaries nor the VOs had an opportunity to participate in the planning processes of the project activities, but were involved in the process of making village level action plans. The needs of local people in these action plans are in fact shaped by the perception of what the project agency could offer (Mosse, 2001, p.23). In spite of vision to inject participatory planning culture through VDCs, both Helpage and Thadar did not include VDC members and target beneficiaries for consultation about the type of support they received. These supports were determined by the project plans which preceded the creation of VDCs and their mobilization in the villages. This is ‘the new tyranny’ of participation, where project agencies apply VOs in a manner which fits into their organizational practice (Cooke & Kothari, 2001).

5.3.3 Space for the vulnerable and voiceless

Gender equity and social inclusion of the poor and vulnerable people is a basic founding principle across most of the VOs. In particular, VOs convened by HelpAge, Thadar and Proximity comprise of representatives from different groups, people with disabilities, women, middle class farmers, poor laborers, rich farmers. Components include ensuring that women are represented in all project-supported VOs. In Pact almost all the micro credit group members are only women. This is by design (Muddit, 2012, p. 2). Approximately, 40 percent of committee members are women in Helpage and Proximity VOs, and a quorum can be achieved at meetings only if the same percent of attendees are women. VOs have also become mediums of targeting and uplifting historically marginalized segments within the villages, a special focus is given to providing poorest of the poor access to information, resources and assets. For example, Proximity's ‘cash for work’ activities have targeted vulnerable, landless, and low income households in need of wage labor opportunities. The wage rate for CfW are set by the CBOs but made slightly lower than the prevailing market rate. By setting the wage rate lower, the wage rate itself induces the landless and vulnerable households to participate and does not attract those who may have better wage options. In places, where all households in villages needed immediate wage employment, CBOs have rationed out demand by household, ensuring that there is a cap for laborers per household (FGD-Proximity, 2013).
Mainstreaming gender equity and social inclusion within VOs, however, has been a demanding task for all I/NGOs. “It requires perseverance to ask a patriarchal society to create an organization, which is gender balanced and socially inclusive (Kreuscher, 2013).

**Challenges**

In spite of good intentions, the poor and vulnerable are also losing out. In Helpage supported VDCs, drop-out of members due to migration has been a major challenge. Most of the villages in Myanmar still depend on subsistence agriculture for their livelihoods and the poorest of them, e.g. landless, also migrate to cities for seasonal income. The drop outs are usually from the poor households and the continuing trend of drop-out is creating opposition from villagers against inclusion of poor and vulnerable into the VDC executive membership. Similarly, Pact MFCs disburse loans, which require paybacks in 25 biweekly installments. When microcredit groups have mobile workers and migrants, MFCs cannot collect interest on time. To offset such risk, Pact obliges solitary microcredit groups to pay for its non-complying members, which has created conflict within the members. Currently, MFCs are advocating revising loan eligibility criteria, which requires borrowers to be permanent residents in the villages. Doing so will however miss out on the poorest of the poor in the villages. VOs also seem to have increased workload for the vulnerable groups. Particularly, monitoring reports of Thadar, Helpage and MCS reflected that the ambition of I/NGOs for the VOs, at times, had been very ambitious. In case of Thadar, VDCs members had to spend at least two hours every day for a minimum of one and half months to create the ‘village book’. For the poorer villagers, who work pro-bono, although the process and vision of VDC would help develop their villages, attendance rates were dropping out. “We have to come up with a better incentive than seeking voluntary participation from poorer members (FGD-TC, 2013)”.

**5.3.4 Increased social capital**

All FGDs and interviews stressed that villages with VOs have increased confidence and capacity to deal with local authorities, development organizations and voice their concerns. Almost all IPs report their VOs as hands-on and very participatory approach. I/NGOs report that mobilizing VOs has led to even greater cohesion and integration of communities within villages. By ‘bonding social capital’ (Gilchrist & Taylor, 2011, p. 91) VOs have associated communities to be involved in wider initiatives such as village level development planning. All the VOs allow their members, and ultimately target beneficiaries, to openly discuss problems, issues challenges and opportunities. Villagers, members of VOs, get involved in situation analysis, problem solving and decision-making. While ‘bonding social capital’ derives from this strong relationship between members of VOs in
similar situations and helps them getting by in the project activities, VOs mobilized by Metta, Thadar, Proximity and Helpage has also generated ‘bridging and linking social capital’ (ibid), which helps villagers in getting ahead. Bridging and linking social capital are requisites to influence beyond the project target group and communities, to connect with allies and connect outside the VO boundaries with other organizations or power holders (ibid: pp. 47-49). Except for MCS and Pact, all respondent I/NGOs have a strong practice to promote connection of their VOs with different levels of power, service users and providers, for example with government departments. Doing so villagers have developed useful negotiation skills, which they now use to protect their rights and advocate for others. VO members also have confidence to speak up in public and networking with other villagers. Interactions and exposure with wide array of stakeholders has allowed VO members to be articulate about their project activities, demand new activities with local government and other INGOs, all of which was completely unimaginable prior to the formation of these VOs (FGD-Proximity, 2013).

“Land confiscation has always been a conflicting issue in Myanmar, but villagers previously did not dare to speak about it publicly. With the platform provided by VDCs, people are now openly discussing and negotiating with village authorities to protect their tenure rights and ensure land ownerships (Consortium, 2012).”

“During military regime, only one person (a village tycoon) had slaughter license to kill animals in the villages. People had to pay the tycoon to kill their animals. Through VDCs, villages in Sagaing and Manadalay have negotiated with the village authorities and now can freely kill their own animals (FGD-HI, 2013).”

Among many other things, mobilizing VOs has led to rise of increased social capital and cohesion in the villages. It has also opened up a shared platform and access to government departments for common villagers. Traditionally village leaders have spent development budget on their own discretion, which usually resulted in grievances and dissatisfaction of villagers (Jaiswal, 2013). Today, action plans (e.g. ICAP and village book) created by VOs, present a thorough analysis of problems, needs, solutions and collectively agreed activities. These action plans are proving to be a sound basis for village authorities to spend their development budget. On one hand VOs have built their capacities to demand services from government and collectively bargain their rights, on other authorities are updated about the situation and needs of villagers helping them make their services responsive and effective.
“In Sagaing, officials from government department of animal vaccination are responding to VDC requests to vaccinate animals in all 15 villagers. Earlier vaccinators visited villages on sporadic basis and did not cover all the livestock owners. Having a VDC has enabled all the villagers to collectively approach government agencies for extension services, mutually agree on a vaccination date and time, and cover the whole village (FGD-HI, 2013).”

In overall, data from FGDs suggest that VOs are providing a much needed backstopping to government authorities for village level development. A proper collaboration between village authorities and VOs, thus, present a new nexus for government and international agencies in realizing participatory development in Myanmar (Kreuscher, 2013).

5.3.5 VO overlap and membership cross overs

Organizational overlaps, amongst VOs and I/NGO projects are all but, inevitable. However, overlapping of VOs is also the single biggest challenge for participatory development (Hickey & Mohan, 2004). Pact FGD participants inform of common situations, where villagers have overlapping loan from other non-pact programs. This has complicated repayments from beneficiaries. Coordination between microfinance groups within villages is missing, let alone between INGOs financial services. Technically, at least I/NGOs with microfinance program should share their baseline and client data in every village, but this is far from reality in most of Pact project villages (FGD-Pact, 2013). Pact FGD participants raised concern that some people in the villages end up getting loans from many VOs, while the poorest and who are in the most need could be left out in such scenario.

In the interim, there is also a big demand for literate people and community leaders from different INGO projects (Jaiswal, 2013). In many remote villages there is handful of educated persons; VOs of different projects sometimes have to rely on the same persons, at least during the project inception (Monitoring_visit_HI, 2011). Power is concentrating on few persons.

“Simply put, there cannot be abundance of leaders in one small village, but all projects are creating their own village organizations. All the community leaders in our project villages are overwhelmed by different NGOs (FGD-HI, 2013)”.

Another example comes for Thadar- Treasurers and accountants of some VDCs have to manage revolving funds from more than two I/NGOs. These VDC members have to keep separate bookkeeping records for each organization and are overburdened with work, which they perform voluntarily. Though I/NGOs in some villages have coordinated their project activities through one
VDC, they continue to keep separate sub-committees for their individual projects. This has increased workload for VDC executive committees, who are now refusing new revolving funds from other INGOs. Ei Ei Khine, community facilitator for Thadar’s project in Delta, gave an example of some VDCs that have decided to not accept any new funding when they reach a threshold of 6 million kyats, about USD 6000 (FGD-TC, 2013).

6 Conclusion

6.1 Why village organizations?

By now it is clear that development agencies in Myanmar are promoting village organizations for variegated reasons. There is an immense promise behind setting the VOs, exhilaration of exploration and inducing participatory development at the grassroots. This phenomenon can be seen in a national context- it represents a process of Myanmar’s political and economic evolution. Although the precise magnitude is difficult to estimate, VOs in Myanmar can be concluded as a donor and INGO led process. What is interesting though is that the configuration, autonomy and governance practices within the VOs have been directly affected by the control from the Burmese state. Majority of the VOs questioned under this research have been set up only after the political reforms in late 2010, however, local NGOs like Metta and MCS have longer history of working with VOs, and Thadar in response of the Cyclone Nargis. For local NGOs, this has been possible largely because of their non-confrontation with Myanmar’s old political setup and most importantly due to their VO’s sole focus on instrumental ends- delivering project services and transferring knowledge, credit and technology to the beneficiaries than challenging the power structures at local level.

In general, motivation of international and local NGOs for creating VOs are reactive and opportunistic than proactive; all the sample I/NGOs have established VOs in response to the government’s development strategy and gradual opening of development space in Myanmar. Decentralization appears to be a major sticky point for this- the government is relaxing its grip on villages, has allowed plurality and autonomy of village organizations and accepted public engagement and democratic governance at the grassroots. As declared by EC (2013, p. 13), support to VOs from development agencies are envisaged by the host government’s political will to initiate and/or where decentralization reforms are already put in place. I/NGOs are riding this wave of Burmese reforms and decentralizing their own project structures at rural level. Whereas some INGOs like Proximity and Helpage reason their distrust and lack of confidence in the government
and traditional organizations for creating new autonomous VOs, this is an expression of political renewal of Myanmar.

On the other hand, proliferation of VOs in Myanmar also shows manifestations of economic liberalization as witnessed in other developing countries through 1990s. MCS, Proximity and Pact’s reasoning for VOs stem from unwavering faith on market as the solution to poverty reduction and development of Myanmar. VOs are created by these I/NGOs to be micro institutions of economic progress, pitched with government’s gospel of villages as ‘engines of economic growth’. The philosophy behind conception of these VOs is to create a platform of private capital accumulation at local level, which recognize the poor villagers’ ability to participate in economic growth (Collion & Rondot, 1998), giving them access to credit and requiring them to invest. These market-oriented VOs are proliferating based on I/NGOs pro-poor growth strategy, which generates organizations of the poor as subjects in economic liberalization (Wignaraja, 2005, p.1165).

In overall, two strong working conclusions appear as basic and likely to last. They are that:

- The major motivation of I/NGOs for creating and mobilizing VOs is project driven. VOs are channels to deliver aid and implement projects efficiently. More so the case for all three local NGOs; VOs are an extension of their organizational structure at the village level. The local NGOs are using their VOs for single-purpose standalone project activities. Thadar initially created its VO for delivering relief work, and even though, it has metamorphosed to a VDC with scope over the whole village, the intent has been to execute project activities through sub-committees.

- For all three INGOs, however, empowerment of end beneficiaries appears as the driving force. Helpage wants its VDCs to be the focal point for rural development and enable villagers to create their own development priorities, while Pact and Proximity envision their beneficiaries to utilize their accessed capital under their own discretion. Empowerment of villagers seems to be integral for the INGOs than NGOs. Participation of villagers in decision making processes and access to accountability mechanisms provide a strong incentive on why internationals are creating VOs.

### 6.2 What has been the effect?

Although the precise magnitude is difficult to estimate, village organizations are having an astounding effect on rural development of Myanmar. They represent a stage in a process of socio-political reforms in Myanmar. The lessons are convincing but cannot be final, maybe in five or ten
years’ time more will have been learnt and the findings reported now will be qualified and added by further experience. Findings from the research demonstrate village organizations as a broad based, holistic approach that starts with people’s own concern, which supports public participation and local solutions. VOs have a role in supporting communities to run their own services and public spaces and in exploring new forms of co-operation with local stakeholders (Hickey & Mohan, 2004).

Most of the VOs have created a boundary spanning role, working with decision makers at the grassroots to make services work with and for local people. A major achievement has been to promote equality and diversity within the VOs; needs of individuals and usually neglected vulnerable groups like women and the poorest of poor are being heard for the first time in a village level action planning. Similarly, power over development works are being shared amongst different VOs and this has given rise to plurality of development actors at the village level. Meanwhile, participatory planning processes and consensus building has led to an increased social capital in the villages. While market oriented VOs like MFC and SRGs are ‘getting by’ with project activities, wider community oriented VOs like VDCs, CBOs and FFSs are ‘getting ahead’ of their boundaries and interacting with other power holders as well. This ‘bonding and linking capital’ (Gilchrist & Taylor, 2011) of VOs has resulted in stronger collaboration between village authorities and villagers, which presents a new government-civil society nexus in promoting participatory development in Myanmar.

VOs are creating exciting new opportunities, but like most magic bullets, they have their own pitfalls. The organizations claim to tackle the causes of major social problem, but often become mired in dealing with the symptoms rather than challenging the power structures that keep people improvised. Interference from village authorities and influential leaders over VOs appear to be a pertinent challenge facing all villages. This however, warrants a contextual understanding of Myanmar’s past and that disempowerment of village authorities and powerful elites requires a closer attention from all development agencies. As the findings suggest VOs are also frequented by micro-management from host I/NGOs to larger extent. Transfer of autonomy and control to the VOs over development is carefully deliberated and the needs of local people are shaped by perception of what the project agency could actually offer. At present, it appears that VOs, and participation exercises within, has only amounted to little more than ‘tokenism’ (Arnstein, 1969). Most of the sample organizations stress primarily on ‘informing’ their beneficiaries about project activities, which is a one way flow of information about what will be done in the villages. Handfuls of them, nonetheless, organize a village level consultation meeting, but the findings suggest that this is particularly aimed to achieve popular consent through public relations. Power over planning and
decision making is in fact redistributed through negotiation between VO members and power holders, like project staff and village authorities, but there are also valid concerns of ‘placation’ (ibid), for example co-option of hand-picked ‘worthies’ onto VO memberships. In overall, a project society has been developed in the villages than a civil society. Development agencies are in essence ‘delivering’ a model based on their project activity, and it is still long time before villagers handle the entire job of planning, policy making and managing the development that happens in their villages.

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8 Appendices

8.1 Appendix- I: List of participants (FGDs and Interviews)

Focus Group Discussions

a) Helpage International:
   Aye Aye Nyein (Director), Thein Thein Aung (M&E Officer), Maung Nay Lynn Aung (Communication Officer), Win Shwe Maung (Senior Project Manager).
   On 17/12/2013.

b) Metta Development Foundation:
   Khin Maung Latt (Project Coordinator), Aung Myo Mon (Technical Specialist), Khun Maung Khae (M&E Officer).
   On 06/01/2014

c) Myanmar Ceramic Society:
   Dr Myo Thant Tyn (President), Daw Sandar Kyaw (Project Manager), U Kis Pa Na De Zaw (Project Coordinator), Wai Lin (Project Coordinator).
   On 18/12/2013.

d) Pact Myanmar:
   Khin Than Yin (ACBC member), So Lu Kyaw (Project Manager-Swanyee), Yee Mon (Project Manager-Ratana), Naw Ester (Fellow-YKBWA), Salai Aung Kyaw (Fellow-ECLOF), Aye Aye Thaw (Project Officer), U Thaw Thaw Lwin (Project Officer-ECLOF) and Saw Mar Thaw Gyi (M&E Coordinator).
   On 19/12/2013.

e) Proximity Design:
   Lai Win Phyu (Donor Relations Associate), Khin Maung Htay (Program Manager), Thein Ohn (former BoD, Microfinance Consultant), Aung Kyaw Thu (Project coordinator).
   On 19/12/2013.

f) Thadar Consortium:
   Tun Yu (Senior Project Officer), Saw Naing Win (Project Manager), Kinsanar Soe (Finance Officer), Ei Ei Khine (Fellow- MBCU II), Kyaw Min Thu (Fellow- MBCU), Naung Zin Latt (Project Manager, Social Vision Services).
   On 17/12/2013.

Semi-structured Interviews

a) George Collet (M&E Officer), Livelihoods and Food Security Trust Fund. On 20/12/2013.

b) Harald Kreuscher (Programme Officer), Livelihoods and Food Security Trust Fund. On 16/12/2013.

c) Nay Tun (Delta Coordinator), Livelihoods and Food Security Trust Fund. On 14/12/2013.

d) Nawtin Thetsan (Program officer), Livelihoods and Food Security Trust Fund. On 17/12/2013.

In 2008, a group of donors began discussing ways to help Myanmar make faster progress towards achieving Millennium Development Goal 1, the eradication of extreme poverty and hunger. After extensive consultations with key stakeholders from governments, embassies, the United Nations and non-governmental organizations (NGOs), the Livelihoods and Food Security Trust Fund (LIFT) was launched.

Initial contributions for LIFT's work came from Australia, the European Union (EU), the Netherlands, Sweden, Switzerland, and the United Kingdom. More recent contributors are from Denmark, New Zealand, France and the United States of America. UNOPS was contracted as the fund manager to administer the funds and provide monitoring and oversight for LIFT.

LIFT's vision is to be an effective mechanism for channeling aid to partners to achieve its goal of improving the food and livelihood security of the poor and vulnerable in Myanmar. LIFT also aims to be a collective and influential voice promoting programme coherence, financial inclusion, learning and innovation, and provide a platform for enhanced policy engagement on agriculture, food security, and rural development in Myanmar. LIFT is expected to continue its operations until the end of 2016.

LIFT is active in the Ayeyarwaddy Delta in lower Myanmar, the Dry Zone in upper Myanmar, as well as Shan State, Chin State, Kachin State and Rakhine State. To date, the programme has assisted 1.5 million people, or more than 3 percent of Myanmar's estimated population of 54 million, and reached some of the poorest and most vulnerable rural families.