

**CURBING CORRUPTION IN SUBNATIONAL GOVERNMENTS OF FRAGILE
STATES: MYANMAR CASE STUDY**

Master of Arts in Law and Diplomacy Capstone Project

Submitted by Heesu Chung

Faculty Advisor: Professor Diana Chigas

August 31, 2019

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The Fletcher School of Law and Diplomacy, Tufts University



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ACKNOWLEDGEMENTS

I would like to acknowledge all the people who supported me in the process of conducting research and writing this capstone paper. Firstly, my capstone advisor Professor Diana Chigas has intellectually guided me not only as an exceptional academic resource, but also as a patient and supportive academic mentor. For her knowledge, care, guidance and support, I would like to express deep gratitude. Secondly, I would like to thank Dr. Mark Pyman for providing guidance on my research content and structure; his analytical framework based on an innovative sectoral approach to curbing corruption has served as the backbone of my research study. Thirdly, I owe many thanks to my colleagues at the Asia Foundation Myanmar office for providing me with the inspiration and motivation for conducting this research on Myanmar. Through them, I have gained a foundational understanding of the country context that I wouldn't have gained otherwise. Additionally, I would like to thank all the other professors at the Fletcher School of Law and Diplomacy—Professor Kimberly Theidon and Professor Cheyanne Church—and at the Harvard Kennedy School—Professor Pippa Norris and Professor Jeeyang Rhee Baum—who have provided me with critical academic knowledge and analytical tools necessary to undertake this research study. Last but not least, I would like to thank my family, friends and loved ones for providing me with moral support and the drive to complete this research.

I. INTRODUCTION

Purpose & Aim

Primary objective of this research is to determine what how corruption in subnational governments in a fragile state context can be better addressed by public officials, international development and anti-corruption practitioners, using Myanmar as a case study. The central question I aim to answer to meet this objective is, *“In a transitioning fragile state context like Myanmar where the state has recently undergone partial decentralization as part of its democratization and peace process, what are some key reform strategies that show signs of leading to reduction of corruption at the sub-national level?”*

Within this broader central question, I ask several other sub-questions to guide my study:

- Given that decentralization is supposed to bring the government closer to the people and increase channels of civic engagement in local affairs, had this led to greater opportunities to control corruption in Myanmar? If so, how does one take advantage of newly formed sub-national governance structures when dealing with corruption?
- Are there approaches to improving governance being developed and used at the local level that are yielding results in curbing corruption in Myanmar?
- How should we approach local anti-corruption reform initiatives differently in fragile and conflict-affected states like Myanmar?

In order to answer these questions, I firstly explore the literature on the relationship between decentralization, governance, corruption and conflict. Then, I investigate the decentralization process in Myanmar as well as the nature, type and level of corruption in Myanmar both at the national and subnational levels. Next, I analyze the different donor-funded good governance programs as well as other local reform initiatives with direct or indirect impacts on curbing corruption at the subnational-level in Myanmar.

Background & Rationale

The international development community has been concerned with the issue of corruption as one of the greatest impediments to good governance. Consequently, there has been a great number of anti-corruption reform initiatives pushed forward by the INGOs, multinational banks and development aid agencies. These can take in the form of stand-alone anti-corruption programs, or as activities and components of development programs, such as those focused on justice, education, health, or other public sector reforms. While many anti-corruption initiatives have taken place with good progress made in certain contexts, there has been little evidence on effective strategies to curb corruption in contexts where corruption is deeply entrenched in both the social and political fabric of the society. In particular, addressing corruption in fragile context poses a different set of challenges to the development aid practitioners.

In addition to anti-corruption activities, many aid agencies have supported decentralization as a means of promoting democratization, good governance, and conflict resolution. Decentralization is thought to increase not only local autonomy and government responsiveness to local needs but also opportunities to tackle issues such as corruption at the local government level in a context where there is a lack of broader political will to fight corruption. However, this is a widely debated issue with little evidence to prove one side or the other. Nevertheless, what it does mean that in the context of a (semi-)decentralized state, strategies for curbing corruption would differ from those in contexts of more centralized states. Hence, greater evidence on what strategies and approaches to fighting corruption work in a (semi-)decentralized fragile state context need to be gathered. Specifically, understanding how to address corruption at the sub-national level given this difference in the governance structure is critical for anti-corruption professionals and public officials working in such complex contexts.

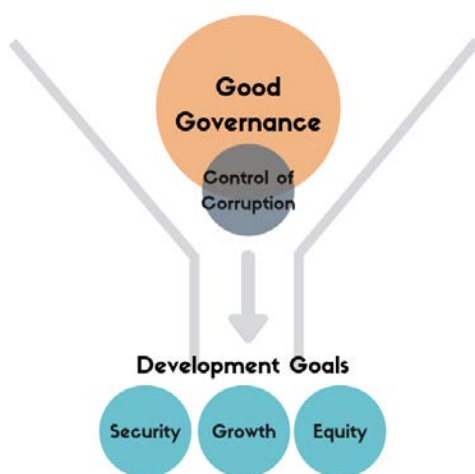
For the purposes of my study, I have chosen to use Myanmar as a case study as it is perceived to be one of the most corrupt countries and is a highly fragile state. In fact, in 2018, Myanmar ranked 132 out of 180 countries in the CPI index, being the bottom fifty in its perceived corruption levels and being perceived as the 6th most corrupt in the Asia Pacific. While this is an improvement from being ranked as the second most corrupt country in the world in 2010, the year “democratic” elections were held after more than 20 years of direct military rule and centuries of military control, corruption is still very much a part of everyday life for the

Myanmar people. With the ongoing efforts of Myanmar seeking to decentralize their state as part of their partial democratization and peace process, aid agencies have sought to promote accountability and transparency at the local level through local governance initiatives. Given this context, Myanmar is a great case study for understanding what anti-corruption activities are currently taking place in a fragile state that has recently undergone decentralization, what has shown promise for success in curbing corruption in sub-national governments and what barriers exist. My research aims to further this understanding so that development aid practitioners can develop better strategies for tackling corruption in fragile states at the subnational-level.

Theory of Change & Hypothesis

According to the World Bank, promoting good governance has an important instrumental value because its attainment will aid in the achievement of other development goals: minimizing the threat of violence (security), promoting prosperity (growth), and ensuring that prosperity is shared (equity).¹ Adding control of corruption as a separate variable, I base my analysis on the following theory of change: control of corruption, as both an element and product of good governance, together with other conditions of good governance, facilitate overall development in a country, state, and region.

Figure 1: Linking Good Governance to Development



¹ World Bank Group, World Development Report: Governance and the Law, 2017

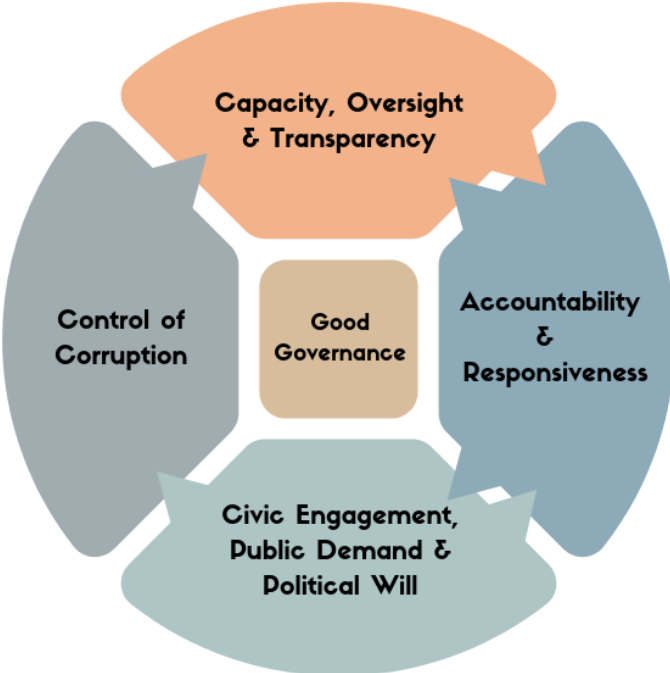
While I do not try to prove this theory of change through my research, I make a hypothesis based on this broader framework of understanding. My hypothesis is that most donor-driven programs will have a technical approach to anti-corruption, such as capacity building and monitoring, but it is lacking in programmatic work to increase civic engagement, political will, and public demand to curb corruption.

Efforts to enhance civic engagement, political will, and public demand, I hypothesize, is one of the missing links within the larger set of theories of change (ToC) assumed in the programs and reform interventions studied in this research:

1. *If* institutional capacities for enhanced planning and public financial management at sub-national levels are built along with increased oversight and matched with more capable and informed civil society and greater government transparency, *then* there will be increased government accountability and responsiveness.
2. *If* greater government accountability and responsiveness are met with greater civic engagement, public demand and political will to curb corruption, which in turn could further increase government accountability and responsiveness, *then* there will be reduced corruption.
3. *If* there is better governance and reduced corruption, *then* the lives of the marginalized, poor and/or conflict-affected communities in Myanmar can be sustainably improved with greater peace, prosperity and equity among the people.

My hypothesis is that most aid programs focus on capacity-building, strengthening oversight and increasing transparency (ToC 1) and assume the leap from ToC 1 to 2 and 3 without accounting for the need to address components in ToC 2. Afterall, it is easier to measure outputs from ToC 1 than measuring outcomes and impacts of increased accountability, increased responsiveness, and reduction in corruption. (See Figure 2 on the next page for the illustration of the complete cycle of good governance.)

Figure 2: Good Governance Cycle



II. METHODOLOGY

To answer my core research question and test my hypothesis, I utilized a mixed methods approach that involved a qualitative content analysis of program documents and semi-structured in-depth interviews.

1. Review of 8 Evaluations and Other Relevant Documents of Programs in Myanmar With Sub-National Anti-Corruption Components

I have identified programs with a focus on improving local governance and with program activities that resulted in curbing corruption, whether directly or indirectly. Out of these programs, 5 are on-going and 3 are completed programs. From this sample of programs, I have gathered program documents and evaluations for qualitative content analysis.

Firstly, I've consolidated a list of top donors working in Myanmar, which were the following according to OECD DAC: JICA, World Bank (IDA), DFID, USAID, EU, KOICA, DFAT, GIZ, SDC (See [Appendix A](#)). Then websites of these identified top donors were consulted to find relevant program evaluations (and/or other available project documents) conducted from 2012. The rationale for looking at only the programs implemented in the last 7 years is that many donor agencies and multinational banks didn't re-engage with Myanmar until 2012 since they have stopped funding projects in the 1980s. Also, I've decided to focus on donor-funded programs because most donor agencies have a policy to publish and make publicly accessible their evaluation documents, whereas many local organizations do not and may not even have an independent evaluation done for their self-funded programs. Each of the INGO and donor agency websites were searched using key word such as "(anti)corruption," "(local) governance," "transparency," and "accountability." I focused on programs that were aimed at public sector reform, namely governance projects, whether they be solely focused on local governance or had components targeting state/region/township level of governance. I also included programs included rule of law programs as it is often seen as a key component of good governance. When the donor had limited number of programs in Myanmar, I looked at all the evaluations and program documents from the last 7 years available on the donor's website and sifted through them to see which have any anti-corruption components in them at the sub-national level using the "Find Command" with aforementioned key words. It was found that Japan and Germany did not engage in any public sector reform projects in Myanmar. Also, I have found that UNDP has a

strong presence in Myanmar, leading several governance projects, so its website was consulted as well.

Once I gathered a number of relevant program documents and evaluations, I've searched for any mention of corruption within the documents, eliminating those that had no mentions of programmatic impact on curbing corruption. Given that many programs did not explicitly have curbing corruption as one of their objectives, it may be that even if their program activities did have a potential impact on corruption, it was not mentioned in the evaluations if it was not seen as a significant result. In that case, those programs were unfortunately eliminated from my list of programs for analysis. Provided that many of the donor agencies did not have independent evaluations for all their programs posted on their website, my pool of research was highly limited. Finally, based on availability and adequacy for analysis, the following 8 programs were selected for the study:

Donor(s)/INGO(s)*	Project/Program Title**
World Bank	Myanmar National Community Driven Development Project
UNDP, UNCDF	Local Governance Programme
UNDP	Support to Democratic Governance in Myanmar
UNDP, Swiss Aid, DFID	Township Democratic Local Governance (TDLG)
UNDP, DFID, Japan, Australia	Strengthening Accountability and Rule of Law (SARL)
USAID	Promoting Rule of Law Project (PRLP)
DFID, DFAT, Swiss Aid, World Bank, The Asia Foundation	Improving the management of public funds for the benefit of people in Burma
DFID	Supporting Partnerships for Accountability and Civic Engagement in Burma (SPACE)***

*There may be other donors/INGOs not listed that are funding and/or implementing the program.

**These projects and programs are not necessarily mutually exclusive of each other and there may be some overlapping activities, or they may be parts of the same larger program portfolio.

***Note that this project supports many other existing projects funded by multiple agencies.

(See [Appendix B](#) for chart with details on each selected program for analysis.)

2. Semi-structured Interviews of Program Personnel

Complementing content analysis of documents, I have interviewed one INGO staff, one INGO local consultant, one Burmese academic researcher, one director of a local NGO, and one program staff of another local NGO to gain further insight the research topic. Initially, I have planned to interview approximately 5 INGO staff identified as program leads of the donor-funded programs analyzed and approximately 3 local NGO staff who were directly involved in the implementation of these programs. However, due to time constraints and willingness of interviewees to participate in the study, I ended up conducting only 5 interviews through convenience sampling. Each of the individuals interviewed had managed, implemented, or supported a local governance or anti-corruption program with a direct or indirect link to curbing corruption. All interviewees were located in Myanmar, and all but one person was from Myanmar. Moreover, all interviews were conducted in English via internet video call, using Tufts WebEx for enhanced security. (See [Appendix C](#) for interview guide.)

III. LITERATURE REVIEW

According to many scholars and development practitioners, decentralization arguably increases government responsiveness and improves service delivery by bringing the government closer to its people and tailoring its services to local needs. Moreover, it has been thought to create more stability in contexts with great communal conflict by accommodating cultural autonomy (Norris, 2018). Therefore, many countries, including Myanmar, have sought to decentralize their states to make progress in their democratization and peace process. However, the conflict context adds another layer of complexity to the situation as corruption could act both as a driver of conflict and a consequence of it. Hence, addressing corruption in a fragile and conflict state requires different strategies and precautions given the different risks involved, as tackling corrupt individuals and institutions in conflict contexts may result in more violence if not done carefully (United States Institute of Peace, 2010). In order to understand the theoretical argument for whether and how corruption can be effectively tackled at the subnational-level in a fragile state context, theories on the relationship between decentralization, good governance and corruption as well as the relationship between corruption and conflict have been explored.

Decentralization, Governance and Corruption

Definition and Types of Decentralization

Decentralization is broadly defined as the transfer of authority and responsibility for public functions from the national to the subnational levels (World Bank, 2001). This can occur in many dimensions: political, administrative, and fiscal. First, political decentralization involves the transfer of decision-making power and accountability from the central government to local level bodies and authorities, such as state governors, municipal councils and city mayors. This can be achieved through implementing elections for representative office at local, municipal or state levels, and/or delegating certain decision-making powers to subnational governments. The idea is to create a more participatory form of governance that allows its citizens or elected officials have more power to influence laws and policies. Second, administrative decentralization involves transferring bureaucratic decision-making authority to subnational levels and distributing managerial responsibilities among different levels of government or administration.

To illustrate, a national or union level ministerial department can delegate authority to provincial administrative bureaus to deliver and regulate public services in their responsible areas. Third, fiscal decentralization corresponds to the transfer of expenditure and revenue-raising responsibilities as well as public resource allocations to subnational levels. Typically, this is done by giving subnational bodies control over local taxes and spending (Norris, 2008). Nations may be more decentralized in one dimension than another, creating diversity in the existing forms of governing structures and practices.

In addition to these different forms of decentralization, according to Norris, states can be organized in different ways and classified into three types of constitutional arrangements: unitary states, federal states, and hybrid unions. In simple words, unitary states are considered to be those with all governing power vested in the central government, meaning the national government has sovereignty and control over all its subnational territorial areas. On the other hand, in a federal state, some powers are given to the lower levels of government through which subnational regions can exercise autonomy in specified functioning areas. Hybrid unions lie somewhere in the middle of these two categories (Norris, 2008). While there are debates on the nature of distribution or devolution of power—see William H. Riker's (1975) and Daniel J. Elazar (1997)—the key is that in a federal state, powers are divided among multiple levels or centers. However, as Lipjhart argues, levels of decentralization vary even among the unitary and federal states. Though most federal states are decentralized and most unitary states centralized, there can be more centralized federal states and more decentralized unitary states in practice (Lipjhart 1999). Such variance in constitutional structures and varying forms and degrees of decentralization leave us with a highly complex and context-specific governing structures in today's world.

Debates on Decentralization, Governance and Corruption

Given these definitions, federal constitutions and decentralization have been thought to promote stability, representation, responsiveness and effectiveness within multinational states. Specifically, proponents of federalism and decentralization argue that these structures can stabilize divided plural societies with geographically concentrated communities by giving these communities a degree of self-autonomy (Norris, 2008). This has especially been a strong argument in conflict-ridden multi-ethnic states. Lijphart argues that in plural societies, federalism

and decentralization provides ethnic minorities increased autonomy, allowing them to their interests by managing their own affairs at the subnational level through locally elected representatives (Lijphart, 1999). In similar vein, Riker claims that federalism benefits various minorities through separation of government at different levels and that these disparate groups are initially brought together under a federal system due to desire to meet an external threat (Ricker, 1975). Other scholars like Stepan go so far as to argue that plural societies cannot function as stable and consolidated democracies without a federal system (Norris, 2008).

Besides political benefits, decentralization is argued to also aid economic development and increase efficiency in the government. Decentralization, some argue, help “break bottlenecks in hierarchical bureaucracies and assist local officials and the private sector to cut through complex procedures and get decisions made and implemented more quickly” (Cheema and Rondinelli, 2007). Moreover, the theory is that with decentralization, the government, private sector and civil society organizations can exercise more creativity in responding to public needs and provide services to more people through mobilization of local resources and increased financial resources allocated to the local government. Others also see it as an opportunity to provide more local ownership to poverty-alleviation programs (Cheema and Rondinelli, 2007). This means that there are unique opportunities to meet public needs by ensuring that public money is being spent in the areas that people desire.

Furthermore, proponents of decentralization also contend that it leads to increased public participation, representation and ultimately responsiveness of the government to its people. The logic argued is that “the transfer of central decision making to democratically elected local and regional bodies gives citizens multiple points of access, thereby enhancing opportunities for public participation, increasing the accountability and responsiveness of elected officials to local citizens” (Norris, 2008). The assumption made here is that locally elected officials not only have a better idea of what their constituents want and need but also have better ability and willingness to respond to those needs based on electoral accountability. This is in line with the rationale once held by the World Bank and other international agencies that ordinary people as voters, through their local politicians, will be more active in ensuring that the funds are well spent if there is a local control of service delivery.

Specifically, when it comes to reducing corruption, the idea is that decentralization could “help break up a corrupt national equilibrium by inserting the honest voter into local decision-making” (Fisman and Golden, 2017, p. 195). Of course, this is an optimistic view of an ideal scenario. Some argue that decentralization could be a useful instrument for reducing corruption if certain conditions are met. For instance, according to Lessmann and Markwardt (2009) the effectiveness of the monitoring of bureaucrats, through “a supervisory body such as a free press” is critical for reaping the benefits of decentralization on curbing corruption. Otherwise, they argue, decentralization can actually contribute to high levels of corruption (Lessmann and Markwardt, 2009).

Arguments for decentralization have been challenged over the years through many less than satisfactory results of decentralization in flawed democracies and varying contexts. Instead of creating stability, decentralization could further destabilize a nation if the regional or local government fails to meet the community demands and the group seeks for more autonomy and separation from the state. It could also strengthen the divide within the state and increase intra-ethnic rivalries, Hale argues (Norris, 2008). Studies also show that there are mixed evidences to the effect of decentralization on economic growth, government effectiveness and service delivery. Decentralization have not always proven to lead to government efficiency and economic growth, and sometimes have even been associated with negative growth and increase in regional inequality. This is because fiscal decentralization can exasperate inequalities among administrative areas given that different regions have different revenue-making capabilities (Cheema and Rondinelli, 2007). Also, with more layers of governance and diffusion of power and accountability, the more complex the lines of decision-making become and therefore the more unclear who is responsible for what, leading to potentially increased costs from poor coordination and inefficiencies.

To make matters worse, there are chances of “elite capture” through clientelistic relationship between local politicians, officials and business leaders (Norris, 2008). Just as political elites at the national level can co-opt political agenda for personal gain, local politicians may seize public goods and shift resources to benefit their own networks such as their core voters and business supporters (Fisman and Golden, 2017). In reality, fragmented powers can lead to more opportunities for corruption while increasing opportunities for civic engagement. Consequently,

according to Fisman and Golden, there is “no decisive cross-country relationship between decentralization and corruption in either direction” (p.195) Additionally, people do not always have the knowledge or ability to participate in local governance, nor is civic engagement always properly facilitated and encouraged. Moreover, problems arise when political actors so willing to relinquish power to the subnational levels despite de-juro decentralized governance structures. These limitations were very apparent in many of the developing countries in South and Southeast Asia that have undergone decentralization.

Nevertheless, in all contexts, promoting good governance is thought to make it more difficult for corruption to take root (United States Institute of Peace, 2010). According to UNESAP, good governance has the following eight major characteristics: participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law (UNESAP, 2009). These characteristics UNESAP argues, “assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making” (UNESAP, 2009). Hence, corruption is often tackled indirectly through promoting good governance whether it be at national or subnational levels.

Addressing Corruption through Good Governance

One must keep in mind, however, not to “inflate the governance agenda,” as Grindle cautions. She contends that the essential nature of good governance shouldn’t always be taken for granted; instead, she poses the concept of “good enough governance” that purports that “that not all governance deficits need to (or can) be tackled at once, and that institution- and capacity-building are products of time; governance achievements can also be reversed” (Grindle, 2007). Indeed, in a country with poor governance, high levels of state capture and administrative (or bureaucratic) corruption, simply establishing anticorruption agencies or the office of an ombudsman would not necessarily effectively curb corruption. In actuality, setting up such agencies in this context “may serve only to broaden corruption and increase the price of illicit transactions” (p. 37, Bhargava and Bolongaita, 2004). As such, one must tailor one’s anti-corruption approach in accordance to the context. For instance, Bhargava and Bolongaita suggest that in countries with high levels of state capture and high levels of petty corruption, primary emphasis should be on “political and economic reforms to inject greater political and economic

competition across governmental level and key economic sectors; focus governmental reforms to limit state economic involvement and minimize regulations and interventions” (p. 37, 2004). (See [Appendix E](#) for detailed matrix.)

Corruption, Fragility and Conflict

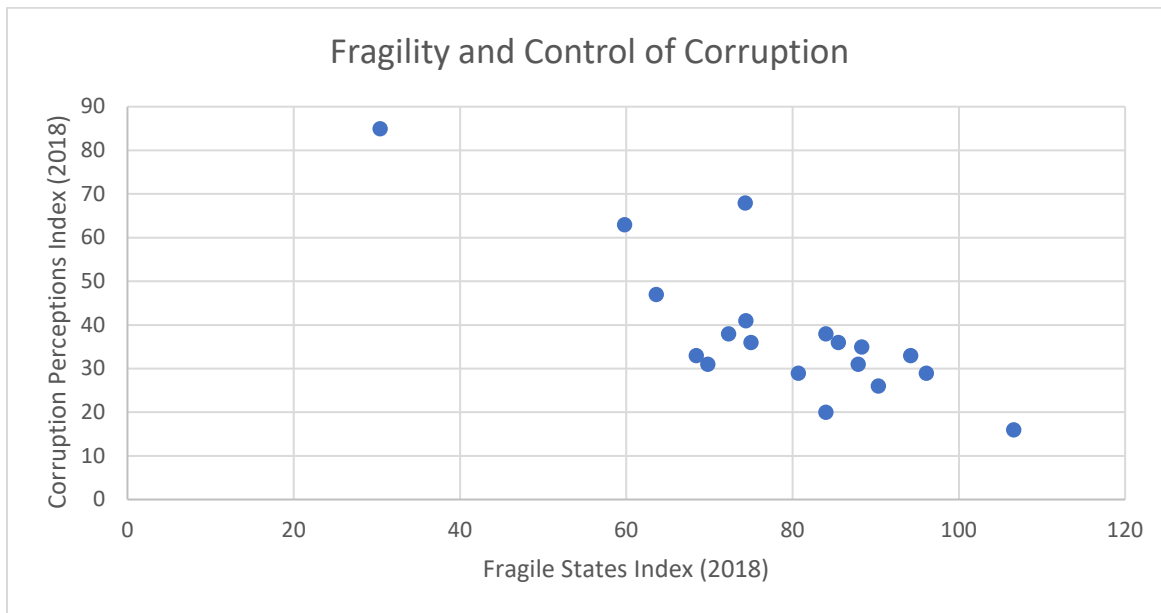
Relationship Between Corruption and Conflict

Addressing corruption in a fragile and/or conflict-affected state context is arguably even more difficult than doing so in other contexts yet is an imperative task that requires a different approach for many reasons. From arguments that there is a positive correlation between public-sector corruption and conflict to contentions that go so far as to say that corruption is a driving factor of conflict, there is an evident link between corruption and conflict. To illustrate, Transparency International notes that “Fragile, unstable states that are scarred by war and ongoing conflict linger at the bottom of the index.... demonstrate[ing] that countries which are perceived to have the highest levels of public-sector corruption are also those plagued by long-standing conflicts, which have torn apart their governance infrastructure (United States Institute of Peace, 2010). In fact, when one plots the fragility of states in South and Southeast Asia, as measured by Fund for Peace’s 2018 Fragile States Index (FSI)², against their levels of perceived control corruption, as measured by Transparency International’s 2018 Corruption Perception Index (CPI)³, one can see a negative correlation between fragility and control of corruption. (See [Appendix D](#) for breakdown of indicators by country.)

² “The Fragile States Index is based on a conflict assessment framework – known as “CAST” – that was developed by FFP nearly a quarter-century ago for assessing the vulnerability of states to collapse. The CAST framework was designed to measure this vulnerability in pre-conflict, active conflict and post-conflict situations, and continues to be used widely by policy makers, field practitioners, and local community networks. The methodology uses both qualitative and quantitative indicators, relies on public source data, and produces quantifiable results.” (<https://fragilestatesindex.org/indicators/>)

³ “The 2018 CPI draws on 13 surveys and expert assessments to measure public sector corruption in 180 countries and territories, giving each a score from zero (highly corrupt) to 100 (very clean).” (<https://www.transparency.org/cpi2018#detail>)

Figure 3: Fragility and Control of Corruption



(Graph created with FSI and CPI data.)

Experts like Cheyanne Scharbatke-Church and Kirby Reiling even contend that corruption, especially high-level political corruption, is “a key driving factor of the conflict” (2009). They argue that this is because in conflict contexts where the politically powerful exclude populations from resources and decision-making through patronage networks and nepotism, corruption indeed is often a key part of what is fueling the conflict. Furthermore, they explicate that “corrupt networks themselves can reinforce the very divisions along lines of ethnicity, religion or class which feed the conflict cycle” (Scharbatke-Church and Reiling, 2009). Hence, any attempts to curb corruption, which serves as a tool in a competition for power that exacerbates divisions, will likely be met with significant—even violent—pushback from the very parties who sustain their power and benefit from this system of corruption. Eradicating corruption in a conflict context means taking away resources from a party to the conflict.

Addressing Corruption in a Fragile State Context

Addressing corruption through building good governance, therefore, is critical yet delicate work to be carried out to promote peace in such fragile and conflict states, requiring a thorough stakeholder analysis of the parties involved in the corruption and conflict. In fact, as Daniel

Serwer at United States Institute of Peace argues, taking down corrupt individuals in conflict contexts must be done very judiciously over time, because “sometimes, if this is done too abruptly when other institutions of governance aren’t yet in place, more violence can result” (United States Institute of Peace, 2010). This means an incremental approach to curbing corruption may be necessary in a context where the state may not be ready nor desire any comprehensive reform to tackle corruption. A state may even be open to tackling corruption, though in limited sectors, as part of their political agenda as long as it doesn’t hurt their own interests and the interests of the parties in conflict. In this context, it makes practical sense to take a “sectoral approach” to corruption that Mark Pyman (2019) advocates for.

In addition to corruption being a driver and product of conflict, corruption may be so entrenched in a society that corruption is normalized in a society. In such a society where corruption is part of a functioning system, one can no longer see corruption as a simple principal-agent problem, wherein the “agent”, the public officer, abuses “entrusted power” to engage in some form of wrongdoing for private gain that is not in the interest of the “principal” (Bardhan, 1997). As Brata (2014) argues, this definition is problematic as it assumes that only those in power can commit the corrupt acts. Corruption by this definition is a one-sided problem—a demand problem—when in reality, it is a result of the relationship and interaction between those giving bribes and those receiving bribes. Hence, tackling corruption solely from the demand-side, by working on institution building and formulating the right incentives for the “agents,” though important, can be problematic. Moreover, scholars like Chigas and Church also argue that social norms cannot be ignored when tackling corruption in conflict-affected states. In these fragile state contexts where “government institutions are either a battleground for inter-group competition and conflict, or a source of exclusion and grievance,” social norms tends to have a stronger influence on people’s behavior due to intra-group cohesion and an “us vs. them” mentality. According to them, this means that (i) sanctions for social norms are harsher, (ii) the consequences of being sanctioned are more serious, and (iii) social norms provide some order and predictability (Chigas and Church, 2019). What this implies is that when corruption is part of the social norm of a fragile state, simply ‘catching the big fish’ and targeting key corrupt actors will not change the system of corruption unless the norms themselves change.

In rebuttal to the principal-agent models, many scholars have argued that systemic corruption is best understood as a collective action problem. Notably, Persson, Rothstein and Teorell (2012) asserts that “we cannot assume the existence of ‘principled principals’ willing to hold corrupt officials accountable”. Instead, whether actors will participate in acts of corruption will “depend critically on how many other individuals in the same society that are expected to be corrupt” (Persson, Rothstein and Teorell, 2012). Hence, once a critical number is reached and corruption is an expected societal behavior, individuals will participate in acts of corruption, as their short-term benefits will be larger than the costs. In short, according to the collective action theory, only when “a large majority of community members decide collectively to stop bribing the school principal [that] it is harder for him to continue asking for bribes” (U4, 2015). This means that instead of approaching anti-corruption reform with a top-down strategy involving stringent regulations and controls of the “agents,” a bottom-up demand for reform should be created through collective action that can address the problem of the lack of political will (U4, 2015). In reality, one can see corruption as both a principal-agent problem and a collective action problem (Stephenson, 2015). Especially in a conflict context, corruption must be tackled from both the demand and supply side, as all actors are involved in this system of corruption, reinforcing the status quo of power and resources differentials and maintaining conflict that is fueled by these differences.

IV. DECENTRALIZATION AND CORRUPTION IN MYANMAR

Decentralization in Myanmar

Myanmar can be characterized as a unitary parliamentary republic that has recently undergone partial democratization and decentralization. In fact, in their Nationwide Ceasefire Agreement (NCA), the military, the civilian government, and several ethnic armed organizations (EAOs) have agreed to work towards re-structuring the country based on principles of “federalism and democracy” (The Asia Foundation 2018).⁴ Hence, it is currently arguably a “hybrid regime” that combines both democratic and autocratic traits with a move towards federalism as a goal of the peace process (Ezrow 2011).

In fact, Myanmar’s 2008 Constitution outlines the first major step towards political decentralization: the creation of 14 state/region governments with legislative and administrative responsibilities. However, according to the Asia Foundation, “a significant limitation on the political autonomy of the executive branch of the state/region governments is the centralized appointment of the chief minister, who is ultimately accountable to the Union president.”

Moreover, the Myanmar military, Tatmadaw, continue to hold much power in the political system as “twenty-five percent of state/region MPs [Member of Parliament] are appointed by the commander in chief” (The Asia Foundation 2018). Furthermore, there is no “local government” in the traditional sense below the state/region level there is no third tier of elected government.

Nevertheless, some efforts have been made to increase public participation and responsiveness to local needs by creating mechanisms to allow for public participation in the subnational governance system. For instance, State/Region Hluttaws, Myanmar’s legislative bodies, have been said to “advance democratic decentralization by providing for the local selection of candidates who will be accountable to their local constituents” (The Asia Foundation 2018). In fact, the State and Region Hluttaws have served as a ‘check and balance’ against the state/region governments. However, their role in governance and relationship with the government differs state to state (or region to region). For example, according to someone who works closely with civil servants in Yangon, the Yangon Hluttaw has been proactive in scrutinizing the actions and decisions made by the Yangon Government (Su Shein⁵, personal communication, June 9, 2019).

⁴ While interning at the Asia Foundation, I’ve contributed to this report.

⁵ For confidentiality of the interviewee, I’ve replaced his/her name with a pseudonym.

The Hluttaws raise ‘questions’ to the government, which the government must respond to. Between 2016 to 2018, 993 questions have been raised in Yangon (The Asia Foundation, 2018). Further research needs to be done to determine what sorts of questions has been raised and whether it has increased the accountability to the state or region to its people. What can be said, though, is that there are elected Member of Parliaments (MPs) who have been quite active and very much engaged with the citizens, though the level of engagement and power differs state to state (Su Shein, personal communication, June 9, 2019).

Moreover, with the creation of township committees, such as the Township Development Support Committees (TDSCs) that were meant to “serve as a forum for various local interest groups to support the township administration on development issues” citizens now have more channels of direct engagement with the local politics and matters (The Asia Foundation 2018). Though TDSCs have been abolished with Township Management Committees (TMCs) and Township Development Affairs Committees (TDACs) remaining, citizens have been further brought closer to local governance systems with four out of seven TDAC members being from the community. Among them, a people’s representative is elected by people living in the municipality (The Asia Foundation 2018). In collaboration with Development Affairs Organization (DAO) offices, the TDAC members who collect information on the needs of the township set priorities for annual planning and budgeting of township DAO funds (The Asia Foundation 2018). This means that at least for the elected municipal committee members, they are probably less likely to engage in corrupt acts that would offend their own community members (Su Shein, personal communication, June 9, 2019).

Furthermore, under the 2012 Ward or Village Tract Administration Law, Ward/Village Tract Administrators, whose role is to support local governance by “assist[ing] in the maintenance of law and order, monitor[ing] development projects, and help[ing] with poverty reduction, birth and death registration, collecting land revenue,” are indirectly elected as opposed to being directly appointed by General Administrative Department (GAD) township administrators, which was the case previously (Pyidaungsu Hluttaw Law No. 1/2012). Now, after the amendment of the law in January 2016 and December 2016, the election process was altered to allow for direct elections through a system of voting for household leaders (ACDD, 2018).

In terms of administrative decentralization, though the state/region governments were provided with a select range of administrative responsibilities under the new Constitution, no new ministries were created at the state and region level to manage those responsibilities. Instead, “the role of the new state/region ministers was introduced into the preexisting system of Union ministries” (The Asia Foundation 2018). This meant that except for the Development Affairs Departments, the municipal offices of Myanmar that enjoy fair autonomy from the central government, the state and region departments are currently functioning under a complex and ambiguous system of “dual accountability” (The Asia Foundation 2018).

In addition, while state/region budgets have been created, allowing for some degree of fiscal decentralization, union-level actors are still heavily involved in the states and regions planning and budgeting process with a large amount of subnational expenditure remaining in the Union budget. On the flip side, “the emphasis on achieving a bottom-up planning process has increased the role of TPFICs [Township Plan Formulation and Implementation Committees], and state/region hluttaws are playing a more active role in the state/region budget process” (The Asia Foundation 2018). In fact, the subnational actors are also getting increasingly involved in the Union budget process.

All in all, there has been varying and limited degrees of decentralization across Myanmar’s states and regions. There has been both an internal and external push from the Myanmar people and the international donors to create a more responsive and accountable system of local governance. Among the many barriers to reaching this goal, corruption is a serious problem that Myanmar has been facing for decades.

Corruption in the Modern Myanmar State

Corruption in the Myanmar today exists in every aspect of the state, as a mechanisms of state function: it exists in the government bureaucracy, in politics, in the military, in the police and justice system. Corruption, as most commonly defined by scholars and international organizations as “the abuse of power for private gain and assume the corrupt persons are in positions of (public) office or power” is an endemic problem in all senses (Brata, 2014). Specifically, the corruption literature in contemporary political science studies follow 3 strands

of understanding: public office-centered definitions that “view corruption as a misuse of public office for private gain” (Heidenheimer, 1970), public interest-centered definitions that “perceive corruption as behavior injurious to the public interest” and market-centered definitions that “see it as the functioning of a free-market in exercising public office” (Harris, 2003). Contemporary corruption in Myanmar, as discussed next, seems to fulfill all three ways of understanding the problem.

To begin with, there are plenty of opportunities for corruption once one obtains a position in the government bureaucracy of Myanmar. As a low-to mid-level bureaucrat there are many opportunities for so-called “petty corruption” in their everyday work and interactions with the public, and as a higher level public official, there are opportunities for so-called “grand corruption” that involves the powerful political actors and elites engaging in theft of large sums of public money, as well as heads of state taking bribes and embezzling public funds (Rose-Ackerman, 2016). Due to such hefty opportunities, along with stable salaries, government jobs in Myanmar are high in demand. In fact, in one year, 25,000 people applied for 200 positions advertised by the Ministry of Home Affairs’ Township Administrative Office; however, many positions are reserved for retired military officers, current government employees, and close associates of the generals, leaving only 20 positions open for competition (Quah, 2016). This illustrates the extent to which state patronage still exists in the bureaucracy of Myanmar. As an example of the types of petty corruption that state and local bureaucrats engage in, bribes or gift-giving is demanded in expected when the public apply for permits or certain documents (Saw, 2015). Such acts neatly fit into the definition of public corruption as a “misuse of public office for private gain” (Heidenheimer, 1970).

However, this does not mean corruption in the Myanmar state is merely acts committed by a handful of dishonest public officials. The system of bureaucracy and the set-up of the state itself is conducive to corruption. In fact, some contend that the system of taxation itself is “arbitrary and corrupt” (Quah, 2016). From taxes to accessing basic public services, the amount money lost due to unfair systems ruled by patronage and bribes paid imposes a huge cost on the citizens who suffer from the weak the rule of law and accountability in state institutions. Such a system of corruption also support the public interest-centered definitions that “perceive corruption as behavior injurious to the public interest” (Harris, 2003). While this system of patronage is

detrimental to the public interest, it strengthens and sustains the control of power by the military-backed elites in the current political structures that are undemocratic in nature despite the recent transition to democracy.

In terms of political corruption, lobbying is common in Myanmar, as it is in many other countries, but the lack of regulation lead to rampant bribery and concessions to secure political favors. At the higher levels of government, large infrastructural projects serve as avenues for grand corruption. In order to obtain project approval, politicians or other high-ranking officials must be bribed. Indeed, many “companies or other organizations are often willing to pay these rents to avoid trouble or delays, or to establish illicit networks of patronage which can be exploited in future deals, adding an element of path-dependency to the problem” (Saw, 2015). Such practices buttress the market-centered definition of corruption where the public official “regards his (public) office as a business, the income of which he will seek to maximize” (Heidenheimer, 1989). This culture of corruption practiced by both public and private actors reinforce the normalization of culture of corruption in Myanmar and make it harder to eradicate the problem as the government and businesses become interdependent.

In addition to political corruption, corruption in the military has deeply entrenched historical roots in centuries of military control, but is particularly acute in natural resource extraction, drugs and arms trade. Myanmar is another victim of the resource curse, as in areas of great economic gain, are also great opportunities for extortion. Myanmar’s fertile soil and forests are full of natural and agricultural resources, and it has “vast reserves of gold, silver, copper, iron, lead, tin, tungsten and petroleum, and precious stones like amber, jade and ruby” (Quah, 2016). Such resources, instead of benefiting the citizens, enrich only a handful of elites in society, in particular the military. Military’s illicit relationships with drug lords is an “open secret” that is exemplified by their control over £20 billion (approximately \$31 billion) jade trade that was recently investigated by Global Witness. They found that “[t]his massive, dirty business is still controlled by a rogues' gallery of former generals, drug barons and men with guns. Hidden behind obscure companies and proxy owners, these elites cream off vast profits while local people suffer terrible abuses and see their natural inheritance ripped out from beneath their feet” (Holmes, 2015). The collusion between the insurgent armies and drug traffickers is made possible as the government, whose members likely personally benefit from the drug trade,

turning a blind eye to the issue. In fact, “drug-trafficking insurgents are often better armed and militarily stronger than the government forces,” and, therefore, with greater gains in maintaining a friendly relationship with insurgent army than confrontation that poses greater risks and losses, the former becomes a logical choice for the government (Gibson, 2003). This illustration of the pervasiveness of military power and corruption in the modern Myanmar state is only a part of the story to be unearthed with more transparency and open media.

Last but not least, corruption in Myanmar’s justice system further weakens the rule of law and public’s trust in the state. In fact, lawyers revealed that that they have to engage in corrupt acts to practice their profession: “from completing law school, to retaining clients, accessing information, meeting with clients who are detained, securing meetings, submitting motions, presenting witnesses, winning cases, ensuring the enforcement of judgments, and retaining their licenses to practice law” corruption is a part of every step in their career (ICJ, 2013, p. 15 quoted in Quah 2016). In short, corruption has been an integral part of the state and its institutions at all levels and sectors.

Corruption in People’s Daily Lives and its Impact on Human Security

For the ordinary people in Myanmar, corruption is a part of their everyday life. Because corruption is so prevalent, and bribery is often a necessity to obtain basic services, a word “tea money” to connote such small bribes exists in the daily language of the ordinary people who have to provide it, and lower to mid-ranked officials who demand it. In fact, Peter Perry contends that “any kind of citizen-government interaction will require a bribe” in Myanmar (Perry, 2005). Corruption has become such an integral part of getting things done in Myanmar that a former commercial first secretary at Singapore’s Rangoon embassy even published a “practical instruction manuals” in 2001, advising on matters such as “bribing customs officials, setting up an overseas ‘shell company’ to hide foreign exchange, buying property through an ‘unofficial wife’ and even how to find someone to go to jail on your behalf” (Perry, 2005). While bribery facilitates foreign business and allows those with money to get past the laws, for the ordinary people of Myanmar, bribery becomes an economic burden and a hurdle in preventing them from accessing basic public goods and services. Jon Quah (2016) argues that “[w]idespread corruption has effectively privatised public services in Myanmar, with teachers, doctors and civil servants

demanding bribes for performing their basic duties (p. 11, Englehart, 2010).” His investigation of Mizzima News series of 10 reports between 1 April and 13 July 2011 reveal the extent to which endemic corruption permeates people’s day to day lives: from “pay[ing] to change their national registration certificates, to obtain[ing] access to basic services in hospitals, to get[ing] a government job, to pay[ing] teachers for extra private classes, to get[ing] their passports quickly, to obtain[ing] the official academic transcripts of their university examinations, to obtain[ing] a publishing license, to avoid[ing] arrest by the police for illegal gambling, to enroll[ing] their children in primary schools, and to apply[ing] for household registration,” the list seems endless (Quah, 2016). (See [Appendix F.](#)) All these added costs essentially serve as a mechanism to exclude certain populations from accessing goods and services and maintain state control by the military and political elites.

The state of Myanmar has a proliferation of rules and regulations, but only selectively uphold the laws. Such a system of impunity for the rich and powerful and insecurity for the marginalized and the poor is akin to the dual modes of outlawing outlined by Daniel Goldstein (2012): “negative inclusion and perilous exclusion.” Just as the urban indigenous people in Bolivia suffer from “quotidian poverty, vulnerability to violence and criminal predation, and lack of access to the most basic forms of public services and infrastructure” that lead to their insecurity, it can be contended the marginalized people of Myanmar suffer similar forms of insecurity that further feeds into conflict (Goldstein, 2012). In particular, with the prevalence of ongoing ethnic conflicts and violence, minority groups are further marginalized; their rights are violated by the state that fails to recognize their citizenry. The state of Myanmar, throughout history has tried to impose law and order through their autocratic military rule, and today, while the state has transitioned to democracy, it continues to display a lack of accountability to its citizens. As Goldstein argues, “[t]he state is present through the law, which imposes certain requirements and restrictions on citizens...and through the deadening rituals of its bureaucracy, which consume time and money but are often arbitrary and seemingly punitive” and yet the state is also “nonpresent, in that it does not consistently enforce the law, protect citizens' rights, defend them against threat and harm, or offer a way for them to secure justice when their rights are violated or they are injured through willful negligence” and such a parallel reality has been revealed through the recent Rohingya crisis in Myanmar (Goldstein, 2012). The presence of corruption is a manifestation of such a state that cannot be claimed to be absent, as it does impose itself in every

part of people's lives through demands of bribery or "tea money," yet fails to carry out its duty of protecting its people.

Levels and Perceptions of Corruption in Myanmar's Sub-National Governments

While Myanmar is notorious for being one of the countries with the highest levels of corruption⁶, it is hard to find any disaggregated data on levels of public-sector corruption involving corrupt activities undertaken in Myanmar let alone in its subnational governments. The best source of data for overall perception and experiences of corruption is Transparency International's Global Corruption Barometer. Taking the data from TI's 2017 Global Corruption Barometer, one can gain a sense of the level of public-sector corruption in Myanmar.

To begin with, in Myanmar, 40% of respondents claimed that "they paid a bribe when accessing public services in the last 12 months," while nearly 1 in 4 world-wide agreed to the statement. This illustrates that petty corruption, not just overall corruption, is much in Myanmar than elsewhere. This bribery rate is the second highest out of the 16 countries in the Asia Pacific region surveyed by TI. Specifically, when asked, "Have you paid a bribe to any one of six public services in the past 12 months?" 16% said yes for public schools, 21% for hospital, 40% for ID document, 20% for utilities services, 49% for police and 39% for courts (Transparency International, 2017). Though these numbers may not paint a completely accurate picture of the actual levels of petty corruption involved when accessing public services given that these are self-reported numbers, still shows how prevalent bribery is in all sectors of public service in Myanmar.

Moreover, lower to mid-level bureaucrats are not the only ones guilty of corruption in Myanmar: both at the national and local level, various levels of public officials are perceived to be highly corrupt. Specifically, when asked, "How many of the following people do you think are involved in corruption, or haven't you heard enough about them to say?" 48% said yes to the

⁶ In 2018, Myanmar ranked 132 out of 180 countries in the CPI index, being the bottom fifty in its perceived corruption levels, meaning among the worst in terms of perceptions of corruption performance, and being perceived as the 6th most corrupt in the Asia Pacific (Transparency International, 2018).

(President)/(Prime Minister) and Officials in his office, 55% to representatives in the legislature, 60% to government officials, 58% to local government councilors, 48% to police, and 56% to tax officials, like Ministry of Finance officials or local government tax collectors courts (Transparency International, 2017). This perception of local government councilors being corrupt in Myanmar is way above the Asia Pacific regional average which is 35%, while the perception of government officials being corrupt in general is only slightly above the regional average which is 57%. All this indicates that corruption in subnational governments is a serious problem to be addressed despite the recent push for democratization and eradication of corruption by the Myanmar government.

Nevertheless, with the push for decentralization and democratization, such as the creation of the DAOs, township committees, and Ward/Village Tract Administrators, new opportunities for civic engagement and increased accountability at lower levels have been opened up. Indeed, in the Asia Foundation's 2018 City Life Survey, "when asked if they agreed that their ward administrator represented their household's interests, respondents overwhelmingly agreed, with at least 70% agreeing in all cities": Yangon, Mandalay, Mawlamyine, Monywa, and Taunggyi (The Asia Foundation, 2019). This is unsurprising as Ward Administrator are essentially elected within the small communities. The results were lower yet still sizeable for their opinion on whether or not their State/Region MPs represent their household interests, from 12% in Taunggyi to 40% in Mawlamyine. The low percentage in Taunggyi can be attributed to the fact that 72% of the surveyed people do not even know who their state or region MP is. This may be due to political apathy and/or the fact that Taunggyi, the capital of Shan State that borders China, Laos and Thailand, is one of the more ethnically diverse areas.

Moreover, perhaps as evidence for varying degrees of successes in curbing corruption or varying opportunities to engage in corruption, perceptions of corruption at the city-level is varied and quite low in some cities (see figure 2). In fact, while the perceived level of corruption was high across all cities, respondents in Monywa reported the lowest rates of bribe-giving (at 3%) and highest confidence in the government performance, with 66% saying the city is headed in the right direction and the same percentage of people saying its Sagaing regional government is responsive (The Asia Foundation, 2019). However, there are some discrepancies between reported levels of personal engagement in bribery and the respondents' perception of corruption

level in the city, which may be attributed to question design, selection of respondents, and/or level of (dis)honesty in the respondents.⁷ It may even be that perceptions of corruption are much higher than reality. Though at the moment it is unclear why these differences exist, a likely explanation for why Monywa reported the lowest rates of bribe-giving is that a smaller city with a smaller population and less developed than the other cities compared in the survey. Being a smaller less developed city means there are probably fewer needs for people to visit government offices, therefore, fewer occasions to give bribes. Also, community members are likely to personally know most of the public servants with members of different departments being related to one another. Yangon and Mandalay, on the other hand, are bigger and more developed cities with more diversity in population. Mawlamyine and Taunggyi are also big cities in border states so there is also greater diversity there. This means people likely do not feel as close to the government as the people of Monywa do, leading to more pressure to give bribes (Interview 6/9/19).

⁷ The relevant survey questions asked by the Asia Foundation to collect this data are as follows:






Question 111: “Corruption is a common practice in our city. Corruption is defined as the abuse of public office for private gain. Do you agree or disagree?”

Question 112: “Did you or your family give some money or gift as bribery in the last three months? (ex. paying tea money, pocket money or a small gift to a clerk to speed up the registration of your vehicle.)” (Source: City Life Survey 2018, The Asia Foundation).

Figure 4: Government Performance in 5 Cities in Myanmar

GOVERNMENT PERFORMANCE

The following table provides a summary of respondents' perception of government performance along key urban governance indicators.

	 Yangon	 Mandalay	 Mawlamyine	 Monywa	 Taunggyi
CITY IS HEADED IN THE RIGHT DIRECTION	49%	30%	58%	66%	59%
CITY IS HEADED IN THE WRONG DIRECTION	20%	26%	11%	11%	9%
WHY RIGHT DIRECTION ³⁹	Roads Electricity	Roads Electricity	Roads Safety	Roads Electricity	Safety Electricity
WHY WRONG DIRECTION ⁴⁰	Safety Business opportunity	Safety Jobs	Safety Jobs	Safety Roads	Safety Jobs
LEADERS HAVE A VISION	57%	66%	75%	69%	52%
S/R GOVT IS RESPONSIVE	58%	59%	59%	66%	36%
CITY GOVT IS RESPONSIVE	44%	69%	61%	64%	35%
MP REPRESENT MY HH'S INTERESTS	31%	18%	40%	24%	12%
HAD GIVEN A BRIBE PAST 3 MONTHS	10%	15%	12%	3%	13%
CORRUPTION IS A COMMON PRACTICE	52%	47%	57%	41%	43%

(Taken from The Asia Foundation City Life Survey, 2018)

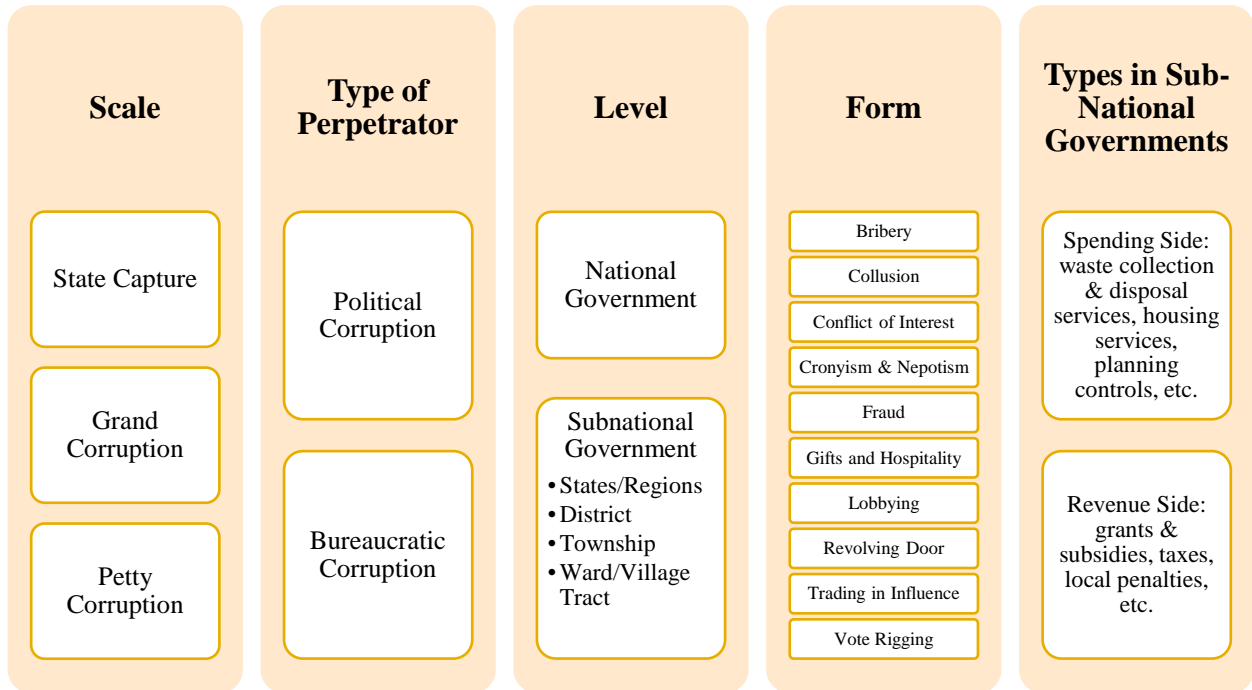
Corruption Types in Myanmar's Sub-National Governments

According to Mark Pyman, there are two broad types of corruption in subnational governments: those specific to the subnational government and those that similarly exist at national levels. Among the types of corruption specific to subnational governments on the spending side, they include “waste collection and disposal services, housing services, planning controls, environmental management services, and maintenance service” and on the revenue side, they include “grants and subsidies, business taxes, local penalties” (Pyman, 2019). Moreover, according to Transparency International, the following types of corruption apply to sub-national government: bribery, collusion, conflict of interest, cronyism and nepotism, fraud, gifts and hospitality, lobbying, revolving door, trading in influence, and vote rigging. (See [Appendix G](#) for definitions of these terms.) The following illustrates one example of a serious corruption case at the sub-national level: “a Village Administrator [] pocketed 3,000 Lakh (approximately 30,000 USD) intended for providing electricity to an entire village” (Bro-Jørgensen, 2014). A “listening study” by Spectrum published in 2017 also indicate that petty corruption in the public sector is prevalent even in administration of government processes. Such petty corruption involves giving ‘tea-money’ for speedy processing of official documents such a national registration card (NRC) and land registration (Spectrum, 2017).

While there currently aren't any comprehensive studies on the types of corruption that exist in the sub-national governments of Myanmar, one can draw from the analysis of corruption discussed in the “Corruption in the Modern Myanmar State” section of this paper. Moreover, an analysis of good governance programs being undertaken by development aid agencies (See [Appendix B](#)) reveal that at least there are attempts to address the issue of corruption in the spending side of the subnational-governments (i.e. public service delivery and budget execution). This is not to say that corruption doesn't exist on the revenue side, as the majority of the surveyed people in Myanmar, as aforementioned, states that they think tax officials, like Ministry of Finance officials or local government tax collectors are involved in corruption (Transparency International, 2017). Giving weight to this perception, DFID has found that there is “a high degree of ‘delegated negotiability’ in key areas such as revenue, an emphasis on short term fiscal management rather than medium term strategic planning, limited comprehensiveness and transparency and a system at significant risk to corruption” (DFID, 2018). Moreover, issues of corruption have been flagged in township courts as well that inherited the problem of

“entrenched corruption within the judicial system, ranging from shared moneymaking schemes to routine police fabrication of evidence. All of this can fuel delays and the absence or disappearance of witnesses” (USAID, 2017). These findings highlight only some of the issues of corruption that exist at sub-national levels.

Figure 5: Public Sector Corruption In Myanmar



V. POLITICS OF CORRUPTION REFORMS IN MYANMAR

Overview of Contemporary Fight Against Corruption and the “Democratic Agenda”

Recognizing this persisting problem of corruption, the current government of Myanmar has highlighted anti-corruption, transparency and democratic freedoms as a key agenda for the current administration. In fact, former President U Thein Sein, in his inaugural speech given on March 30, 2011, stated that “[w]e will fight corruption in cooperation with the people as it harms the image of not only the offenders but also the nation and the people. So, we will amend and revoke the existing laws and adopt new laws as necessary to implement the provisions on fundamental rights of citizens or human rights” (Taw, 2011). This statement indicates their recognition of the need to signal a less corrupt state to gain legitimacy and trust among not only the Myanmar people, but also the international actors, including foreign businesses, as it continues to slowly open up itself to the world.

Subsequently, Myanmar in the recent years has implemented several measures to fight corruption. Firstly, it introduced a law in 2012 to increase the wages of all public sector employees allegedly as a means to tackle corruption in the government (Ba Kaung, 2012). Secondly, Myanmar established the Anti-Corruption Law in 2013 and the Anti-Corruption Commission in 2014. The Anti-Corruption Commission was set up to investigate and prosecute the violations of the Anti-Corruption law and thereby prevent corruption in the public sector. According to the Anti-Corruption Commission, “a total of 3,438 complaints were received between 10 March 2014 and 30 June 2017, of which 1,224 were lodged with between 1 July 2016 and 30 June 2017,” but only 31 of those cases have been known to be prosecuted up until September 2017 and only some have been reported in local newspapers (Chua, 2018). Moreover, not only is this statistic highly unreliable as it is with many other official statistics provided by the state of Myanmar, some even argue that the anti-corruption laws are enforced selectively as a means of ousting political opponents, or not at all (Quah, 2016a). The Commission’s leadership that consist of two retired military generals suggest a lack of independence from the military-ruled political powers, making it even harder for it to be a legitimate tool of eradicating corruption in the state and more broadly, the public sector (Quah, 2016a). Tying their hands even more tightly, the Commission does not have an independent power to execute cases dealing with

lawmakers and essentially it is up to the party to make a political decision on whether or not to punish the individual for his or her misconduct.

Nevertheless, the political crack-down on corruption, at least superficially, has strengthened in the most recent years. In fact, Daw Aung San Suu Kyi claims that her cabinet is “clean” with no corrupt members, though some recent corruption scandals have proven otherwise. She has infamously warned her new cabinet members in 2016 that if they take bribes or engage in corruption, “you will go to jail. I will visit those party members in prison” (Kyaw Phyo Tha, 2018). In this context of heightening political attention to fighting corruption, the Commission has been increasing its activities as the number of complaints received increased to more than 13,000 complaints from November 2018. Furthermore, last year it has been empowered to launch preliminary investigations into information received, and has taken action against senior figures such as the former director general of Food and Drug Administration (FDA) U Than Htut and ex-Tanintharyi chief minister Daw Lae Lae Maw, who was arrested and charged with corruption in March 2019 (Chau, 2019). While the Commission is still a nascent institution with more reforming to be done if it is to act as a legitimate force of fighting corruption in Myanmar, with mounting public pressure, there are signs of positive movements towards taking corruption as a serious issue to be tackled in Myanmar.

VI. LOCAL REFORM APPROACHES

Donor-Funded Good Governance Programs

In this context of partial democratization and decentralization in Myanmar that has been complemented by a political push for curbing political corruption at the national level, many of the INGOs and development aid agencies re-entered the country after a period of inactivity during Myanmar's era of military dictatorship. Among some of their key development engagements are through good governance focused programs. In fact, when the National League for Democracy (NLD) won the 2015 elections, "more foreign aid began to flow to the country with higher portion of aid earmarked for governance reforms. For example, the expressed purpose of organisations like DFID (n.d.) and USAID (2015) is to promote good governance in Myanmar as a top priority" (Khine Thu, 2018). According to Khine Thu's analysis of 2015 MIMU data, the majority of the good governance programs from state/regional level to village level are on "strengthening civil society" (2244 out of 3615 projects). The second largest portion of good governance programs are on "institutional strengthening and public administration reform" (675 projects out of 3615 projects). Only 128 projects are on "transparency/accountability," which is still not an insignificant amount. (See [Appendix H.](#)) Anti-corruption programs were not counted under her classifications of subsectors. Nevertheless, it can be assumed that they are an implicit, if not explicit, part of many of these good governance programs. My own research and scanning of donor-funded anti-corruption activities indicate that though there are no donor-funded programs solely dedicated to addressing corruption in subnational-governments, there a number of various good governance programs that directly or indirectly address corruption at subnational levels.

In the past, academics and professionals have lamented that anti-corruption efforts have become too technocratic in programs carried out by multilateral and bilateral aid agencies and development contractors (June and Heller, 2009). These technocratic means may involve focusing on "building capacity of government auditing and procurement systems, budget and public financial management reform or the professionalisation of the civil service" with increased civil service salaries (June and Heller, 2009). In their place, other approaches have been recommended such as monitoring and diagnostic assessments, participation and empowerment of citizens and targeted reform (June and Heller, 2009). My research sets out to

see what approaches have been employed by multilateral and bilateral aid agencies to address corruption in subnational governments in the recent years since the process of partial democratization began in 2012.

Overview of Reform Approaches

Many donor-funded good governance programs in Myanmar lack an explicitly stated cohesive theory of change⁸ or have created one post-facto; nevertheless, their strategies are quite similar to each other and mainly involve improving governance through a combination of strengthening institutional (government) capacity, increasing oversight, promoting transparency, accountability and responsiveness along with community access to these institutions and public services through their participation in governance. This is in line with my hypothesis that much of the good governance aid programs focus on capacity-building oversight and increasing transparency. However, surprisingly, there was a significant focus on promoting accountability and responsiveness through civic engagement and participation.

The programs studied also share similar goals, outcomes and outputs (See [Appendix I](#)) with the most frequently used words, excluding articles and prepositions, being the following: public, will, institutions, improved, people, local, development, capacity, township, delivery, service(s), policy, justice, society, needs, and access.⁹ Clearly, much of the focus is on strengthening institutions through capacity-building, specifically those of the justice sector, making these institutions inclusive, improving service delivery by making it accessible and responsive to people's needs and promoting local development. Hence, while the majority of the program activities involve a top-down technocratic approach to improving local governance, there are some activities with a bottoms-up approach through promoting participation of stakeholders. What is implicit in these theories of change is their impact on curbing corruption: these mechanisms to improve local governance may serve as an incremental preventative strategy for curbing corruption and building integrity. Moreover, the strategies undertaken in these programs

⁸ Theory of Change is “the thinking behind how a particular intervention will bring about results.” This thinking is laid out by not only showing the outcomes/preconditions, but also by outlining “the causal linkages in an intervention between the shorter-term, intermediate, and longer-term outcomes.” ([USAID Learning Lab](#), 2016)

⁹ This has been calculated using a [word frequency counter](#).

would mainly have an impact on curbing bureaucratic and petty corruption rather than political and grand corruption, as the focus is on public service delivery in sub-national governments.

These strategies align with some of the multiple approaches to anti-corruption reforms outlined by Mark Pyman (2019):

1. Functional approaches: *improving institutions, public financial management, systems and controls*
2. People-centered approaches: *working directly with affected communities; building networks and coalitions of supporters*
3. Monitoring approaches: *strengthen oversight groups and their independence*
4. Transparency approaches: *making visible what others wish to keep hidden*
5. Civil society and media: *creating space for external voices*

Connecting the approaches back with the theories of change (parts of it implicitly and parts of it explicitly) assumed in the programs, these approaches are all parts and pieces of a larger causal chain:

*If institutional capacities for enhanced planning and public financial management at sub-national levels are built (*functional approach*) along with increased oversight (*monitoring/ justice & rule of law approach*) and matched with more capable and informed civil society and greater government transparency (*transparency approach*), then there will be stronger and increase government accountability and responsiveness.*

*If greater government accountability and responsiveness are met with greater civic engagement (*civil society and media approach*), public demand (*people-centered approach*) and political will (*people-centered approach*) to curb corruption, which in turn could further increase government accountability and responsiveness, then there will be reduced corruption.*

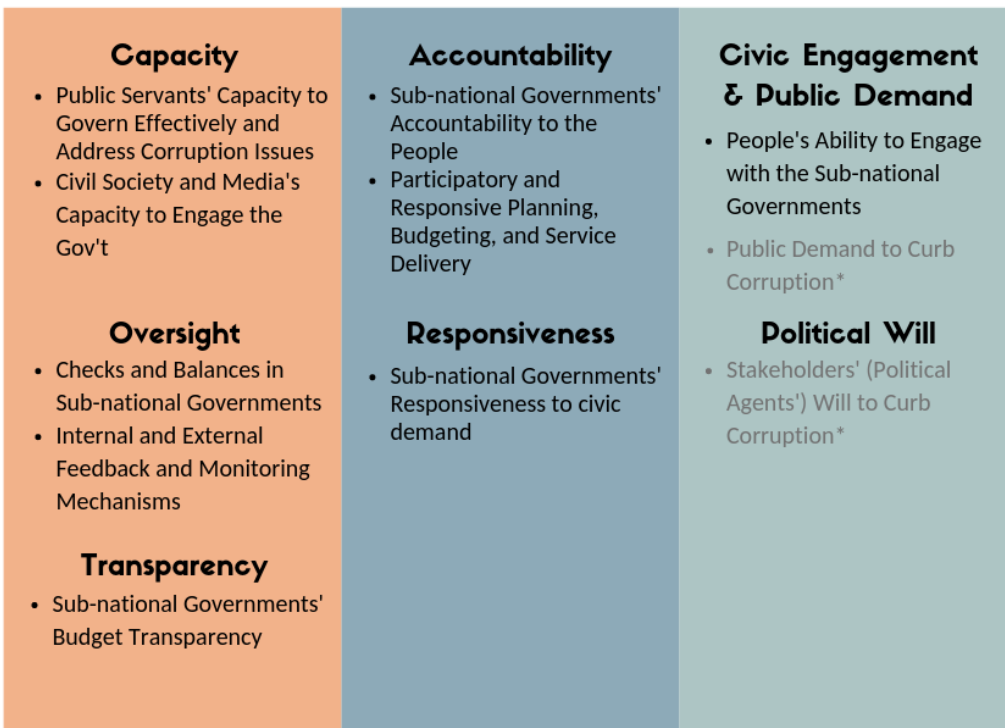
Though none of the programs explicitly state the casual impact on corruption, it can be assumed based on existing literature discussed earlier in the literature review section. However, this isn't the magic formula to curbing corruption in local governments, as the validity of this theory of change has not been scientifically proven. Rather one can understand it as the common denominator in many donor-driven local governance programs in Myanmar, or a simple

framework based upon which variations in application and understanding can be made. Nevertheless, what has become evident through my research is that most of these approaches alone will not yield in eradication of corruption. However, they may contribute to an incremental change that show signs of potentially leading to a reduction in corruption. A combination of these approaches, depending on what's missing in the context, is therefore necessary to observe any concrete and sustained results in curbing corruption.

Examples of Application of Reform Approaches

A number of approaches has been utilized by aid organization in Myanmar to promote good governance and curb corruption at the local level. A summary of some of the key approaches that development organizations in Myanmar have undertaken are organized under the components of good governance cycle illustrated in Figure 2, with the bullet points in gray and in asterisk(*) marking missing components as recognized in the evaluations of the programs and based on my observations.

Figure 6: Multi-Pronged Approach to Improving Governance



1. Functional combined with People-Centered Approaches

1.1 Capacity Building of Subnational Administrations

- **Promote participatory and responsive planning and budgeting**

Through their Local Governance Programme, UNDP has been working on strengthening the capacity of subnational administrations. Specifically, they have aimed to do so by creating “mechanisms and guidelines for citizens’ participation” and expanding “horizontal coordination for development planning at township level” to states and regions (Garrigue, 2017). This firstly involved delivering training and guidelines drafting activities in Chin and Mon States on “participatory planning and budgeting at township level and state level mobilizing the newly-created TDSCs and W/VTDSCs” (Garrigue, 2017). Secondly, following up on these preliminary activities, a participatory approach for the preparation of annual Township Development Plans, meaning evidence-based planning through consultations with the population (including women, youth and CSOs), was piloted in Kawa in Bago Region and Billin in Mon State. Consequently, in Bago Region, Mon State and Chin State, UNDP claims to have supported “adequate information and management systems for planning and budgeting, identifying priorities and coordinating local development” and enhanced their State, District and Township administrations’ capacity to establish participatory and responsive planning, budgeting and monitoring mechanisms (Garrigue, 2017).

While the program did not explicitly state any impacts made on curbing corruption, the implication is that opportunities for corruption would be minimized with more participatory forms of local governance. In fact, Garrigue asserts that such capacity building and “reprogramming the software of government institutions with the concepts of participation, inclusion, accountability and responsiveness” is imperative in order to not create an imbalance towards the demand side that may result in “state institutions feeling cornered by increasingly vocal civil society, media and public while missing the capacities and guidance to respond better to people’s expectations” (Garrigue, 2017). The argument is that social accountability mechanisms must be coupled with these capacity building efforts in order to result in actual decrease in corruption.

With the program having only laid the groundwork for further institutional capacity building for participatory local development, the fruits of these efforts are not immediately visible. In fact, new “civil society-led social accountability initiatives run in partnership with subnational authorities over public service delivery and budget execution” are expected to be initiated to help address the issue of fighting corruption in subnational governments (Garrigue, 2017). Nevertheless, these are signs of good progress in a political context where concepts of transparency and accountability are relatively new.

Similarly, lots of capacity building activities have taken place to improve the Public Financial Management (PFM) of states and regions. Though “subnational parliaments still play a limited role in applying democratic accountability over the use of subnational budgets,” due to a system of “dual accountability” as explicated in the ‘Decentralization in Myanmar’ section, increasingly greater discretionary powers, though still limited, have been given to state and region governments with certain ministries “delegating functions to their S/R level offices for expenditure planning (e.g. education, health, agriculture)” (Garrigue, 2017). This means that these efforts to improve PFM and instill social accountability in subnational institutions may create positive synergies for reducing opportunities for corruption when met with other factors such as increased oversight and transparency.

1.2 One Stop Shops (OSS)

- **Reduce red tape and bureaucratic corruption through centralized administrative offices in districts and townships**

Another innovative initiative supported by UNDP is the establishment of One Stop Shops (OSS) to “improve access to quality and transparent administrative and regulatory services at district and township level” by attaching 15 governmental departments to OSS; currently OSS provide 13 different types of services to people.¹⁰ Interestingly, one of the objectives of OSS is “to

¹⁰ 1. Issuing license for restaurant
2. Issuing license for private mini market
3. Conducting Excise Tax and collecting four kinds of tax
4. Copying Land Record Form No (105) and applying land grant
5. Issuing license for billiard game
6. Issue related with applying permit for entertainment
7. Issues related with migration of households and birth and death registration
8. First Information cases
9. Fire security issue

nurture the effective service delivery practice by preventing corruption and bribery.” Again, the implication is that by bringing the administrative and regulatory services closer to the people, allowing them to access multiple services in one place, people can go through fewer hands in transactions and gain information with greater transparency. This, theoretically, will make it more difficult for sub-national governments and institutions to engage in acts of corruption.

The Myanmar government claims that since the establishment of One Stop Shops, “altogether 1812844 services had been already provided. Among them, Shan State stands as the most service delivering one with the accomplishment of 663,485 services and Kayah State stands as the least one with the accomplishment of 6793 services” (One Stop Shops, n.d.). However, the problem with these numbers is that it reports all the services provided by the government department offices, not just the ones provided by the One Stop Shops. In fact, it has been reported that not that many people actually use OSS, because of certain limitations to what the OSS can do. For instance, people can get the forms to apply for the National Registration Card from OSS, but OSS cannot accept the application form and issue the card, because the township immigration officer must sign it. This has led many people to skip the OSS and go directly to the township department offices where red tape, bureaucracy and petty corruption likely still exists (Su Shein, personal communication, June 9, 2019). While it is unclear why Shan State delivered the most number of services and whether it can even be used as a success, what is clear is that for these initiatives to really work, OSS must not just run in parallel to township departmental offices that still function in old bureaucratic ways, but they must be complemented with reforms within main township offices to reduce red tape and petty corruption.

2. *People-Centered Approaches*

2.1 Consultations and Dialogue Sessions

- **Increase spaces for community-government dialogue to take place and increase people’s access to public information**

Consultations and dialogue sessions have also been the key strategy pursued by the UNDP in their Local Governance Program in order to promote participation and raise awareness of issues

10. Issues related with municipality affairs such as water and sanitation

11. Issue related with forestry

12. Issues related with social security, labour and employment

13. Issues related with livestock and fishery

faced by citizens in Myanmar. To illustrate, “54 township-level and 18 State-level consultation events [were held] between subnational authorities and civil society, gathering more than 3,500 people” (Garrigue, 2017). These events led to the establishment of Coordination Forums between State and Region governments and CSO networks in 5 States to discuss a wide range of issues “from information-sharing to addressing local service delivery, women’s empowerment or access to rights issues, but also more generally on widening the civic space and establishing stronger state-society cooperation” (Garrigue, 2017). As a result, UNDP claims that “there has been a 30% increase in the number of CSOs in target States reporting engaging in advocacy with local authorities for improved public services” (Garrigue, 2017). Various Township Community Centers/Community Multimedia Centers were also established to increase community-government dialogue and increase people’s access to public information. Again, while curbing corruption has not been an explicit part of UNDP’s theory of change, one can assume that creating and expanding platforms for civic engagement and participation will allow for more opportunities to raise issues of corruption in public service delivery.

2.2 Capacity Building and Awareness-Raising of Civil Society

- **Increase awareness of corruption issues in various government sectors, improve understanding of anticorruption laws, and increase ability to address corruption issues in local communities**

USAID has engaged in various anti-corruption training for communities in different states and regions. For example, in Mawlamyaing and Lashio, forty-five participants from 40 CSOs and community-based organization were brought together to increase awareness of corruption issues in various government sectors and improve understanding of anticorruption laws such as the Myanmar Anti-Corruption Law and the UNCAC. This training not only reportedly increased the CSOs’ ability to address corruption issues in local communities, but also the recognition of the need for transparency, accountability and integrity to combat corruption (Tetra Tech DPK, 2017).

While awareness raising doesn’t necessarily lead to concrete actions taken, in Dawei, the training has led to a locally led anti-corruption initiative. USAID has trained “MPs, CSOs, local authorities, teachers, community leaders and youth who lack knowledge of corruption and how to prevent it” (Tetra Tech DPK, 2017) And this has positively resulted in a watch group being

formed for “corruption monitoring in Dawei that will include 10 monitors from community organizations, CSOs, and political party members from Dawei and Long Lone Township” (Tetra Tech DPK, 2018). While this initiative is still very new with more time needed to evaluate its impact on curbing corruption, these efforts can be seen as first steps in coalition building for collective action against corruption.

3. *Monitoring Approaches*

3.1 Checks and Balances in the State and Region Governments

- **Create different checks and balances through strengthening oversight by autonomous actors in the different branches of government**

In Monywa of Sagaing Region, budgets have to be signed by Members of Parliaments (MPs), creating a system of checks and balances. This creates increased oversight on budget, but also potentially more rent seeking opportunities for the MPs (M. Miller¹¹, personal communication, April 29, 2019). Therefore, whether this oversight actually helps or hinders corruption must be further investigated. Nevertheless, given that MPs have quite an active presence in Monywa, the fact that “residents of Monywa were the most likely to say that their state/region government was responsive [out of the 5 major cities surveyed]” is encouraging (The Asia Foundation, 2019).

In Hpa-An of Kayin State, the public accounts committee, “which examines whether the funds granted by the Parliament to the government have been properly spent” is very active (Egreteau, 2017). While their central job is to audit “all expenditures ordered and made by Myanmar’s Union government each fiscal year,” in Hpa-An, according to a INGO staff, the committee also conducts independent investigations of roads and creates a “blacklist” of companies that have gone below specifications in the road construction (M. Miller, personal communication, April 29, 2019). In all states and regions, the construction companies working on public infrastructure projects are monitored by State and Region government and a third party, the Myanmar Engineering Society (Interview 6/9/19). The additional oversight provided by the public accounts committee, as an independent body that is not part of the executive, can play a critical role in monitoring corruption, if that is something they desire to do so. Again, their relational power to the rest of the state and regional parliament—how much power they hold over the departments—

¹¹ For confidentiality of the interviewee, I’ve replaced his/her name with a pseudonym.

along with their political will must be analyzed first in order to make any conclusive statements on the impact of their monitoring approach.

3.2 Citizen Oversight

- **Engage the citizens to provide oversight on public service delivery through feedback mechanisms.**

In Bago Region, a mobile service delivery feedback monitoring system has been put in place through a World Bank-funded ‘Proactive Citizen Engagement Initiative in Myanmar.’ This allows MPs to collect citizens’ feedback on the public service they received including information such as their satisfaction with the service and if there were any corruption involved. Anecdotal evidence shows that citizens in fact have been very forthcoming with their SMS responses, including reporting of bribes that had to be made to the public servants (Su Shein, personal communication, June 9, 2019). As these SMS responses are used for township level management meetings and citizen gatherings, department officials do have to respond to the complaints made (World Bank, 2018). Considering that citizens are open about reporting corruption involved in receiving public services, one can expect higher pressure on the public servants to not demand bribes.

4. Transparency (combined with People-Centered) approaches

4.1 Budget Transparency and Citizen’s Budgets

- **Increase budget transparency through creating Citizen’s Budgets at sub-national levels (i.e. States/Regions/Municipalities)**

Increasing budget transparency at the subnational government level has been one of the key transparency approaches pursued by aid agencies in Myanmar. To illustrate, ‘Myanmar Strategic Support Programme’ (MSSP) implemented by the Asia Foundation aims to bring about “improved fiscal transparency and citizen engagement in the budget in select state and region governments and parliaments” (DFID, 2018). With the help of the Asia Foundation, last year, four sub-national governments—Bago, Kayin, Tanintharyi, and Yangon—have published their versions of Citizen’s Budgets, a document presenting key public finance information such as which ministry spends public funds on what to the general public (Valley and Guo, 2018). Ayeyarwady, Mon, and Kayah have also published their own Citizen’s Budget. In addition, the Taunggyi Township Development Affairs Organisation (DAO) launched the nation’s first

municipal-level citizen's budget (Mizzima, 2019). While the Asia Foundation has not explicitly stated their program's link to curbing corruption, the implied theory is that if there is greater transparency in local budgeting, it could get more difficult for public officials to engage in corruption (i.e. siphoning public money). However, in order to actually have an impact on curbing corruption, public availability of budgetary information must be met with other actions discussed next.

4.2 Digitizing Government Budget Data and Engaging Civil Society and Journalists

- **Complement budget transparency with instilling value of civic engagement by encouraging usage of budget data to measure government performance and hold local governments accountable**

Since 2016, Ananda, a local NGO, has been working with the Asia Foundation in Myanmar to digitize publicly available regional government data to increase budget transparency. However, recognizing that providing greater access to budgetary information doesn't automatically lead to civic engagement with budget data, they've engaged in discussions and workshops with civil society and journalists on how to use the budget data to measure government performance and address issues like corruption (Htin Kyaw Aye, personal communication, April 25, 2019). Founder of Ananda Htin Kay Aye underscored that "we want the budget data to be used by reporters to write stories. We want people to use the budget data to question the government priorities. Public officials claim that they will prioritize certain things in their campaigns, and we want citizens to be able to see if their claims align with where the budget has actually been allocated to" (Htin Kyaw Aye, personal communication, April 25, 2019).

Moreover, to make the data more relevant to the people, majority of whom feel too distant from decisions made in the union and regional government budgets, Ananda has started the process of digitizing project level budget data—such as which schools are getting how much funding—in select state and region governments where such disaggregated data is available. The idea is that people can better relate to project and township level budget data as they see it having a direct impact on the public services they receive in their townships (Htin Kyaw Aye, personal communication, April 25, 2019). However, this has only been possible because the Myanmar government, more so in certain state and regional governments than others, wants to be more transparent and is publishing more budget data than before as illustrated through their publishing

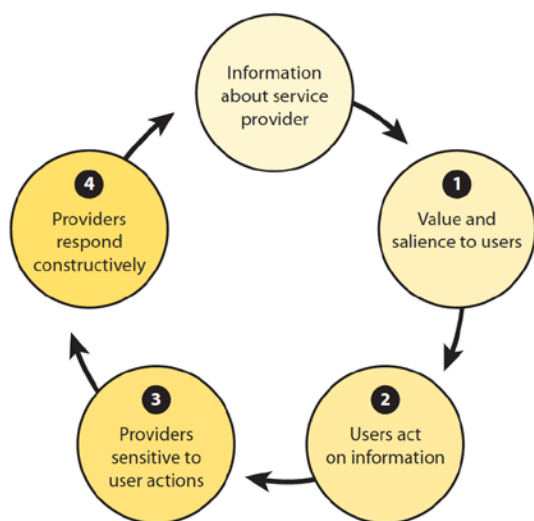
of Citizen's Budgets. Especially the elected Member Parliaments (MPs) are more enthusiastic than bureaucrats who show some reluctance in pushing for budget transparency. Hence, arguably political will to be transparent and have a 'clean' government, whether or not it is for political rallying of public support, to a certain extent is there. Specifically, "in Kayah State, there has been some really good work done to digitize the budget data. Ananda tries to provide technical data support to civil society so that they can monitor and track government's spending" (Htin Kyaw Aye, personal communication, April 25, 2019).

As an example of how these efforts can have an impact on curbing corruption, in Bago Region the public officials were forced to respond to citizens' demands when presented with discrepancies in the numbers stated in the budget and what the public officials were claiming. In March 2019, a workshop was held in Bago, bringing together civil society representatives from every township to present township level budget data and discuss how to utilize it for policy advocacy. According to a participant at this meeting, people saw many problems in budget lines that raised questions about possible government misallocation of funding. Additionally, people were concerned about a dam in Bago needing serious reconstruction work as it was nearing a state of collapse; however, when they asked the regional government to do something about this, the public officials claimed that they had no money allocated to address this problem, and instead suggested fundraising among the community to resolve the problem. Rather than retreating based on this response, the citizens responded by following up with the actual budget information, which showed that there actually was a budget line item dedicated to dam maintenance (Htin Kyaw Aye, personal communication, April 25, 2019). The budget data gave the citizens legitimacy to make demands to the government and hold them accountable to their budgetary promises. It also allowed them to identify red flags in public officials potentially siphoning or misallocating public funds. However, whether or not this will lead to actual steps taken to adequately fix the dam is unclear.

According to Kosack and Fund's (2014) theory of change on transparency, four elements that form a transparency "action cycle," (1) value and salience to users, (2) users act on information, (3) providers sensitive to user's actions, and (4) providers respond constructively, must be in place for the program intervention to lead to improved public services. Ananda's program does a

good job of attempting to address action cycle items 1 and 2, but 3 and 4 needs to be addressed through other programs aimed at increasing government’s responsiveness.

Figure 7: Transparency Action Cycle



(Taken from Kosack and Fund, 2014)

5. *Civil Society and Media Approaches*

5.1 Consultation Events

- **Increase space for media to get their voices heard by the subnational authorities**

UNDP’s local governance program has led initiatives to strengthen 3 local media networks in Chin, Southern Shan and South-East area (the country’s ethnic areas), gathering 171 media organizations. Such initiatives to increase space for civil society and media to get their voices heard have yielded positive results. For instance, the “Chin CSO Network influenced their State’s policies for supporting the recovery of flood-affected communities” (Garrigue, 2017). Though this isn’t directly linked with corruption, greater media presence coupled with greater exposure of corruption cases can create further pressure for subnational governments to act in their beneficiaries’ interest if the fear of public attention and civic reprisal is large enough.

VII. CONCLUSION & RECOMMENDATIONS

All in all, there are many moving pieces to the multi-pronged approach to improving governance and curbing corruption. At the individual level, each of these approaches have not shown clear evidence of having a significant impact on curbing corruption, but rather resulted in significant changes that could lead to a chain of reactions: increasing the capacity to deal with corruption, increasing people's knowledge on corruption, and, to a limited extent, changing the attitudes and behaviors of the "principal" and the "agent." An underlying assumption made in all these approaches is that there is political will and public demand to fight corruption, as the program design seems to assume that if information and knowledge is met with capacity to prevent or fight corruption, then corruption can be curbed. Though some anti-corruption trainings try to change people's attitude around corruption, it is unclear how successful these trainings are in achieving that objective. While capacity building approaches for government institutions and civil society along with transparency and civic engagement approaches for increasing government responsiveness seem to dominate the aid organization's program portfolios, so far it is unclear whether this will lead to concrete results in corruption reduction in the long term.

Nevertheless, some key lessons can be learned from examples of positive steps taken towards improving local governance in Myanmar:

1. In a context where complete decentralization may not be political feasible nor ideal, consider pushing for decentralization in areas where it impacts the everyday lives of ordinary people the most.
2. Create different checks and balances through internal and/or external oversight. For instance, provide actors in the different branches of government some autonomy and ability to give oversight. Feedback mechanisms can also be put in place so that citizens can provide oversight on public service delivery.
3. Increase budget transparency at the subnational level and ensure that public availability of budgetary information is met with civic engagement with budget data and government responsiveness to civic demand.
4. Couple the creation of state and region budgets with a push for greater public participation and responsiveness in public planning and budgeting.

5. For citizens and public servants to have the ability to demand corruption eradication and address issues of corruption, ensure the following conditions are in place. First, there must be greater public awareness and understanding of not only corruption issues but also the existing anti-corruption laws. Second, people need greater access to public information (i.e. budgets). Third, the civic space needs to be widened so that there are opportunities to do something with this information.

Among these lessons what seem to be missing are ways to tackle the incentives of the political actors to sustain the system of corruption. While there may be political will to be more transparent and clean at least at the higher political levels as a system of maintaining control, there are other areas where corruption is utterly entrenched and has not been tackled at all. After all, while there may be public demand for better services, if the citizens can get their services without necessarily challenging the corrupt system, then there may not necessarily be public demand for curbing corruption. Additionally, just because subnational governments are responsive to the citizens needs doesn't mean tackling corruption is on their radar. If corruption is so embedded in Myanmar society and normalized as part of everyday life, citizens may see nothing wrong with paying bribes to facilitate administrative processes. In fact, in the case of Mexico, while civic engagement was strong with effective strategies for organizing for collective action, "it was much more common to find local groups extracting resources from government than it was to find that they were holding government officials or departments accountable for the quality of the services they were receiving" (Grindle, 2007). Civic engagement wasn't "meaningful" for curbing corruption in that sense.

Moreover, without knowing the key drivers of corruption, and without understanding whether there is a social norm around engaging in corrupt behavior—with both expectation of the behavior and sanctions of non-conformity—then one cannot eradicate corruption with just these tools. Such a deep understanding requires a stakeholder analysis of all parties involved in the corrupt acts. For instance, one party that must be dealt with great sensitivity is the ethnic armed organizations (EAOs). While EAOs' legitimacy is often contested by other EAOs, ethnic parties or civil society, they often "maintain authority as administrators and public service providers in contested geographical areas, not necessarily mirroring township boundaries and often only covering part of townships" (UNDP TDLG, 2017). Hence, when designing reform strategies to

curb corruption in local governments, one must consider EAOs as an unofficial local state actor with different motives and interests. As they are entrenched in the conflict, strengthening the capacity of these actors and other state actors who are seen as perpetrators of violence and conflict must be done with great caution.

As per regional variations in the levels of corruption evidenced through the City Life Survey, it is unclear what is driving these differences. Increased political competition in some regions perhaps could be one explanation, or entrepreneurial activities of reform-minded political could be another explanation. Contrarily, it may even be that fewer direct contact between citizens and public officials in more rural areas lead to lesser degree of perception of corruption as there are fewer occasions for them to directly bribe bureaucrats. A more thorough political economy analysis needs to be done on this regard. In Mexico, for comparison, while “it was difficult to find systematic differences in the performance of municipalities based on the degree of competition or the identity of the party in power,” “variable performance of local governments [could] be credited to the activities of entrepreneurial politicians at the local level” (Grindle, 2007). Whether this is the case in Myanmar is unclear.

In short, a proper political economy analysis that include analysis of stakeholders and drivers of corruption must be conducted to more effectively strategize anti-corruption reform initiatives in Myanmar and elsewhere. Through one’s understanding the actors’ incentives to push for change, public officials and/or aid agencies must learn to shape the political environment appropriately to cultivate the political will and public demand for curbing corruption along with meaningful civic engagement. Meanwhile, as there are signs of progress despite the limitations posed by the programs and policies implemented in Myanmar, iterate and adapt strategies that seem promising.¹² Concurrently, public officials and development organizations supporting their efforts must cautiously and tactfully seize the window of opportunity to build coalitions with those desiring a reduction in corruption and build the momentum for positive change in a society seemingly entrenched in corruption: introducing local reforms through various policy mechanisms and programming would be a step in this process. Afterall, incentives need to be created and actors need to be nudged through political leveraging, coalition building, and

¹² See [The Asia Foundation](#), 2016 for more information on how to iterate and adapt programs in unpredictable and complex political environments.

changing of the norms by building the culture of accountability, making curbing corruption inseparable from the larger efforts to promote good governance.

APPENDIX

Appendix A: Top Ten Donors of Gross ODA for Myanmar, 2016-2017

Recipient country
Myanmar

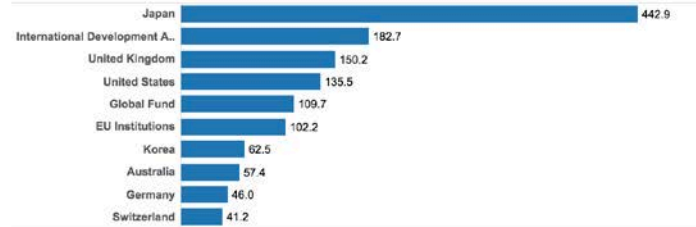
Receipts for Myanmar

	2015	2016	2017
Net ODA (USD million)	1,168.5	1,536.9	1,542.8
Net ODA/GNI (%)	2.0	2.5	2.3
Gross ODA (USD million)	1,222.8	1,806.8	1,589.8
Bilateral share (gross ODA) (%)	75.0	69.2	68.5
Total net receipts (USD million)	2,460.5	1,993.3	2,090.7

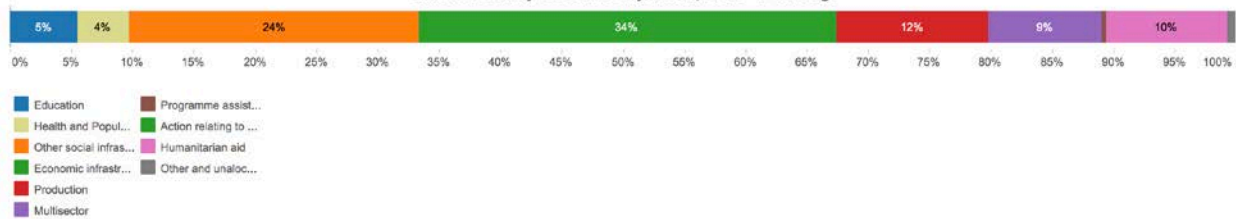
For reference

	2015	2016	2017
Population (million)	52	53	53
GNI per capita (Atlas USD)	1,190	1,190	1,190

Top Ten Donors of Gross ODA for Myanmar, 2016-2017 average, USD million



Bilateral ODA by Sector for Myanmar, 2016-17 average



(Taken from OECD.org)

Appendix B: Donor-Funded Good Governance Programs in Myanmar

Funder/ INGO	Project Name	Project Timeline	Evaluations, Progress Reports, Result Reports (# of Documents)	Type of Documents
World Bank	Myanmar National Community Driven Development Project	Nov 2012 – Nov 2021 (Ongoing)	Implementation Status and Results Reports (14) (January 20, 2019, September 26, 2018, March 10, 2018, etc.)	Disclosable Restructuring Paper (September 24, 2018), Emergency Project Paper (October 10, 2012)
UNDP + UNCDF	Local Governance Programme	2013 – 2017 (Completed)	Independent Outcome Evaluation (February 06, 2017), UNDP Myanmar - 2017 Annual Report and 2013-2017 Result Report (Sep 21, 2018)	Joint Program Document
UNDP	Support to Democratic Governance in Myanmar	2013 – 2017 (Completed)	Mid-term Evaluation (December 14, 2016), UNDP Myanmar - 2017 Annual Report and 2013-2017 Result Report (Sep 21, 2018)	Project Document
UNDP (Swiss Aid, DFID)	Township Democratic Local Governance (TDLG)	Jan 2017- Dec 2021 (Ongoing)	Outputs/Results on Website (2017-2018)	Project Document
UNDP (DFID, Japan, Australia)	Strengthening Accountability and Rule of Law (SARL)	June 2018 - Dec 2022 (Ongoing)	Outputs/Results on Website (2017-2018)	Project Documents
USAID (TetraTech)	Promoting Rule of Law Project (PRLP)	Oct 2013 - Sep 2018 (Completed)	Mid-term performance evaluation (Feb 2017), Quarterly Reports (18) (Jan-Mar 2018, etc.)	
DFID (DFAT, Swiss Aid, World Bank, The Asia Foundation)	Improving the management of public funds for the benefit of people in Burma	March 2014 - Dec 2019 (Ongoing)	Evaluation Report (July 2018), Annual Reviews (4)	Business Case and Summary

DFID	Supporting Partnerships for Accountability and Civic Engagement in Burma (SPACE)	Jan 2017- Dec 2021 (Ongoing)	Annual Review (1)	Business Case and Summary
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Appendix C: Interview Guide

For ongoing programs:

Description of Anti-Corruption Related Activities/Components

1. Can you describe more in detail the activities of your X program? In particular, what components of your organization's program were aimed at tackling issues of corruption, whether directly or indirectly?
2. How were these activities/components carried out? (target, approach, method, timeline)
3. Why were these anti-corruption activities/components included in the program?
4. What is the problem the organization is trying to address?
5. What aspects of corruption is the organization trying to address?
6. What is your theory of change?
7. What were the outputs of the activities/components implemented thus far?
8. What outcomes/objectives did the organization expect to achieve through these activities?
9. What other activities/components, perhaps related to accountability or transparency more broadly, are you implementing in the program? How do they relate to tackling corruption, if at all?
10. What is the progress on the implementation of these activities/components so far?

Successes and Failures: What's Working and Isn't Working

11. What difficulties did you (or are you) facing in implementing these activities/components, if any?
12. What successes have you achieved in implementing these activities/components, if any?
13. How have these activities/components proven to be appropriate or not for achieving the intended outcomes/objectives?
14. What pieces of the program have worked particularly well? Why?
15. What pieces of the program show signs of potentially working well? Why?
16. What pieces of the program have not worked particularly well? Why?
17. What pieces of the program show signs of potentially not working well? Why?

Key Findings: Lessons Learned

18. What would you recommend the organization to do next to help achieve the objectives related with curbing corruption moving forward with this program?
19. What would you recommend other stakeholders to do next to help achieve the objectives related with curbing corruption moving forward with this program?
20. Do you think is it more effective to address corruption at subnational level, meaning either at the state and region government level or local level? Why or why not?
21. What are some examples of positive local reforms that have taken place? Under whose initiative have they taken place? What were the results of these initiatives?

22. Have certain states/regions/townships show signs of potentially doing better than others in addressing corruption? If so, why and how?
23. Why do you think certain cities have lower levels of perceived corruption?
24. Do you think decentralization, meaning the creation of states and region governments as well as township-level governance structures, has helped or hurt the ability to combat corruption? If so, how?

For completed programs:

Description of Anti-Corruption Related Activities/Components

1. Can you describe more in detail the activities of your X program? In particular, what components of your organization's program were aimed at tackling issues of corruption, whether directly or indirectly?
2. How were these activities/components carried out? (target, approach, method, timeline)
3. Why were these anti-corruption activities/components included in the program?
4. What is the problem the organization is trying to address?
5. What aspects of corruption is the organization trying to address?
6. What is your theory of change?
7. What were the outputs of the activities/components?
8. What outcomes/objectives did the organization expect to achieve through these activities?
9. What other activities/components, perhaps related to accountability or transparency more broadly, were implemented in the program? How do they relate to tackling corruption, if at all?

Successes and Failures: What Has Worked and Hasn't Worked

10. What difficulties did you face in implementing these activities/components, if any?
11. What successes have you achieved in implementing these activities/components, if any?
12. How have these activities/components proven to be appropriate or not for achieving the intended outcomes/objectives?
13. What pieces of the program have worked particularly well? Why?
14. What pieces of the program have not worked particularly well? Why?
15. What would you have done differently in retrospect?

Key Findings: Lessons Learned

16. *If not clear in evaluation:* What indicators did you use to evaluate component X?
17. *If not clear in evaluation:* How did you measure those indicators?
18. What were the key results of your activities/components related with anti-corruption?
19. What do these findings tell you about observed or predicted changes in behaviors associated with corruption?

- i.e.) Do you think the increase in the # of Township Community Centers/Community Multimedia Centers established has contributed to increased accountability and/or transparency for the local governments?
20. Do you think these achievements reduced corruption at the subnational level? If so, how? In what ways?
 21. Do you think is it more effective to address corruption at subnational level, meaning either at the state and region government level or local level? Why or why not?
 22. What else do you think needs to be done by the organization and other stakeholders for these activities/components to lead to changes in corruption levels at the subnational level?
 23. What are some examples of positive local reforms that have taken place? Under whose initiative have they taken place? What were the results of these initiatives?
 24. Have certain states/regions/townships show signs of potentially doing better than others in addressing corruption? If so, why and how?
 25. Why do you think certain cities have lower levels of perceived corruption?
 26. Have certain states/regions/townships done better than others in addressing corruption? If so, why and how?
 27. Do you think decentralization, meaning the creation of states and region governments as well as township-level governance structures, has helped or hurt the ability to combat corruption? If so, how?

Appendix D: South and Southeast Asia Country Fragility and Corruption Indicators

	Fragile States Index (2018)	Corruption Perceptions Index (2018)
Afghanistan	106.6	16
Cambodia	84	20
Bangladesh	90.3	26
Myanmar	96.1	29
Laos	80.7	29
Maldives	69.8	31
Nepal	87.9	31
Pakistan	94.2	33
Vietnam	68.4	33
Timor-Leste	88.3	35
Philippines	85.5	36
Thailand	75	36
Indonesia	72.32	38
Sri Lanka	84	38
India	74.4	41
Malaysia	63.6	47
Brunei	59.8	63
Bhutan	74.3	68
Singapore	30.4	85

Note: Countries are listed from most corrupt to least corrupt according to CPI (2018).
Data Sources: Fund for Peace (2018) and Transparency International (2018)

Appendix E: Anticorruption Strategies Matrix

Table 2.4. Crafting Anticorruption Strategies According to Governance Quality and Corruption Patterns

<i>State capture</i>	<i>Petty corruption</i>	<i>Governance quality</i>	<i>Recommended anticorruption strategies</i>	<i>Rationale</i>
High	High	Likely poor governance	Primary emphasis on political and economic reforms to inject greater political and economic competition across governmental levels and key economic sectors; focus governmental reforms to limit state economic involvement and minimize regulations and interventions.	Under these conditions, the strategy should focus on reducing the scope and opportunities for corruption; measures to increase risks are initially likely to be ineffective because governance institutions (civil society, police, and the judiciary) are still weak and corrupt interests are relatively strong.
High	Medium	Mainly poor-governance countries (some fair- and good-governance countries also)	Focus remains on broad institutional reforms to make politics and business competitive across the board, to foster a strong party system, and to promote market-driven economic measures.	Depending on governance quality, a "high/medium" pattern needs to focus on the state's susceptibility to capture; thus the strategy should be to lessen state economic involvement (because administrative corruption is not severe, this would be secondary focus).
Medium	High	Mainly poor-governance countries (some fair-governance countries also)	Streamline bureaucratic systems and procedures to reduce petty corruption; emphasis on major governmental reforms to reduce bureaucratic economic involvement.	Depending on governance quality, a "medium/high" pattern requires prioritizing strategy to cut administrative opportunities for corruption; a broad-based coalition is needed to exert external pressure because of high petty corruption.
Medium	Medium	Generally fair- to good-governance countries	Pursue reforms to strengthen state institutions and the bureaucracy; continue cutting down corruption-prone activities, and enhance exposure and enforcement mechanisms.	With a "medium/medium" pattern, anticorruption strategy should focus on insulating the state and bureaucracy; efforts should target lowering corruption incentives and incidence, and intensifying penalties and the risks of being penalized.

Source: Authors' assessments.

(Taken from Bhargava and Bolongaita, p. 37, 2004)

Appendix F: Amount of Bribes Paid for Services in Myanmar, 2011

Service provided	Amount of bribe paid	
Primary school fees		
Kindergarten	4,200 kyats (US\$5.38)	
Grade 1	4,300 kyats (US\$5.51)	
Grade 2	4,100 kyats (US\$5.26)	
Grades 3 and 4	4,400 kyats (US\$5.64)	
Changing identity card	10,000-15,000 kyats (US\$12-17)	
Making a household registration	50,000 kyats (US\$62)	
Obtaining a passport urgently	200,000-300,000 kyats (US\$234-351)	
Getting a magazine publishing license	2,000,000 kyats (US\$2,440)	
Sources: Myo and Sandi (2011), Kyaw (2011), May (2011a, b) and Mizzima News (2011)		

Table II.
Amount of bribes
paid for services in
Myanmar (2011)

(Taken from Quah, 2016.)

Appendix G: Transparency International Definitions of Forms of Local Government Corruption

Forms of corruption	Definition
Bribery	The offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, etc.)
Collusion	A secret agreement between parties, in the public and/or private sector, to conspire to commit actions aimed to deceive or commit fraud with the objective of illicit financial gain. The parties involved are often referred to as 'cartels'.
Conflict of interest	A situation where an individual or the entity for which they work, whether a government, business, media outlet or civil society organisation, faces a conflict between the duties and demands of one or more positions that they hold and their private interests.
Cronyism and nepotism	Form of favouritism whereby someone in public office exploits his or her power and authority to provide a job or favour to a family member (nepotism), friend or associate (cronyism), even though he or she may not be qualified or has not gone through the appropriate application procedures.
Fraud	To cheat. The act of intentionally deceiving someone in order to gain an unfair or illegal advantage (financial, political or otherwise).
Gifts and hospitality	The provision of gifts, entertainment, charity or other hospitality that could affect or be perceived to affect the outcome of business transactions and are not reasonable and bona fide.
Lobbying	Any activity carried out by companies, associations, organisations and individuals to influence a government or institution's policies and decisions in favour of a specific cause or outcome. Even when allowed by law, these acts can become distortionary if influence is disproportionate or non-transparent.
Revolving door	An individual who moves back and forth between public office and private companies, exploiting information or connections gained in government service for the benefit of companies
Trading in influence	Abuse of knowledge of council in exchange for personal benefits.
Vote rigging	Abuse of power to influence council decisions and policies with a view to affecting voting behaviour. This may not involve tangible personal benefits for the individual, but the benefits accrue to the political group rather than serving the public interest.

(Taken from CurbingCorruption.com)

Appendix H: Numbers by Global Governance Program Subsectors in Myanmar, 2015

Type of GGP	Number of projects
Access to justice	51
Economic and development policy/planning	133
Elections	33
Housing, property and land reform	10
Human rights monitoring	27
Human rights promotion and advocacy	124
Institutional strengthening and public administration reform	675
Legislative reform	9
Media and flow of information	16
Monitoring & reporting mechanism on grave child rights violation	16
Public sector financial management	116
Rule of law	26
Strengthening civil society	2244
Transparency/Accountability	128
Unclassified	7
Total	3615

(Taken from Khine Thu 2018; compiled based on 2015 MIMU data)

Appendix I: Theories of Change in Program Documents

	Theory of Change	Outputs/ Short-Term Outcomes/ Results	Intermediary Outcomes	Goal/ Objective/ Long-Term Outcome/ Impact
World Bank: Myanmar National Community Driven Development Project	If the following are done: (i) financing community-identified rural infrastructure investments; (ii) strengthening the capacity of communities in partnership with local authorities to effectively identify, plan and implement their development priorities; and (iii) facilitating the participation of the poor and vulnerable, both women and men, throughout the project cycle at the community level ...then, there will be enabling of poor rural communities to benefit from improved access to and use of basic infrastructure and services and enhancement of the government's capacity to respond promptly and effectively to an eligible crisis or emergency.	(i) community block grants; (ii) capacity development and facilitation; (iii) knowledge and learning; (iv) implementation support	Improved access to community-prioritized services and infrastructure, and enhanced participation of rural populations, including the poor and vulnerable, in the development process	Enable poor rural communities to benefit from improved access to and use of basic infrastructure and services through a people-centered approach and to enhance the government's capacity to respond promptly and effectively to an eligible crisis or emergency. This approach will empower villagers to manage and participate in their own development.
UNDP: Local Governance Programme	(i) If institutional capacities at each of the S/R, township and W/VT levels for enhanced planning and public financial management are built and matched with stronger state-society interfaces activated by more capable civil society and media entities; (ii) if access to finance can be expanded to cover more rural areas, in particular by enhancing the policy and institutional environment for microfinance, and enlist more clients and complemented with vocational training and job placement services; and (iii) if social	1. Strengthened institutional capacity of State/Region and Township administrations for inclusive service delivery and participatory local development; 2. Citizens, Communities and CSOs role in local governance and for monitoring of service delivery strengthened; 3. Improved financial inclusion and entrepreneurship development through support for national coordination and sustainable market development; and	1. Subnational public and civic institutions working more closely together 2. Participatory & accountable subnational policy-making and public financial management 3. Increased opportunities for access to quality services 4. More cohesive communities creating opportunities for building peace	Capacitated local institutions working together to enhance responsive service delivery, voice, inclusive local development and social cohesion, enabling trust and stability and prosperity

	cohesion can be nurtured through livelihood and early recovery support bringing together different groups in recent cease-fire areas that may be prejudiced against each other ...then the lives of the rural and/or conflict-affected communities can be sustainably improved and more trust-based state-society relations established (Created Post-Facto)	4. Target communities and institutions have increased capacities for social cohesion, sustainable livelihoods and improved opportunities for peace.	5. Lesser inequalities between rural and urban areas.	
UNDP: Support to Democratic Governance in Myanmar	No functioning ToC.	<ol style="list-style-type: none"> 1. Strengthened capacity of national institutions for socio-economic policy-making, planning and development effectiveness with broad stakeholder participation (including women, people with disabilities and HIV/AIDS). 2. Transparent and participatory legislative processes are developed to a recognized standard including women's political empowerment. 3. Justice institutions and legal framework improved to ensure Rule of Law and Access to Justice for all with a specific focus on marginalized groups. 4. Strengthened capacity for service delivery and improved responsiveness of the public administration reforms. 	<ol style="list-style-type: none"> 1. Men, women and civil society are empowered to understand and advocate for rights and public services which respond to their needs; 2. Community strength and resilience to deal with local economic, disaster and conflict shocks, and environmental degradation; 3. Communities and institutions are able to better resolve conflicts, bridge differences and build trust; 4. Key government and public institutions have processes, laws and systems that are better able to reflect and respond to the needs of poor and vulnerable people. 	Promote democratic governance and the rule of law to strengthen democratic institutions and the advancement of human rights.
UNDP: Township Democratic Local Governance Project	If township departments, led by the TPICs, plan and coordinate development and public service delivery vertically and horizontally in an inclusive, transparent and	- township departments will be institutionally strengthened, more responsive and accountable in delivering public services	<ol style="list-style-type: none"> 1. Township administrations have improved capacity to respond to people's needs 2. Improved engagement between people and 	Effective public institutions are enabled to develop evidence-based policies and systems responding to the needs of the people.

	<p>accountable manner, facilitating people's needs to be considered</p> <p>...then it will result in township investment decisions in the participating townships being informed by, and more accountable to, a broader and more inclusive range of stakeholders, which will also promote and help underpin a stable and peaceful political settlement promoted through local engagement and a stronger social contract between the State and the people.</p>	<ul style="list-style-type: none"> - wider participation of various stakeholders in township annual planning will be institutionalized - township administrators and EAOs in applicable areas will collaborate to promote responsive and inclusive service delivery in accordance with the NCA interim arrangements, which may inform the political dialogue under the peace process - vertical and horizontal coordination and sharing information between departments at township and S/R levels will improve, resulting in better capacity and quality of township and S/R planning, budget execution and service delivery systems - S/R governments and parliaments will enhance their democratic accountability - People's satisfaction with public services will improve, and trust in local institutions will be enhanced - Lessons learned will inform national policy on local governance and decentralization and allow the GoM to institutionalize an improved annual model for fiscal transfers and local development planning 	<p>township administrations in public service delivery</p> <p>3. Improved engagement of EAOs in annual township planning and public service delivery</p> <p>4. Dialogue on policy and institutional local governance reforms is informed by technical support and research</p>	
<p>UNDP: Strengthening Accountability and Rule of Law Project (SARL)</p>	<p>None outlined.</p>	<p>Accountability and rule of law is based on three mutually reinforcing building blocks: Firstly, introduce a body of administrative procedures that governs decision making by public authorities and effective administrative justice mechanisms for redress and combating corruption</p>		<p>Then there will be strengthened accountability of key public and justice institutions, increasing public trust in government and improving adherence to rule of law principles. This will allow people in Myanmar live in a more</p>

		<p>Secondly, the capacity of the parliaments to investigate, scrutinise and legislate for transparency, fairness and accountability in the administrative justice systems</p> <p>Thirdly, the ability of the justice sector to ensure that grievances are redressed, and justice is impartially applied.</p>		<p>peaceful and inclusive society, governed by more democratic and accountable institutions, and benefit from strengthened human rights and rule of law protection</p>
<p>USAID: Promoting the Rule of Law Project (PRLP)</p>	<p>None outlined.</p>	<p>Approach: Work strategically across key areas in the justice sector, balancing supply of and demand for fair and equitable justice services; provide assistance to identified needs and deepen engagement with justice stakeholders; and build local capacity to identify and address needs that will contribute to the achievement of project goals</p>	<ol style="list-style-type: none"> 1. Support the development of a Comprehensive Strategy for National Rule of Law Reform. 2. Enhance the Capacities of the Union Attorney General's Office 3. Support to Judicial Self-Governance and Judicial Reform 4. Develop the capacity of civil society to engage in public policy development and advocacy. 	<ol style="list-style-type: none"> 1. Promote More Effective, Accountable, and Accessible Justice Sector Institutions 2. Increase Legal Literacy, Access to Justice for Marginalized Populations in Target Regions/States
<p>DFID: Improving the management of public funds for the benefit of people in Burma</p>	<p>Overall: By strengthening decision-making and implementation through targeted support to key actors at critical reform junctures ...it will be possible to sustain and even catalyse Myanmar's transition through the 2015 election period and into the next administration</p> <p>MSSP: By providing targeted and timely capacity building and policy support directly to state and region governments about pressing policy challenges and at key decision points ...it will be possible to achieve improved policy formulation and implementation, enhanced PFM</p>	<ol style="list-style-type: none"> 1. Mobilizing resources (tax administration): Processes revised to improve tax administration and compliance. Large Tax-Payers Office established. Implementation of EITI. Increased coverage of revenue reports. 2. Allocating resources (budget preparation): Establishment of fiscal policy function. Refined budgeting and planning procedures. Ceilings issued in line with intergovernmental fiscal transfers system 3. Using resources (budget execution): Establishment of Treasury Department 	<p>Strengthened PFM systems and institutions and improved policy formulation and implementation</p>	<p>Effective, efficient, accountable and responsive delivery of public services for the people of Burma</p>

	systems and institutions, and greater social accountability at the subnational level	Improved flow of timely and accurate financial information. Faster processing of payments and records. Revised rules and regulations on expenditure controls. 4. External oversight: Skills developed for independent analysis of allocation and use of funds. Greater access to fiscal information. 5. Citizen and civil society engagement: Consultations with public as part of determining budget priorities. Improved access to fiscal information.		
DFID: Supporting Partnerships for Accountability and Civic Engagement in Burma (SPACE)	If civil society and other actors are supported to engage on prioritised policy issues, and each approach is effectively monitored and evaluated as implementation unfolds ...then public institutions in Burma will better engage with citizens AND be more responsive to people's needs.	1. Civil society-led partnerships strengthened around at least five areas of constraint to poverty reduction in Burma (natural resource governance; including land, fisheries, and forests; basic health and education services; and the right to information. 2. Improved participation and transparency in public investment and service delivery decisions in one state and one region 3. Improved local government capacity to identify and respond to people's needs in at least four townships, potentially reaching one million people 4. Evidence of effective approaches to civil engagement generated and used by the full range of service delivery stakeholders in Burma (government, civil society and donors).	Citizens are more able to engage with public institutions, so that (i) policies are more inclusive and (ii) access to services improves.	Public institutions to be more responsive to people's service delivery and economic needs

(Information compiled from various program documents listed in Appendix B.)

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¹³ Note: All names have been replaced with pseudonyms except for Htin Kyaw Aye who consented to being named.