



International Development Committee

Oral evidence: [Democracy and Development in Burma](#), HC 821

Monday 11 November 2013

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Written evidence from witnesses:

- [CORD UK](#)
- ActionAid Myanmar
- [Save the Children](#)

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Members present: Sir Malcolm Bruce (Chair); Hugh Bayley; Fiona Bruce; Jeremy Lefroy; Fiona O'Donnell; Chris White

Questions 1-30

Witness[es]: Brian Wakley, CORD UK; Tucker McCravy, CORD UK; Shihab Uddin Ahamad, ActionAid Myanmar; Dan Collison; Save the Children gave evidence.

Q1 Chair: Good afternoon and welcome. Thank you very much for coming in to share your experiences of Burma and your thoughts about where it might be heading. As you know, the Committee is heading out there next week, and two of us have actually been out with the Speaker's group in July. We are looking at democracy and development, and the link between the two, given the way things have changed. I just wondered, first of all, for the record, if you could introduce yourselves and your organisation.

Shihab Uddin Ahamad: My name is Shihab. I am the Country Director from ActionAid Myanmar, and I have been living in Myanmar for the last seven years.

Brian Wakley: My name is Brian Wakley and I am the Chief Executive for Cord.

Tucker McCravy: My name is Tucker McCravy, and I am the Regional Programme Manager for Peacebuilding in the Cord Asia region.

Dan Collison: I am Dan Collison. I work for Save the Children. I am the Head of Programme Support for Save the Children International in London here, but I lived and worked in Myanmar, in Burma, between 2008 and 2011, originally managing the response to Cyclone Nargis.

Chris White: Before we start, can I just, for the record, express an interest? I had a relationship with Cord, having visited Chad with Cord before I became an MP.

Q2 Chair: On the basis of what you said, we are perfectly relaxed, as far as I can see, about “Burma” and “Myanmar”. They are becoming increasingly interchangeable, but we know there are some sensitivities there. As I say, thank you for coming in. We obviously see Burma as being in a unique position, I suppose, after 50 years of being repressed, shut in and no development, top-down but opening up, which possibly offers great potential for the people but also carries a huge amount of risk. Perhaps the thing to do really is to ask you to give us your thoughts at the moment. What is your view? Briefly, all of you, what is your take on the current situation? How do you think it is going and what do you think are the key challenges? If you are able to offer a few key points in answer that would be helpful.

Dan Collison: You are right: it is a period of unprecedented and unforeseen change. If I compare my experience when arriving in Myanmar in 2008, there was a situation of fear and oppression that pervaded the country at the time, and things have changed dramatically. There are lots and lots of reasons for that change, and we do not necessarily want to spend time exploring them now, although we could do, but there is good stuff happening, really profound change—the relaxation of censorship laws, the currency flotation, the tender of telecoms, the ceasefires. For Save the Children, there is even what might seem like small stuff—the raising of the age of juveniles from 16 to 18. There is lots of stuff going on; these changes are meaningful but fragile.

One of the reasons for that is that the institutions in Myanmar remain so weak—the parliament, the administration and the courts—and these changes are not necessarily being felt in people’s lives yet. While you have big economic change happening at policy level, the everyday person is seeing massive hikes in electricity costs, food prices going up of course and the very serious inter-communal anti-Muslim violence that you have seen in recent months. These are threats to stability, but it is fair to say that in terms of the changes we have seen over the last two years, I do not know about anybody else, but very few people saw them coming, if anybody. We think that, despite these threats, the changes are hopefully largely irreversible.

Tucker McCravy: Just to echo what my colleague has said, there are unprecedented opportunities right now in Myanmar for building a peaceful and democratic society. There are a number of concurrent change processes that are happening, which make it quite challenging for both the leadership of the country, as well as the international donors and actors to engage in. One change is the move from an autocratic style of leadership to one that is more democratic; another is the move from more state-controlled and more closed economies to an open-market economy. The third one, which is something that greatly interests us, is the movement from an ethically or religiously divided society into one that embraces the principles of pluralism.

If we had to name perhaps the greatest challenge, the recent religious violence, the recent spates of attacks against Muslims, represents the single greatest challenge to Myanmar, because it could be the thread that unravels the entire ball of yarn, so to speak, in the democratic reform process. With the international community in Myanmar in the spotlight and the processes moving forward in a very positive way, this could be something that, if not directly and concisely addressed by the leadership, could undo a lot of the positive

changes. There is the larger question of what the role of the military is in either supporting or, in some ways, implicitly opposing these changes. The larger processes of state-building and folding the democratic process towards democracy and development into the project of building a peaceful, sustainable and just society in Myanmar is the greatest challenge that we are facing right now.

Shihab Uddin Ahamad: I fully endorse both my colleagues. I want to add that, because of these 50 or 60 years, they never had a chance to understand what democracy is and what human rights are. The understanding of democracy and human rights of the Myanmar leaders and the people are very different from what we understand. The people, the majority of whom are Burmese, do not believe that other ethnic groups or people with different religious identities have the same rights. A change in the Government is not enough. Working on that is not enough. That is what I see as the major challenge for development, bringing a culture of democracy and for peace.

The second challenge at the moment is that although Burma's Government is very keen, particularly at the leadership level, for reform, the real capacity within the Burmese Government and their leaders to take this process forward alone is probably not enough. Then the question is how far the international community will intervene and engage without taking the leadership role and letting the Burmese Government lead the process.

The other one is the issue of economic development, particularly what kind of model of economic development we will propose and participate in with them. That is probably one of the major issues at this moment. Those are the main challenges.

Chair: Thank you very much. Obviously our Committee has a particular responsibility to look at DFID's operation, its potential and its strategy, so we have a number of questions on that.

Q3 Fiona Bruce: Thank you very much for outlining the main challenges that you sense at the moment. My question really is: which of these do you think DFID is particularly specialised to assist with? We would like your comment on the statement that DFID has made that it has taken a "high cost, high risk but also high return" approach to Burma. Do you think this is the case and do you think it is the correct approach?

Shihab Uddin Ahamad: The UK Government probably has the longest history of engagement with Burma. Even DFID's team was pretty new when they started sometime in 2009 or 2010, but even the Bangkok team had very good engagement with the different actors. Currently, probably the largest team of any donor is DFID. They understand very well the DNA of the society, the pulse of the people and, at the same time, they are playing a leadership role at this moment with other donors, particularly since Cyclone Nargis. I would say that DFID is in a good place to take the lead role in development. That is their advantage.

Another advantage I see is that DFID's approach to engaging with development actors is flexible compared with that of many other donors, most of whose aid is very tight. DFID is flexible in terms of different approaches and interventions. The third advantage is the DFID's team understanding and the way they engage with civil society. That puts them in a very good place for international relations with local society and, at the same time, the political society. They are quite engaged and they understand the political society and politics of Burma.

Tucker McCravy: I concur with my colleague. DFID globally has significant expertise in state-building and, in particular, a very clear strategy on building peaceful states and societies, which looks at a number of key areas that are germane to the situation in Myanmar. They are: trying to address the root causes of conflict; building in conflict resolution mechanisms; looking at how to contribute to sustainable political settlements; and also building capable, accountable and responsive governments. That is a theme that has come up and will come up, again and again.

I agree with my colleague that DFID has a particular stature in the Myanmar context, because it is one of the largest, if not the largest, bilateral donor and also because of its relations with the Government, both in terms of political society and civil society. They are well placed both to engage with civil society to continue to develop civil society, and to strengthen government at the same time and, more importantly, to put those two development partners in dialogue with one another, because any sustainable democratic process or any sustainable process of resolution of grievances will involve the need to bring both of those actors to the table. Using their long experience in Myanmar and using the global framework of their state-building strategy makes them very well placed to address a number of the challenges that we outlined in answer to the first question.

Dan Collison: Aid flows to Myanmar are still relatively small, particularly in comparison with some of its neighbouring countries. Myanmar receives about \$10 per capita in aid support, which is about 20% of the aid on offer to Cambodia. I am not saying that Cambodia is a great example because, as we were discussing on the way in, perhaps when we come to the later part of the question about “What next?” or, a generation on from now, how aid will look, I do not think that any of us would think that where Cambodia is at presents a very good model in terms of aid dependency.

There are a lot of tempting opportunities for a donor like DFID now, during this period of change. Do you focus on education, micro-finance, parliamentary reform or parliamentary support and capacity-building? Aid flows might increase a bit, but perhaps not dramatically. It is really the international financial institutions such as the World Bank that are going to be big financiers of growth over the next few years. Agencies like DFID can really play a strong role in influencing how those big IFIs go about their business in Myanmar.

In terms of what DFID might usefully focus on, and indeed has been doing for a number of years, on the one hand, there is clear need and opportunity to invest in the supply side of service provision. The health service and the education services are at a very low ebb. Whether it is investing in township-level hardware, facility-level support or what you could call the software—the training and capacity-building of teachers and community health workers—that is a big job that the international community can and does support.

The other thing that we have not really mentioned yet is the incredibly high levels of rural poverty in Myanmar, and what the aid effort and agencies like DFID can do to try to tackle some of that. Per capita income, relative to its neighbours, is tiny. Per capita income in Myanmar is 6.3% of what it is in Thailand, so the discrepancies around the region are very stark.

One thing that perhaps DFID could focus on, and has been doing through its contributions to the Livelihoods multi-donor fund, which is LIFT as you know, is around access to financial services for the poorest, trying to break the very damaging cycles of debt

and credit that characterise most people's lives in rural Myanmar, where the landless poor do not have access to credit, rely very much on debt or mortgaging their labour to get them through the agricultural season. The two need to go together; there is no point in increasing people's incomes so that they can access services that are still so poor.

In terms of the risk and return, I like what my colleagues have been saying; the investments in building civil society are a bit unknown. They are potentially risky because you do not quite know what you are going to spark off, but that is where the really creative aid assistance can be made in Myanmar over the next few years. If we get on to it, we have some fabulous examples of how that can contribute, not only to development but also to democratisation, as people get active, get engaged and get information.

Q4 Hugh Bayley: Let me just follow up to Dan Collison first. We were in Pakistan not too long ago and were horrified to see the impact that debt bondage has on people. You were just talking about bonded labour. In what sectors is this a particular problem? Which NGOs and/or state development agencies have been trying to address these problems?

Dan Collison: It is a problem for the landless poor. It is also a problem for small producers, because financial services are so poorly developed, and access to credit, through even the rudimentary banking system, is either very difficult or lending rates are so very high. It means, on the one hand, small producers cannot get credit to grow their businesses and, therefore, employ the masses of landless labourers. The landless labourers, as I said, mortgage their labour for rice farming, fishing rights and that sort of thing ahead of time, and are constantly repaying that to their landowners.

Q5 Hugh Bayley: Who are their champions, if you wanted to break that cycle of indebtedness?

Dan Collison: In terms of the donor and aid community, the LIFT multi-donor fund, of which DFID is a major contributor, has been set up with an eye to trying to do something at scale about these problems of livelihoods and income poverty, predominantly in rural areas, but looking at rural areas in many of the ethnic minority areas as well. There is good experience and lots to build on in two areas. One is around improving access to micro-finance. There has been very mixed experience with micro-finance in other parts of the world, but access to credit is so poor in Myanmar at the moment that, where micro-finance has taken root, it is a very valued and valuable service. Working out the details of how that is managed effectively and sustainably is a big challenge, but it is high on the agenda for the multi-donor LIFT consortium.

The other one worth considering, which is more problematic in terms of sustainability, but very effective in terms of helping people to get a leg up out of poverty, are cash transfers, which are essentially social protection mechanisms. They are costly but we have seen, even in the recovery from Cyclone Nargis that, given a bit of cash support, families can quickly either rebuild and/or enhance their productive assets, so that it actually does lift them further out of poverty.

Q6 Fiona O'Donnell: Can I just quickly come in, Dan, and ask if anyone else has anything to add? Could you say a bit about the impact of climate change on rural poverty, and what the capacity is in Burma to tackle the effects?

Dan Collison: I will have a go, just because clearly the country is prone to extreme climate events. Nargis was one. There were other strong cyclones afterwards. Cyclone

Giri destroyed parts of Rakhine state. I do not have the science in front of me at all. You might be able to have a go at that, Shihab, seeing as you are on the ground.

Shihab Uddin Ahamad: I could bring or at least send a publication about the climate change impact. I would be very happy to forward that to my colleagues. It is very clear, in the article I was writing, that our focus on Burma is more about the political issues, but the thing is we did not notice how much this country has been impacted by climate change. The simple logic is it is a neighbour country of Bangladesh. If Bangladesh has that level of climate change impact, why not Myanmar?

The difference between the climate change impact in Burma and Bangladesh is that, in Bangladesh, the main area of impact is the coastal belt but, in Burma, it is the big three regions in the middle part, which are serially affected by drought. If you look at the story of poverty that the UNDP research reveals, a huge concentration of food poverty is in the middle part of Burma—those three states—and that is because of that drought.

We had huge investment, although not many other NGOs gave investment to the middle part of Burma, because girls are being trafficked to the neighbouring countries to the border of China and Thailand, because there is no way they could manage their food, because they have no agricultural production and no water. Children cannot go to school because they have to go three or four kilometres away just to collect drinking water. This is one aspect that we did not notice much about Burma, but we have documented these things recently through our research and photographs, and we are requesting that partner organisations that do a lot of work on climate change should look at that research. DFID could take a leading role here but, unfortunately, according to DFID's operational strategy, they are not concentrating on climate change.

Chair: We will discuss that with them, but obviously they will tend to say that they cannot do everything. That is where Hugh Bayley's question about co-ordination might be relevant, so back to Hugh.

Q7 Hugh Bayley: The circumstances have changed rapidly in Burma and now there are many, many donors rushing to respond to needs, so can you say something about how big a problem donor co-ordination is and whether there are things DFID could do to get better and more efficient use of resources, through better co-ordination?

Shihab Uddin Ahamad: From my experience on the ground, I can tell that most of the aid agencies, for some unknown reason, do not like co-ordination. They want to go their own way. DFID is probably the only organisation, along with AusAID, that appreciates or participates in co-ordination. China, Japan and India are three donors that do not want to attend co-ordination meetings at all, but the European Union, DFID, AusAID, the Swiss Government, Swedish Government, Danish Government and Norwegian Government opt for co-ordination.

This is very important, particularly in the current situation where we are expecting that many aid agencies will be able to engage with the Government, but to engage with the Government we particularly need co-ordination. Who is contributing to which part? In particular, to introduce a strong accountability system, we need co-ordination, and I can see that DFID is in a very good position to co-ordinate that.

Tucker McCravy: I would like to broaden the question a little bit, and look at the question of aid effectiveness generally speaking, of which co-ordination is one part. If you look at the Paris Principles and the Busan Principles, they look at things such as how much aid matches the priorities of the host-country Government and how much ownership there is of the aid intervention that is taking place. These are all considerations that are relevant to the Myanmar context.

When we look at, for example, some of the ill effects of the lack of co-ordination, some of the principles of “do no harm” with aid effectiveness apply. If you have duplication of efforts or if you have, in some cases, aid in humanitarian situations which, by virtue of the particular group to which resources are being given, actually creates or engenders further conflict, then that is part of the co-ordination question.

As my colleague has mentioned, you also have to consider the logistical ability of the Government to entertain so many donors that come in with requests or even international organisations that come in with requests for meetings or requests for scoping missions, or just general visits to the Government. That leads to what is called a problem with absorptive capacity. There is simply no time for the Government to engage and effectively pass policy discussions, in planning and formulation, when they are entertaining so many people who are coming to offer their good will and good services.

That seconds what my colleague was saying. If co-ordination is not properly done and if it does not harmonise with the needs of the host-country Government, in a broader framework of effectiveness, then consideration of “do no harm” principles applies. That is a very important consideration as well.

Dan Collison: The instruments of multi-donor funds do present quite a good means for co-ordination, and there were quite a number of them at work in Myanmar well: the Global Fund for HIV, TB and malaria; the one we have mentioned, LIFT, the Livelihoods donor fund; the three diseases or the 3MDG fund for health, which is quite new; and then the one that Save the Children is helping to implement, which is the Myanmar Education Consortium. As I said, DFID has invested heavily in all of these.

They represent good co-ordination mechanisms, because they reduce transaction costs and they give a broad group of partners, donors and NGOs a common advocacy platform. Rather than, as Tucker said, the Government being assailed by lots of different voices with well-meaning advice, they give a chance for the aid actors to co-ordinate and streamline their messaging and their approaches to government, based on the evidence of what is working. Those can be a very good co-ordination mechanism. Although some of them are quite high-cost to run, they certainly reduce transaction costs for the donors.

Q8 Chris White: This is really for Save the Children. I would be interested, perhaps not at this time, to understand your comments regarding micro-finance—countries where you think it has worked and countries where you think it has not worked. Generally, in the Committee’s experience, in the countries where we have seen these very small projects, they have been quite successful, so it would be interesting to hear your views.

I am directing this question to you first, Dan, as you have argued that DFID should be doing more in terms of education in Burma, but anybody else who wants to, pick up. Do you

think it should be a higher priority, and do you think its contribution to the multi-donor education fund is sufficient?

Dan Collison: I do think it should be a higher priority but, of course, that is a difficult thing to say when earlier I said DFID has to be realistic and prioritise. There are so many things on the table that one could put one's support behind. Myanmar has a young population. This is an opportunity to invest in the next generation, and well-targeted aid can make a difference to many different facets of education, not just basic education—that means government-provided education, which traditionally NGOs have had a difficult time getting to grips with, because the Government has preferred to work with UNICEF on that front—but around formal monastic pre-school, and what we call ECCD: early-years childhood care and development. There is very important investment in helping children get to grips with learning early on. They can get to grips with learning in their mother tongue early on.

This period of ceasefire reconciliation is offering a whole new set of opportunities to think about curriculum development in the mother tongue, and how you link the needs for children to learn in their mother tongue in early years with a necessity for a broad national curriculum in the national language. The role that that can play in reconciliation and state-building is very powerful.

Based on our experience of working in education and working in DFID, you can get very good results working to support teachers to move away from very uninspiring rote-learning techniques and harsh discipline to more of what we call child-centred ways of teaching, whereby children are encouraged to ask questions and be critical thinkers. That is a very powerful way of getting kids to question the world around them and provides a whole different outlook from what this current generation has been brought up with. We think there is an opportunity for very powerful investment there, and this can create a strong platform for reconciliation and nation-building.

Q9 Chair: In your submission, you made particular reference to the international community's education programmes in the Karen regime. Is that, first of all, only in that area? They have not done it anywhere else. You have said it has “increased the isolation of these populations”.

Dan Collison: I am not so sure that that is entirely true, but I can see why you would say that.

Chair: It is not me saying that.

Dan Collison: I could see why one might say that. I think there are probably rather different views on that. If we are going to get on to the questions of supporting ethnic minority groups, I would rather pass the question over to Cord, because Tucker and Brian are much more focused on that, so perhaps this is a good opportunity to ask them.

Regarding the multi-donor fund, one of the tremendous opportunities presented by the Myanmar Education Consortium is that it has been deliberately designed to get resources into the hands of smaller local NGOs. When we talk about high risk and high return, there are risks attached to giving funding to small, often institutionally not so well organised,

local groups, but the returns can be very powerful. I like that slightly risky strategy that DFID is pursuing in Myanmar.

Q10 Chris White: On a detailed point, you mention that you are trying to educate the children in a more questioning way. Do you have a model that that is based on or an experience where you have used that method in other countries, or is that a new development? What success have you been having?

Dan Collison: It is not so new. Where Save the Children has worked in education in many parts of the world, a principal strategy has been to work with teachers, and often teacher-training institutions, to get teachers to teach in a different way, so that they do actually encourage children to interact and to ask questions. We have seen that approach not just in Myanmar, but in Pakistan, in China and in the Philippines, and it produces a much more interactive and interesting learning environment for children, and they therefore do better.

Chair: The Committee did actually see that in action in China, before DFID closed the programme.

Q11 Fiona O'Donnell: The Global Schools Partnership was another example of where that kind of practice went on. Gordon Brown has just returned from a trip to Myanmar, so it will be interesting to hear what his views are. I wanted to ask about monastic education and if you have concerns that children are being taught not to welcome and embrace people from ethnic minorities.

Shihab Uddin Ahamad: Thank you for raising this issue. In Myanmar, we probably need to look at it a bit differently and not just to look at education as being very straightforward. It is a very important sector in which to invest and engage but Myanmar is a resource-rich country. If we could help the Government business so that the country could move forward with economic development and so on, the Government should be able to invest in primary education. Until they can do that, the international community, to me, should support primary education and the development of the primary education system instead of supporting the religious institution. The religious institution, whether it is primary level or even higher level, does not bring good results in the long run in any country.

Thirty years ago, the international community supported madrassahs and, from around the 1980s, gradually the international community started withdrawing that support. We know what the result was in Bangladesh. I am not sure whether supporting monastic education is a good strategy, particularly looking at the current fundamentalism. Also, I believe that the international community should support more secular education, and secular education, particularly at the primary level, can come through the Government's regular primary education system. I see the strength of that system as more important, but there will be a time gap until the Government is prepared to deliver primary education for all. Civil society organisations, and in particular secular organisations, should intervene.

Brian Wakley: Coming back to some of the points on critical thinking, learning and support for education, it is not just an issue at the primary and secondary-school level; one of the things we would support keenly in education is professionals helping Governments and local governments, whether through secondments or even by bringing people over across countries to experience different ways of working. Part of the critical-thinking

approach helps people to ask questions. In a state where there has been 50 years of control, and people are taught and learn to think in order to be safe and secure, the challenge, as things open up, is trying to encourage that critical reflection, that questioning, that imagining of a different state and of a different space.

One of things that Cord has done with its partners in different countries is to encourage this learning approach, where you get peer groups working together; you will then get different sectors, whether it is government and civil society leaders, thinking about what leadership looks like and asking those questions of how we want things to be.

As part of that, on this question of education and the secular approach, I would possibly differ slightly from my colleague, in that there is a lot from a faith-based approach that is very strongly tied with people's identity, history and where they are linked to. Often, part of a threat that is envisaged from international support is that it comes with a new set of values, principles or secular ideas. People may have some very strong shared values with local religious principles. Part of critical thinking is helping to engage and share that dialogue and that question of space, and connect to what is good within the faith-based approach and different identities, rather than automatically sidelining what has been a very long history and identity for people. If and when they reflect on that process, they will connect to it and it will help that change, because they will automatically know about that from their historical and cultural upbringing, whereas there is a whole load of implied new lessons and new learning when you bring in a secular or rights-based approach, which does not necessarily connect. That part of critical thinking can be delivered through an education programme, but it also needs to be applied when you are working with local government or local partners as well, in helping that learning approach.

Tucker McCravy: On education, I concur with what Brian is saying. I think some of the approaches that could and should be taken, and that DFID could think about sponsoring, relate to civic education. The notion of the work that our colleagues at Save the Children have been doing on more of a child-centred approach to learning—the critical thinking encouraging reflection—means that ultimately, aside from being a social good in and of itself, the spillover or the benefit is that it creates citizens who are more able to ask questions, who are more able to challenge the authority of the local government, to engage with the authority of the local government or, in some sense, to ask themselves questions about what it means to be Burmese: “What are my civic rights? What are my civic duties?” Civic education sets the foundation or the groundwork for civic engagement and the idea that local communities can work with local government officials on issues that really matter, participating in decisions that affect their lives.

Another challenge to the democratic space opening up is that, in democracy, freedom of expression and freedom to say whatever you want is accepted, and is openly touted as something, freedom of speech, which is good. In terms of monastic education, the issue is not only formal education, but those movements that are spearheaded by ethno-religious national monks. The 969 Movement in Myanmar promotes religious intolerance and says, “Muslims have no place in this country. Buddhism is the religion of the state, so we need to actuate that in policy.” There have been some moves by the President to nip that in the bud and say that is unacceptable in a society that is promoting pluralism and tolerance of values. That is something we need to instil at every educational level, not only at the adult-learning level, but at the formal and informal education level.

We have an opportunity and DFID has an opportunity to learn from the lessons of, for example, Sri Lanka, in looking at how peace education or civic education can be integrated into the curriculum. In the case of the conflict there, the Sinhalese, the Tamils and the Muslims are really learning how to co-exist, how to think of themselves all as not only just part of their ethnic groups or religious groups, but as part of a larger identity. That is crucial now, because it is a generational process. The children who you are raising now will be the future leaders of the country. If you are raising them with values of intolerance or a lack of ability to see their own role in civic engagement, in 30 years from now, you will see that those are the people who run the country.

Linked to that is this question of what you focus on in education. Obviously it is very clear that you need to focus on basic education—primary and secondary education. There is also a strong argument, and I think Save the Children is doing some work in this area, for looking at the capacity and expertise in tertiary education in the universities, looking at the diaspora and the talent that exists abroad, the former political prisoners who were ousted during the rule of military dictatorship, and at what role and what capacity they have to shape the future development of the country. Sometimes when we think about education, we think, rightly so, about access to quality education at the primary level, but we should take a broader view of it and think about civic education, peace education and education that may consider, for example, funding scholarships for bright Myanmar students to go aboard and study public policy, in England or the United States, and then to come back and act as contributing members of this reform policy.

Lastly, we should avoid the mistakes of Cambodia, where civil society has stepped in and has provided a large role as service providers of both education and health. It has done that very well and is playing a really major role in service delivery, which arguably is the role of the state. The more we do that, the more we empower civil society. We have to be conscious and aware of the fact that we really need to be building the capacity of the state to deliver the goods of education or to be the duty bearers, in some sense, to their population. If civil society is always fulfilling that role, it links to another one of the questions of the Committee, which is: will Myanmar ever graduate from aid in a generation? If the state is actually not being held accountable to fulfil some of those functions, the answer to the question becomes no.

Q12 Chair: I think you were about to come on to capacity building, Shihab. I just wonder if I could test that bit further, because I think ActionAid said in their submission something along the lines of, “For the international community to maximise their contribution, their support must be balanced—respecting the leadership of the Myanmar people and not imposing ideals from outside.” If I may say so, the rest of your submission seemed to me to set out a lot of ActionAid ideals that you wish the people to adopt.

The serious point is, if you are engaging as an international community, how sensitive do you have to be to the local culture and how provocative do you have to be to absolute values? If you have excessive Burmese nationalism that treats non-Burmese as second-class citizens, are we not entitled to say, “Look, if we are engaging with you as a society, that is not an acceptable view of citizenship”? I am really just trying to test your view. To what extent are you saying that we have to work with the culture? To what extent are you saying, “You have decided you want to open up; you have decided you want to engage with the world”? It that when you have a serious discussion about what kinds of values people want to adopt and the extent to which you can work together to educate people—this is the point I

am making—to understand citizenship, as well as how to read, write, count and do all the other things that education gives them?

Shihab Uddin Ahamad: There are a lot of good parts to local culture, but there are elements that affect people who do not necessarily buy the same ideas in the same society. That culture needs to be challenged; sometimes that needs to be challenged boldly. In Myanmar, generally the culture is majority Burmese, which stems from the religious teaching that tolerance should be very high. Unfortunately, tolerance is higher among the ethnic groups, which are non-Buddhist. What I am saying is that there is inherent good culture in all the different ethnic groups: the Burmese and non-Burmese, the Christians, Muslims Buddhists, Hindus and all.

For an international community, we should challenge that culture too. Some cultures are fundamentals of a society, and normally those cultures are not bad. However, over a period, and because of a number of different dynamics, some cultures become something that is not necessarily the foundation of that particular ethnic group or religious group. The culture of isolation of the Muslims in Burma stems from the fact that it is not only the Burmese who isolate them, but the Muslims, because of their own culture, who isolate themselves. They do not eat in Burmese houses, neither do they eat in Burmese restaurants. When we generalise that Burmese isolate Muslims, we also need to look at some elements which mean that Muslims isolate themselves. The majority of Muslims never go to Burmese high schools, although there are some who go. These things need to be challenged and addressed.

There are also some issues about why a Karen child would not be able to go to a Burmese high school. It is not that they hate the Burmese—that is the Muslims' case—but the Karen child cannot go because of language issues. They need to be addressed. Some of that culture, the top-down, is not inherent, but it is more that the culture has changed because of the long military history. Some cultures are an imposed culture and that can be addressed through bold interventions, as well as through a number of development interventions that should automatically eliminate those things.

Q13 Fiona O'Donnell: The other thing I am conscious of is that we have not spoken at all about gender today, what the opportunities are for girls and women, and just how much DFID is focusing on that. We will get to that another day. I want in particular to ask Shihab about your concerns, or ActionAid's concerns, about the fact that DFID does not deliver any of its aid in budget support, and your express concerns that we are duplicating and creating extra layers, with too many people delivering the same services. Is your view, then, that we should be investing more on developing capacity within the Government? I would be interested to hear what others think about that. Do you think the Burmese Government is capable at this stage? I wonder how rigorous is, for example, the committee system and the public accounts committee. It seems to be very difficult to get information in Burma about how much they are spending on their military budget. Would the safeguards be there? Is Burma ready yet for the UK to be delivering budget support?

Shihab Uddin Ahamad: As part of ActionAid, I personally work with and engage with almost every level of the Government—central level, regional level and local level. Where I work I feel that, if some donor could support this process, particularly targeting the 2015 election, the Government, particularly the current President Thein Sein, is very

keen to engage with the international community. Some of his Ministers are also keen, although I cannot guarantee that everyone is.

As an organisation, ActionAid is involved in a lot of work on transparency and accountability. We could invest some money at the local government level, which is detailed in our submission, at the township level and at some regional government level—and in that context, I could see a link with bigger development and the issue of peace and conflict—but in Myanmar, until the regional government is empowered enough to decide their spending and their development, ultimate peace probably will not come. Out of 14 regions, seven are ethnic regions. If the ethnic groups could see that they have the potential to have a federal system, on which we have a question later, and that they could rule their ethnic regions and manage their budget and revenue, they would see that, “Yes, we have something to do here.” I would propose more empowered regional government through some budget support, so that they can decide their education programme, health programme and so on, with other infrastructure development programmes.

There is one more important issue. This is a time when Government is quite open and giving access to civil society organisations. I want to take this as an opportunity to bring up the issue of transparency and accountability, and build the mechanisms of transparency and accountability. Government is talking about transparency and accountability, and talking about a clean government. If we are working with social audit and these kinds of issues, and if there is some support from DFID to the Government, then DFID and the civil society working together will have more legitimacy to ask about transparency and how much money the Government are spending. If DFID is giving 50 million to spend on education or health, with that small support, we will be able to see what the total amount is and how it is being spent. We want to test those waters. That is why I would probably not propose taking risks by providing that to the central Government, but it is possible to risk it with the regional and local governments.

Dan Collison: I think that Shihab has proposed a very interesting way to go and, in fact, some of this is already happening. A good example that we have already mentioned is the 3MDG health fund, which has been set up, including with support from DFID. Part of it is designed to provide support to the township-level health system. That is an interesting thing to try out. It is not entirely new, because other agencies have been getting resources to that level over recent years as well, but it allows for two things.

One is it makes use of the trend towards decentralisation that are going on at the moment but, secondly, the right level of support into the right hands provides a very good platform and opportunity for surrounding other stakeholders, whether community groups or civil society groups, to have an idea about what those revenue flows are and to look for evidence of where the expenditure is. It is much easier to do that at a township or local level than it is with a central budget. We might still be in a rather experimental phase, but the earlier point about risk versus return seems to be a really creative and much needed part of the investment of the aid portfolio that DFID is following.

Tucker McCravy: I would concur with the statements of my colleagues. One of the philosophies that is very strong in Cord is that you do not give people responsibility and authority without giving them power and resources. It is unfair of us to say, “Yes, we would like the state to deliver these functions. Yes, we would like the regional governments to do better at service delivery,” without showing them that we have trust or

confidence in their ability to do that, and actually giving them the resources, within very carefully regulated frameworks, to do that, because that is where the true capacity development comes.

Q14 Chair: Would the central Burmese Government allow that or feel comfortable with it?

Fiona O'Donnell: I am just thinking about the Scottish experience as well.

Chair: It is a good question for us to take to DFID, but you cannot do it without the consent of the central Government.

Tucker McCravy: Of course it has to be a dialogue. I would say there are three parts to that model. One is really looking at local governance and following the principle of subsidiarity, which is that power is most effectively exercised at the level where it is most effective and efficient. Maybe that is the regional level; maybe that is even the township level. It is not the same for every function. It could be different for health as it is for education. Maybe actually some functions are more effectively exercised at the central Government level, but it is looking at a tripartite model that might be strengthening the deconcentration and decentralisation forms, which put not only the power and the responsibility, but also the resources, in the hands of the local government and the sub-national actors. It is also looking at civic engagement, which is what my colleagues have been talking about, giving people the opportunity to actually engage with Government and say, "Here is an issue. We know that you have these resources; how can we work together to solve this issue?"

The third part, and this is where DFID can play a critical role, is having policy dialogues at ministry level, with the central Government, in saying, "Really we want to help you in public administration reform, so that you can become more effective at the central level in your devolution exercise." It transcends. There is a lot of talk about whether we should focus on supply-side intervention or if we should focus on demand-side interventions. Using a social accountability framework that incorporates all of those and steps above that is actually more effective.

If the international community is showing that we have confidence and trust, as Shihab says, it can really have dividends for the peace process. It is modelling and setting an example for the international civil society community, which in some ways is the INGO community, which is showing they have trust in the Government. That has flow-over effects and modelling effects for how the Government works or interacts with its local civil society, which is also challenging. We are setting the standard and saying, "This is really how we would like things to be", and that is something that can serve as an example for how they then interact with their local civil society.

Q15 Fiona O'Donnell: In terms of building peace, you think of the Sri Lankan example as well. There was an opportunity there to move, devolve and build a lasting peace. As you said, it has gone in the opposite direction and is starting to go back centrally and be more repressive.

Tucker McCravy: It is an excellent example, because that is a possibility for Burma.

Fiona O'Donnell: That was the hope there as well, was it not, that we were going to start devolving power?

Tucker McCravy: Given the still-entrenched power of the military for Myanmar, there is a real possibility that things could start going in rewind or reverse.

Chair: It relates to the next question, which is these ethnic conflicts.

Q16 Fiona Bruce: Just before I ask about ethnic and religious conflict, can I just go back to the point about federalism? Clearly for those of us who visited earlier, there is a desire amongst those living certainly in the regions for greater federal government. What skills do you think would be required on the part of the aid agencies to assist the central Government to appreciate the benefits of that and the delivery of a different kind of structure? Do you think DFID has the capacity within its present expertise?

Shihab Uddin Ahamad: Most of the people believe that federalism is the answer.

Fiona Bruce: Yes, we heard this many times.

Shihab Uddin Ahamad: Even the Speaker Shwe Mann, just a few weeks ago, was publicly talking about that. He wants to promote this federalism. I have less belief in him anyway. The thing is, if we look at the population percentage of Burmese versus other, it is 60:40. We will know the real percentage after the census next year. Federalism is the model way by which ethnic people may be able to see that they have space in this country.

In terms of the capacity of DFID, it should be engaging with Parliament, which means the lawmakers. Of them, 750 Members all are in the Parliament for the first time, including President Thein Sein and Daw Suu Kyi. Most Parliament Members have no clue what their role is, so there is a huge need for capacity development, and to empower in particular ethnic parliamentary Members. That could be one of the entry points for DFID to build capacity, as well as promoting this federalism. DFID could also promote this idea of federalism through budget support that empowers the regional government and the regional parliament.

Q17 Fiona Bruce: On religious and ethnic conflict, Mr McCravy, you said, “The single greatest challenge to future stability is religious conflict”. Mr Ahamad, you talked about how, within the ethnic divisions, there really is a human rights perception problem. I want to ask you if you feel that DFID has prioritised these issues sufficiently strongly. Do you think they have the capacity to take a lead role in addressing these very serious and key issues? What should be done by DFID to address them?

Tucker McCravy: DFID is particularly well placed, because of its global expertise in state-building in post-conflict environments such as Myanmar, to do more in the area of peacebuilding. This is a very challenging process, because going back to the question of whether we impose external agendas or whether we set the standards for how things happen in Burma is a very tricky question. Really what we are looking at is helping the leadership of the Myanmar Government to realise that they have taken a journey towards trying to build a more inclusive and a more democratic society, which has certain expectations associated with it. The international community has expectations associated

with this movement in Burma to be more inclusive, to work more towards democratic processes or socio-economic development that embraces all people, and to work more towards political solutions, which not only represent the interests of all ethnic and minority groups, but also—and this is a key point—address the drivers of conflict or address the historical grievances of those groups.

To go back to the federalism question, decentralisation and deconcentration are very important. Whatever that model ends up looking like for Myanmar, it is not something that can be imposed externally; it is something that DFID and other international actors can facilitate, but in a neutral sense, and facilitate on the ground that these are the principles of what we are trying to look towards: the principles of devolution, the principles of power moving towards the local level, and the principles of representing interest groups. If it is a federalist model and that is what Myanmar wants, that is great. DFID can stand in as a facilitator, bringing civil society and bringing government together, and contributing technical expertise and resources to make that happen but, at the same time, not imposing that as an agenda.

When we think about peacebuilding, it goes to the question about whether we should be doing democracy over development, or can we do both at the same time? I do think that DFID is well placed to use the global state-building strategy that they have to build more responsive state institutions, but also to look at democracy as not only an end of itself, but as the principle of participation, the principle of expression and the principle of freedom of individual access to information, and also to look at socio-economic development and democratic principles as something that fit within the larger framework of the state-building process, the ultimate end of which is a more just, peaceful and inclusive society for all.

Yes, I do think that DFID has the technical expertise globally. They also have a mandate to do it and the acceptance by the local government and the other INGO communities to step up and to play a more active role in civic education, engaging the Government and providing good offices around settlements for the peace processes, but also expanding this idea that it is more than just the peace processes and the ceasefire agreements with the ethnic armed groups on the borders.

It is more about engaging the entire community and, in particular, most importantly, the majority community. If you go to the centre and interview an ethnic civil society or individual, and you ask them, “Is there a conflict in the country? Is the country at peace?” they will say, “It is fine, no problem. Everything is okay,” because it does not touch them on a day-to-day basis. It is making them see that the future of the country is actually wrapped up in what happens with these ceasefire agreements with the ethnic armed groups, and more largely speaking in the process of how you build a more inclusive body politic that includes those groups and includes the majority together in a democratic framework that really respects the rights of all individuals. That is a long-term process, but DFID is well placed to support it.

Shihab Uddin Ahamad: I do not think that the peace process and peacebuilding in Myanmar are only about some peace dialogues or conferences. They need to address the structural cause. In this current situation, there are a lot of possibilities for supporting that through institutional arrangements: how we help the reform of these democratic institutions and particularly the political institutions’ electoral process, which will ensure

the equal participation of all the minorities. It is especially important to consider one thing: the whole mindset of Burmese leaders, including Daw Suu Kyi, is the Burmanisation of Myanmar. While this mindset remains, I do not think that peace will be sustained. It is Burmanisation of economic development, the Burmanisation of the education system, the Burmanisation of cultural integration and of political powers.

Just one example—and I am not sure that what I am going to say is politically correct; forgive me for that, but I am not a politician—is the relationship between DFID or UK Government with Daw Suu Kyi. Encourage her to think that, in the next election, she could build an alliance with the minority or regional political parties. Currently the tendency and the whole discussion, as far as I understand, is that she is going to run alone with her political party NLD, but if she worked with the current regional parties—the Kachin regional party, the Rakhine regional party and other regional parties—that definitely would give an indication to those parties that they are an alliance. If not, what is the difference between USDP and NLD? USDP wants to run the election alone. It is not just giving access to a few ethnic people in NLD. That is probably not the answer.

Chair: She was visiting Northern Ireland last week to get some understanding of how the peace process has worked there. We shall see whether or not she has taken any lessons from that. It is not perfect, but it has produced working arrangements.

Q18 Fiona O'Donnell: Can we build that lasting peace and that inclusive society if you do not go through a process, as they did in South Africa? Sri Lanka has turned its back on that process, particularly with the issue of sexual violence against women in the conflict. Women are being denied access to legal aid. Soldiers are not being tried in the civil courts. Can you build that lasting peace? Also, in terms of what is happening just now with the refugee camps, there are problems, I understand, with the movement of aid and restricting aid into the camps. Rationing is being cut. Does that not leave us questioning whether or not the Government really wants to build this new Burma, where there is a lasting peace and which is inclusive?

Tucker McCravy: I have two quick comments. There are two levels of engagement that DFID could take and any international actor could take. One is looking at the humanitarian situations, the refugee camps, as you mentioned, and looking at how we engage, for example through the Business Innovation Facility that DFID has, and how we engage with FDI—foreign direct investment—regional companies and international companies, and how we really are firm on the principles of “do no harm”, to come back to that. There is a very real danger, in fact, it is happening right now in Myanmar in some of the refugee camps in areas along the border, in many places, that the aid that is being given is actually making the conflict situation worse.

As a very bare minimum, what we could be looking at is saying, “We want to adopt and respect the principles of ‘do no harm’ in our aid work. What does that look like in terms of integrating frameworks of programme monitoring, building capacity, so forth and so on, as an immediate first bar?” For the longer-term activities, once we have done that, how do we then look at all the activities that are involved in transforming this conflict and building a more positive peace, which is a much more challenging activity and endeavour?

To come back to what my colleague said, the dangers of seeing democracy as an end, rather than just a means to a more peaceful society, are manifold. Historical examples

show us that, sometimes when we create democracies, we initially create more conflict. Democracy is sometimes the tyranny of the majority. We should recognise that and see the democratic principles as something that are far more important and dear to us in the process of state-building for Myanmar.

To come back to something that you said about Aung San Suu Kyi, it is interesting that, I think, if I am not misquoting, in a 2012 visit to DFID here in the UK, she suggested that aid should not be going to central Government because, if you give resources to the central Government, you only make them stronger. This is something that we need to look at and examine in the context of what you are saying, because this is the work her father had done and was famous for—bringing the ethnic groups together—so it is about how she could and should be playing a more positive role in those endeavours.

Chair: Our programme is still in a state of flux, at the moment, but we are going to have an opportunity to speak to some of the ethnic leaders, Daw Suu herself and some of the other politicians, so we will have an opportunity to tease these things out a bit further and make judgments. The only thing I can report is that, when I was there with the Speaker—Fiona Bruce was there—we met some of the ethnic minority groups and the basic argument about the Rohingya—and we heard this at the university—was that they are not Burmese. They are not anybody else's. We had a very blunt exchange and said, "You will not get anywhere with that argument. The international community will not accept that and the neighbours will not accept that. They are your responsibility." That was a shock to them, so I suppose we had some value in having that conversation.

Q19 Chris White: My question is to Cord: your submission says that the extent of the Burmese Government's engagement with civil society will be the key indicator of democratic economic development. Can you explain this thought?

Tucker McCravy: The sense there is again the theme that I have been trying to emphasise in some of my remarks, and that is that, in both democratic and economic development, certainly in democratic development, instilling the principles of democracy, participatory decision making and expression of voice is something that is ultimately the responsibility of the state. It is ultimately also the role of civil society to hold the state accountable for having done that to make sure that people's rights are being respected, to make sure that abuse of power is being held in check. Obviously the Government itself has functions to play in that regard.

In terms of the role of economic development, the extractive industries are perhaps what are being referred to here. The Government is presently engaging in a lot of work around natural resource extraction, which DFID has also been supporting. There is a lack of transparency around where those resources are going, around who is being able to access those and where those are being allocated. Again in a watchdog function, that is the role that civil society might play in making sure that the Government is being held accountable for how those resources are being distributed.

Q20 Chris White: Do you think it has developed sufficiently to be an effective watchdog?

Tucker McCravy: Do I think that civil society has? It is interesting, because it is a two-part question: both are they developed sufficiently and does Government see that as

their role? Perhaps the answer to the first question is yes, but perhaps the answer to the second question is a tentative no. In other words, if we look at examples like Cambodia, does the Government look at civil society and say, “Yes, we accept that one of their roles is to make sure that we are doing our job”? In Cambodia, it is a tentative maybe and maybe a no. I am not sure in Myanmar whether the answer is yes. It is probably maybe. My colleagues can maybe do something with that.

Dan Collison: Civil society has existed in different forms in Myanmar for many years, from the YMCA to farmers’ associations. In about 2005, Save the Children established, with a number of other agencies, a consortium that we called Paung Ku. It means “bridge”. It was designed to be a networking body for bringing and strengthening nascent civil society organisations in Myanmar at that time. It was very secretive. We could barely refer to the project by name, and we used codes over phone and email to build up the project because, as I said at the beginning, this was happening when there was essentially a climate of fear and secrecy.

Things have changed so dramatically. Now Paung Ku, which was the project that we developed together, is on the verge of becoming an independent organisation and it supports a wide array of civil society organisations, from community-based service delivery to environmental activists, and everything in between, and provides a very valuable service on the coaching and mentoring of those organisations. If you get a chance to engage with Paung Ku when you are there and the very inspirational man who runs the show, he would give you some fantastic insights into the development of civil society and what it can do, as your question led, to promote the process of democratisation that is underway.

Q21 Chris White: Do you think there is an appetite for citizens to join these bodies?

Dan Collison: I do. Look at the take-up of new media now that censorship laws have been reduced and there is a lot more information out and about. There is an incredible appetite for information and for debate. How quickly that translates into a much more vigorous challenging of authority may be a bit hard to judge, because I guess it is still at a rather early stage, but certainly this has unleashed a whole new level of energy around what you could call citizen engagement. There is absolutely no doubt about it. Investing in the support of that is going to be a very powerful support to what is going on.

Tucker McCravy: As a brief follow-up, also investing in support of the Government and dialogue and awareness-raising of the Government is not a bad thing. As civil society grows stronger, they will be allowing the citizens to demand more accountability of the Government and not see that as an adversarial relationship. Again that is what we have in Cambodia; we have a very strong conflict dynamic, where the Government does not understand civil society or local NGOs. Local NGOs look at the Government as corrupt, the people who are driving the country off the edge of the cliff. This is really what is preventing Cambodia from achieving a sustainable peace.

It is a lesson learned from the region: as civil society becomes stronger, as freedom of access to information becomes stronger, as people really demand that their rights be held accountable, DFID and other international actors need to be working with the Government to show them this is how it functions in a functioning democracy. This is how it is.

Q22 Chris White: You mentioned new media. What access is there to new media?

Dan Collison: I would like to give an example. It goes back to the earlier point about supporting tertiary education. I do not know if you ever got the chance to go to any of the universities in Myanmar, many of which, for a variety of reasons, were spread out to remote parts of the country. They are really empty shells. There is not much going on, let alone access to computers and technology. Even books and teachers are in pretty short supply.

Having said that, from a very low base, access to the internet and online education is increasing rapidly. It is also increasing in universities. I just want to bring to the Committee's attention a very interesting initiative run by the University of Manchester to provide online learning and academic resources to universities in Myanmar, both using low-bandwidth internet access, but also providing hard drives of massive amounts of learning information from MIT and all of the incredible learning resources that exist these days, which universities have provided. It is a combination of that kind of academic support, but also the fact that the restrictions that existed on the internet and access to information have pretty much evaporated. While mobile phone coverage is still pretty low, it is the big frontier for this in south-east Asia—the remaining one, really. That will happen quickly.

Shihab Uddin Ahamad: My understanding of the civil society that I have been engaging with since 2006 is that, in Burma, civil society is highly biased. They are politically biased, religiously biased and ethnically biased. When you try to engage with them, since their history is that civil society was not much encouraged by the Government, you only have one way to work: with the religious institutions. Many are from the church. It is difficult to encourage church-based civil societies, NGOs, to work for Burmese people. In a village, if there are 80 families, 50 of which are Christian and 30 are Burmese, they do not address these 30 families. It is the same for the Burmese.

I would also say that it is ethnically biased. There is a Kachin civil society, Karen civil society and Burmese civil society. They are also politically biased. A civil society is fully leaning towards NLD, and another civil society is fully leaning to the Government. That is the character, and we have to accept it. We have to accept that this problem is there, then we will be able to solve it. That is why I want to raise it here. Unfortunately, all the presenters here are men and probably that is why you noticed—a couple of times you raised the issue of women's rights and sexual violence.

Chair: We did notice when you came in and sat down.

Shihab Uddin Ahamad: Since you are going there, I would strongly recommend that you please talk to the Gender Equality Network. This is the most incredible network run by very powerful women, and they are doing amazing work. They did plenty of research in the last two years, and it was evident that there is a huge issue of violence against women—huge. Sometimes, when you go to Burma, you see women in the street; they are very confident, they talk confidently and they walk confidently, but the undercurrent of society is huge. The main problem there is, in a case where a woman of the village has been raped, there is no institution to take care of her. The legal system will not help them at all. The state always takes the side of the perpetrator, because the perpetrator offers

money. Those people who actually do the violence have power or connections with power.

Q23 Hugh Bayley: It is important to work with civil society to help develop their capacity, but it seems to me that more should be done, and in particular the UK should do more, to help to strengthen the institution of parliament. Do you agree? I can see you nodding; it is clear you do. I just note from this submission we received from DFID that, in the past two years, some £3.5 million has gone into civil society strengthening. Nothing at all has been spent, according to this table, on parliamentary strengthening. This year, £100,000—that is to say one 26th of what they spent on civil society strengthening—would be spent on parliamentary strengthening. It gets rather better next year, I have to say. Even so, you would be talking about spending £1 million after £60 million in the country as a whole.

What do you think needs to be done—that is the first question—to make these elected institutions, especially after the elections, more able to express the voice of the people? How do you think that donors in general might aid that? Can you see any particular role that DFID could play or the UK could play?

Shihab Uddin Ahamad: I mentioned the importance of engaging with Parliament and the electoral process. This is the right time. I will just tell you what the situation is like: the opposition Chief Whip came to me, and he said that he has no knowledge of what his role is; neither do his party really know what exactly is the use of that Chief Whip. That is quite obvious, because this is the first time there has been one.

Taking advantage of the forthcoming election, we probably need to start engaging with the people who are already in Parliament but, at the same time, offer training or skill-building to people who are interested in being elected or participating in the election. One thing ActionAid, with the support of the FCO, has been doing for the last four years, is investing in providing training for political party members, but only women, to increase women's leadership. Fortunately in the last election, two of them became Members of Parliament.

The Parliament consists of two Houses, the Pyithu Hluttaw and the Amyotha Hluttaw, but those institutions also exist at regional level, but nobody is actually working with them and helping them. In the regions, the chief Minister is nominated by the Government, and whatever he says is the rule; it is not the voice of lawmakers. DFID could intervene in that situation.

As a particular intervention, DFID could help to develop the role of the different lawmakers and help them to debate and address the issues. Special focus could be placed on their role to approve the budget. We are currently working with parliamentary Members on these budget issues, because this is the first time the Government has supplied the budget—all 42 kilos of it. I have personally checked the weight of the documentation and no one could read that, have an idea of how to read it, or how to debate it or work on it. Although the newspapers and even the DFID papers appreciate that Parliament discusses and debates the budget, actually there is no debate.

Q24 Hugh Bayley: On that point specifically, at what point does the Parliament vote on the budget, or has it voted on this budget, which it does not understand? At what point does the Parliament vote to approve or maybe it goes through the motions of approving the budget? Has this vote actually taken place or this discussion of the budget, if there is no vote,

actually taken place in the Parliament? I am asking the question to discover whether we should be asking some of the number-crunching experts in our Parliament, perhaps at the National Audit Office, to maybe write a paper about the budget to inform Members, or is it too late for this year?

Shihab Uddin Ahamad: I think it is a good time, because the next budget debate will start from January or February. At the end of March, they will approve the budget. They use the same format as the British Government.

Q25 Hugh Bayley: When will the budget be submitted to parliament?

Shihab Uddin Ahamad: They will submit it, according to last year's experience, in mid-February, but they will have to submit the regional budgets by 31 December.

Hugh Bayley: You say you have been offering some advice. You have been pressing for these matters to be—

Shihab Uddin Ahamad: We have been doing so for the last two years.

Q26 Hugh Bayley: This is a side point, really. We must ask questions of DFID about its overall commitment to parliamentary strengthening but, on this particular point, you have been working in this. Would you like to send us a copy of last year's budget?

Shihab Uddin Ahamad: We would be very happy to do that.

Hugh Bayley: With a note of when you expect this year's budget to be published, both the regional budget and the federal.

Shihab Uddin Ahamad: For the regional budget, it is too late, because they are submitting it on 31 December.

Hugh Bayley: Let us concentrate on somewhere where we could make a difference. If you were to send us that information, I cannot speak for the Chairman, but I would have thought it might make sense for us at least to have a look at it to understand the problem before we visit the country, and think about what our Parliament might be able to do, or DFID might be able to do, to help to make this a more engaging and more real process, rather than a symbolic process.

Dan Collison: Just as a supplementary on that, the interesting thing to look into around the budget is that the Government has undertaken a partial flotation of the kyat, the currency. For many years, there was an official rate and there was a real rate. The budget was built around the official rate, which meant there was an enormous gap, a huge black hole in the middle of the annual budget, which gave carte blanche for people to line their pockets. The flotation of the currency and the closing of that gap between those two rates, or the elimination of it, has meant that, for the first time, there is an opportunity for a bit more budget transparency. This opportunity and what you are proposing, to provide some of the expertise of the UK Parliament to support budget analysis and understanding, to teach parliamentary procedure and all of those things, sounds like it would be a very valuable investment.

Q27 Hugh Bayley: Here is our last question. DFID has, on one level, a zero-sum game. It has allocated something like £60 million of development assistance to Burma. This year it is spending next to nothing. Next year it is proposing to spend £1 million on parliamentary capacity building and we have identified what might be one priority. Do you think it should be spending more than that, and possibly at the expense of some of the other governance programmes it has or indeed some of the other wider programmes? What level of priority would you give to parliamentary strengthening against strengthening the government institutions at one extreme or civil society institutions at the other extreme?

Shihab Uddin Ahamad: One particular area that I see has a multiple impact is the debate on the budget, understanding the budget and reading the budget, because that brings much broader transparency. That debate will help the media and civil society pick up from there and then civil society will also be able to engage. It is very difficult. Even though we have talked to more than 20 economists, they have no idea about the budget. This year the Government even published the budget. I recommend that one priority should be to understand the budget.

Knowledge about other parliamentary procedures, such as how to table motions and debate them, is also important. What is their role and how will Members understand that? Thirdly, Members should learn about the role of the parliamentary standing committee. At this moment, what has happened, from my discussions with different parliamentary Members, is that the Government, particularly the Minister or the committee Chair—whoever—tables their motions, but it is the military that actually has previous experience about those issues. They take the lead role in discussions and decisions, and most parliamentary Members are simple persons who do not really know what to say on that, unless it is something that is very political, particularly the issue of ethnic identity or some other matter that they know very well. They have no idea about all the technical issues.

Q28 Fiona Bruce: Could you also comment on the role of individual members of Parliament as electoral representatives and whether they really have an appreciation of what that involves and understand the importance of communicating with their electorate? We heard a number of times that there were no channels of communication. This was from people they were representing but then, at the same time, we also heard from Members that they had almost no resources to run offices individually. Could you comment on the assistance that may be required for constituency MPs?

Tucker McCravy: I was just writing down some notes on that, but I agree wholeheartedly with my colleagues' comments. There is room for more support for the Parliament, as well as other elected officials in general. Something that obtains here is that we need to strengthen both the institutions and the structures that we have been talking about—the processes and the procedures: how you pass the budget, how you deliberate in parliament, how you look at laws and things of this nature—and the skills and the capacity of individual MPs themselves. By that, I mean that, if you look at Parliament, you will see that many of the people who sit in it are former military members or come from authoritarian backgrounds, where they are used to just saying, "Okay, this is what I've decided. I'm going to tell my constituents this is what I am doing." It is a very top-down, autocratic society, which has interesting linkages to the peacebuilding agenda as well. You find that not only in government; you also find it in civil society as well. Leadership and management tend to be very top-down, which is a little bit challenging when you are trying to move towards a more democratic and participatory environment.

Some of these skills around constituency-building, around communication, around representation, around engaging in dialogue with people at the community level—really understanding what the issues are, but also understanding how to be accountable and, on the other side, for civil society and local groups, how to hold their elected officials accountable—are the soft skills that are really critical for a wide range of elected officials, including Members of Parliament, and including, in parentheses, civil society members themselves. Across the board, these management and leadership models tend to be very vertical and authoritarian. That is the third part of the equation: the institutions, structures and processes, but also the skills for the individuals themselves.

Fiona Bruce: At both national parliament level and also at the federal parliament level—our equivalent of councillors.

Tucker McCravy: Yes, precisely.

Q29 Chair: That was extremely helpful. We do have meetings with a number of MPs and other institutions to discuss what actually is happening, because both the UK parliament and others are engaged, but it would be interesting to find out whether it is enough and what more could be done. That is helpful.

Perhaps just a final point to which you, Dan, alluded right at the beginning. DFID is saying that they see the international community's engagement producing a "more stable, peaceful and prosperous country that respects the rights of its people ... and is a respected member of the international community". That is their ambition; that is what their hope is. It would therefore become graduated from aid within a generation. Do you think that is realistic? Do you think it can happen, or is there a danger that the reverse could happen and that it could become aid-dependent?

Dan Collison: I was trying to think what a generation away would look like, and I guess it is around 25 years. That is quite a long time. If Myanmar is aid-dependent after 25 years, those of us engaged in designing and delivering aid will have really failed. We should have learned all of the lessons from what has happened in Cambodia and not subject Myanmar to that sort of fate.

Having said that, you need to think ahead and imagine whether or not the poorest members of society, the poorest people in Myanmar, of which there are millions, will have made sufficient progress that they will be able to send their kids to school and access reasonable health services. It is very hard to predict that. I would say that, if we have supported the development of stronger state institutions, if we have made a contribution to strengthening household livelihoods such that, as we said earlier, there is better access to credit and people actually have some routes out of poverty, then an aid programme could look very different.

In fact, we would hope it would look very different from what it looks like now. There would not be these big multi-donor funds distributing large amounts of money through multiple actors. There might perhaps be a much stronger role for local organisations to take on in aid assistance or funding from outside of the country. As we said on the role of the large donors, the IFIs, the World Bank, etc, in funding development, DFID should really look to influence those to make sure that aid, as it unfolds in Myanmar over the next

few years, does count and supports democratisation and development, rather than tend towards dependency.

It is kind of an impossible question to answer, but you could envisage that, if things go well, we would not be sitting around the table talking about what sort of an aid programme DFID should be designing, but rather, it would look very different from what it does. If things move slowly and if the rights and the protection of the poorest people are not realised, I can still see there being an argument for continued support along these lines.

Q30 Chair: They have plenty of resources and they are very close to two very big markets.

Dan Collison: That is true but, at the same time, Myanmar is about the same size population wise as the UK, but it has an economy the size of Bristol. The opportunities are there with powerful economies surrounding it, but whether in 25 years it can grow its economy at sufficient rate to actually stand on its own is hard to say.

Shihab Uddin Ahamad: It is a good ambition and I believe it is possible. Myanmar has all the potential to graduate within the next 25 years to a middle-income country, but there are a few conditions there. One is whether people will be able to solve conflicts and bring peace. The other one is that we have to accept that Myanmar, because of its location, has a huge geopolitical importance, and how that geopolitical context and dynamics will pull them back or push them and help them to move. Conflict today, as history says, is not necessarily only because of ethnic difference. Global wealth also has a big impact on the conflict today.

Brian Wakley: I would say that the economic growth that we can foresee in the next generation is definitely an opportunity. Financially, the economy is going to grow. The question becomes much more around how the tax regime works, how foreign direct investment actually goes in to supporting long-term sustainable development in country. It is not from the aid budget, but from internal revenues.

In terms of the biggest dangers, looking at the peacebuilding framework, a lot of the challenges are around how good governance is going to work, and how you include minorities and those on the edges of society, where the current conflict dynamics are. It is a question of whether we can tackle those root causes and those social attitudes. For some, the desire for a federal government is about who is going to control power, and the ability to absorb much more economic power and decision making, rather than the pluralist inclusive democratic process. The answer is that those sides of development, the softer skills, the inclusiveness, the including of the other, and the acceptance and respect of others, must be tackled, enabled and supported by the institutions and government structures. If not, we will be back in the same place where conflict has re-ignited and then undermined many of the developments that we may have seen.

Tucker McCravy: There are a lot of “ifs” here, as my colleagues, with whom I concur, have said—if there can be relatively free and fair elections in 2015, if an inclusive political settlement to some of the ethnic conflicts can be reached, if the Government is successful in attracting foreign direct investment, diversifying their economy, building the infrastructure, so forth and so on.

DFID can play a role in leading this strategy for the development of Myanmar along the lines of a state-building activity, which looks at building a peaceful, just and inclusive society, but also looks at that being something that is wholly owned and really driven, in many ways, by the Myanmar people themselves. If that is the overriding concern and principle, then, for me, the answer to graduating from aid would actually be yes.

It also depends on starting now, doing some of the conceptualising and having some of the dialogue between the donors and the Myanmar Government, and saying, “Okay, in five years what does the situation look like with this roadmap? In 10 years, what does it look like? In fifteen years, what does it look like?” You do not just go from one year to the next and cut off aid. There is a gradual process. Maybe “weaning” is a good way to describe it.

This is where the lessons learned from Cambodia apply because, 20 years later, over half the Government’s budget is still from foreign aid, because that thinking did not start at the beginning as to how they would move themselves. In the Peace Corps, they say the thing that you have to do is to move yourself out of a job, so that the local people can continue by themselves. If that roadmap is crafted, and DFID can have a large role to play in that, and the Government really owns it and accepts it as its own trajectory, vision and destiny for the country, then yes, Myanmar will move from aid dependency in a generation. The answer is yes.

Chair: That is an exciting challenge and an unbreakable one, but one that the Committee is looking forward to getting to grips with. One of the consequences, I have to say to the Committee, of going away on a visit is that meetings bunch up, so we have two tomorrow: one at 10.45 with the Secretary of State and an informal meeting with the Burma Campaign people tomorrow afternoon.

May I thank all of you? I think we may well be meeting some of your counterparts when we are in the country. You have given us some really helpful insight and indeed a focus for some of the questions that we can engage on with both DFID and the other partners we see, and make some judgments. Thank you very much indeed for both the written evidence you have given and for coming in and answering our questions.