

# **Discovering the Missing Layer**

## **The Present and Future of Local Government in Myanmar**

*Salween Institute for Public Policy*

**December 2018**

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"Discovering the Missing Layer:  
The Present and Future of Local Government in Myanmar"  
ISBN 979-11-88772-41-4 95340

## Discovering the Missing Layer: The Present and Future of Local Government in Myanmar

Salween Institute for Public Policy

### I. Introduction

Over the past eight years, three shifts in Myanmar's democratic transition have taken place: (1) from unitary to federal (2) from centralization to decentralization and (3) from centralized local governance to decentralized local governance in extant. After 2010, Myanmar became a guided democracy with a quasi-civilian government that combines military and elected persons at every level of administration accordance with the Constitution. The presidential decree made in 2012 can also be recognized as the initial step of local democracy, governance and services. In other words, it can be claimed that local elections and weak decentralization created few spaces for citizens in local level governance. As a consequence, some local governance bodies give some spaces to allow citizen participation in local democracy and services.

However, local democracy in a federal democracy context remains to be clearly articulated because the government, ethnic armed organizations, and the military do not have a general consensus in the building of the state. Federalism and democracy are becoming a serious concern of the people of Myanmar in the ongoing transition process. The new thinking in local governance in federal system emphasizes the division of power between federal and state governments. A proposition to recognize the Federal government and full competence of State governments is expected to be forthcoming in the future.

The study of local government in federal systems (third layer government) will be essential to the study as a part of state building. This article primarily intends to understand the nature of true self-local government. In addition, it offers a comparison of local governments and examines how local self-governance has been practiced in federal states through case studies. For those who are willing to pursue the transformation to democracy and a federal system, this paper aims to contribute knowledge of the concept of local self-government in a federal system, what kind of functions and power local governments have, how they emerged the need to maintain intergovernmental relations between states, and how they lead to long lasting democracy across the world. In addition, considering local self-governance in a federal context will certainly be helpful to the future of the country.

This paper is organized in four parts as follows:

1. Understanding Local Self-government
2. Local Governments in Federal Systems
3. Analyzing the Structure of the Current Administration System
4. The Local Government Model Envisioned by Myanmar's Ethnic Minority Groups

## II. Understanding Local Government

### What is Local Self-government?

Local government is a layer of a country's executive branch in democratic governance that has direct relations with the local people. Different countries have created different local governance systems in accordance with their political systems. Generally, a local government can be defined as “a unit which is politically divided into divisions, districts, township, sub-township, municipals and village tracts.<sup>1</sup>” This type of political division of units is practiced not only in unitary but also in federal states.

In a unitary system, decentralization from a central government to local governments is the essential power practice of devolution. In contrast to a unitary system, competencies such as autonomy can be seen through the division of power among the three branches in a federal system. Based on those facts, truly autonomous local government can be defined as the “government of an area smaller than the territory of a federation or constituent unit of a federation. This may be called a village, town, city, county, and district. True self-government implies a democratically elected body representing the local inhabitants with sufficient autonomy and resources to pursue locally determined priorities.<sup>2</sup>” Therefore, the characteristics of local government can be standardized in four points. These four characteristics are:

- (1) Democratically elected
- (2) Accountable to the people
- (3) Sufficient Autonomy
- (4) Sufficient Resources

### Local Self-government and Other

Fundamentally, there are various reasons to have a system of self-government at the local level. Since the members of the local government are themselves local people, they can address local problems. Council members know what the decision-making priorities of the community are because they are not only inhabitants of the community; they are also elected by other members of the community to represent their interests.

In ethnically diverse communities, local self-governance is one channel that allows everyone to engage in politics. Intercommunal relations, service delivery decisions, and culture expression can be exchanged at the local level. This perspective also promotes stability and the effective and collaborative participation of ethnically diverse people in governance. One example of this type of inclusive local governance is India's local governance system, which includes all castes, classes and ethnic groups in the electoral process. This inclusive system helps intercommunal relations at the local level as well.

From a gender equality and citizen point of view, local self-governance facilitates the greater participation of women in politics which leads to greater prosperity as a whole.<sup>3</sup> The goals of democratic local governance cannot be achieved without efforts to combat gender discrimination. To design the perfect democratic local governance system, the role of women must also be promoted. Guaranteeing an electoral quota as well as implementing gender budgeting and gender mainstreaming policy at the local government level all assist in reaching the goals of

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<sup>1</sup> Constitution of the Republic of the Union of Myanmar, sec.2, p.14.

<sup>2</sup> Ibid.

<sup>3</sup> Lwin, Shine Ko Ko, and David Brangja. *Strategies to Promote Gender Equality*. The Salween Institute for Public Policy and the Women's League of Burma, 2018.

democracy.

The participation of civil society organizations in the public decision-making process can also be promoted by political decentralization at the local government level. That will contribute to the practice of democracy on a local level.

## **Characteristics of Local Government in a Federal System**

### Recognition Matters

For local government, the first thing to consider is which level (state or union) is responsible for issuing legislation that regulates local governments. In 1953, after Myanmar became independent (parliamentary era), the Union Parliament recognized the Democratic Local Government Act as the third layer of governance.<sup>4</sup> In contrast, in India, the role of local government is recognized in the Union Constitution. In fact, this protects against a situation where the role of local governments may be easily abolished by state governments.<sup>5</sup>

In this matter, there is no definite method for recognition, although most local government has been regarded as falling under the realm of the state in federal countries. Individual state constitutions or special laws can also recognize the role of local self-government. The way that this recognition is conferred remains a considerable issue that depends highly upon the context of a particular country.

### Institutional Arrangement

The arrangement of local government institutions is another point of contention. Should the township or district should be the highest tier of local government? In 1953, the Union Government of Burma arranged to start with districts at the top.<sup>6</sup> According to this administrative structure, districts became the highest tier of local government. Further sub-tiers were townships, towns, wards and villages. In other countries, the units of local government fall into two types. As an example, in Germany, the first highest tier is “district” and the one is “municipality.” Both of these units are recognized as having the same status which has been prescribed in German Basic Law.<sup>7</sup>

### Elections

As stated earlier, the legitimacy of a true local self-government is based on the holding of free and fair elections in which local residents participate. Therefore, a local self-governing body must be formed from elected persons. Another reason for the importance of local elections is rooted in the idea of closeness and intimacy between local people and local governance. Most countries that practice local democracy encounter corruption at some level. Local self-government can serve as an administrative system to reduce and counter corruption while fostering democratic culture. In Myanmar, while there are some elections held for local government bodies, they are not widespread or standardized as a practice.

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<sup>4</sup> Democracy Local government Act The Democratic Local Government Act: Burma Act No. 28 of 1953. Rangoon: Union Parliament, 1955.

<sup>5</sup> “The Local Government System in India.” Commonwealth Local Government Forum. 2018. <http://www.clgf.org.uk/regions/clgf-asia/india/>.

<sup>6</sup> Ibid.

<sup>7</sup> Steytler, Nico. *The Place and Role of Local Government in Federal Systems*. Johannesburg: Konrad-Adenauer-Stiftung, 2005.

### Functions and Powers

Establishing the scope of functions and powers that a governing body possesses is an indispensable part of administration. This is because limited powers limit the functions of government. In some countries, local body can deliver the many services not only in utilities but also in services. In India, local governments do not have the power to deal with general administration services such as policing and fire brigades. Differently, in the United States, Canada, and other countries, local governments do handle these issues. The concepts surrounding the powers of local bodies are essential to their power. Usually, local governments deal with public utilities and infrastructure including the provision of primary education, social welfare, water supply and sanitation, and other such services.

## **III. Local governments in Federal Systems**

### **The Local Government System under Indian Federalism**

India has one of the oldest traditions of strong self-governance at the local level. These traditions of local governance date back to the pre-Moghul period. In the British colonial era this tradition was abolished and replaced with a centralized system of local government that governed on behalf of the British government. After the colonial period, India decided to form a union system. The tradition of local self-governance was restored in 1992. Presently, India practices a self-governance system with local governments in urban and rural regions that were prescribed under a constitutional amendment.

### Recognition of the Constitution

The 73<sup>rd</sup> and 74<sup>th</sup> to the 1992 constitution protect the local governance system of India to the present day.<sup>8</sup> The main reason behind placing these provisions in the constitution was to protect development and avoid the removal of power by state governments.

### Election, Formation, and Terms

Local government elections in India are governed according to the laws adopted by each state. The elections use the first-past-the-post system and councilors are elected directly. A basic quota system requires that women are allocated about one-third of local governance positions, but state amendments have raised this to 50 percent. The method used to select mayors varies according to the situation each state. Both direct and indirect elections are in different states. Mayoral and councilors serve five years for each term.<sup>9</sup>

### Intergovernmental Relations

This is intended for the three levels of government to meet and engage in dialogue. Central government ministries, state-level ministries, and local governments come together in these meetings. Local government representatives can also meet with ministers on an “ad-hoc basis.”<sup>10</sup>

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<sup>8</sup> “The Local Government System in India.” Commonwealth Local Government Forum. 2018. <http://www.clgf.org.uk/regions/clgf-asia/india/>.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

### Fiscal Autonomy and Resources

Generally, local government has not had access to much revenue, since revenue resources are allocated by the state-level government and other external organizations. In addition, grants from the central government to local governments are fixed equally. The Central Finance Commission always makes a tentative provisional budget for the five-year period.

### Functions and Power

Local governments in India are not assigned to perform general administrative duties, nor do they deliver social services to the people. Nearly all administration is funded by the central government. There are some social services for which the central and local governments are jointly responsible for delivering. As a result, the structure form can be seen as centralized. The following table shows the responsibilities of the local government in India.

**Figure 1. Services Provided by India's Local Governments**

No	Services	Sole Responsibility	Joint Responsibility	Discretionary Service
1	Pre-School			✓
2	Adult Education		✓	
3	Welfare Housing for the Aged or Destitute			✓
4	Roads		✓	
5	Transport		✓	
6	Theaters and Concerts		✓	
7	Museums and Libraries		✓	
8	Parks and Open Spaces		✓	
9	Sports and Leisure		✓	
10	Religious Facilities		✓	
11	Water Supply		✓	

### **The Local Government System under Canadian Federalism**

Canada is one of the oldest federal countries and was founded in 1867. There are a total of 3598 municipalities in the country. The traditional leadership of ethnic minorities and First Nations people is guaranteed by the Federal constitution. All of the local governments (municipalities) fall under the jurisdiction of the provinces.

### Constitutional Recognition

In Canada, the role of local government is not recognized in the constitution. But Section 92(8) of the Constitution Act 1867 gives the provinces (states) "exclusive powers to make laws in relation to 'municipal institutions in the

province'.<sup>11</sup> That means, the legislation for municipals is made by provinces and legislative acts made by the provincial governments are implemented by the local government. Local governments are elected by local residents.<sup>12</sup>

#### Elections, Structure of Local Government and Terms

Leaders and member of councils are elected as administrators, chiefs, and mayors based on wards. Generally, the first-past-the-post (FPTP) electoral system is used when electing councilors from single-tier and lower-tier governments. Mayors can be elected directly by the or indirectly by lower-tier councils. In addition, members of the council elect wardens in rural municipalities. Quotas for the proportion of women's participation are set at one-third or three-fifths.

#### Intergovernmental Relations

Literally, this is opposite to direct relation but the relations among governments which usually occur between federal government and provincial governments. Generally, once a year, provincial leaders and federal government usually meet to discuss fiscal issues, housing, energy, transportation, and culture and heritage.

#### Fiscal Resources and Autonomy

Municipalities determine their own property tax rates, which is the single most essential financial source of revenue. This taxation covers the cost of services except those which are funded by the provincial and federal governments. Fiscal transfers from provincial and federal governments also exist for general and specific purposes.

#### Competencies and Division of Power

Local governments in Canada take on more responsibilities and functions than local governments in other federal countries. For instance, the local government is jointly responsible for general administration. Besides, compared to other federal countries, the local governments in Canada perform a greater degree of social service delivery as needed. The following table shows the functions of the local government in Canada.

**Figure 2. Services Provided by Canada's Local Governments**

No	Services	Sole Responsibility	Joint Responsibility	Discretionary Service
1	Police		✓	
2	Fire Protection		✓	
3	Civil Protection		✓	
4	Electoral register		✓	
5	Family Welfare Services			✓
6	Welfare homes			✓
7	Social Security			✓

<sup>11</sup> Canada. Constitution Act, 1867. <http://laws-lois.justice.gc.ca/eng/Const/page-1.html>

<sup>12</sup> "The Local Government in Canada." Commonwealth Local Government Forum. 2018. <http://www.clgf.org.uk/regions/clgf-americas/canada/>

8	Primary Care			✓
9	Hospitals	✓		
10	Health Protection			✓
11	Housing			✓
12	Town Planning	✓		
13	Regional Planning			✓
14	Roads	✓		
15	Ports			✓
16	Airports			✓
17	Water & Sanitation	✓		
18	Refuse Collection and disposal	✓		
19	Cemeteries & Crematoria	✓		
20	Slaughterhouses			✓
21	Consumer Protection		✓	
22	Museums & Libraries		✓	
23	Parks and Open Spaces	✓		
24	Sport and Leisure	✓		
25	Religious Facilities		✓	
26	Gas Services			✓
27	Water Supply		✓	
28	Electricity			✓
29	Local Economic development		✓	
30	Tourism		✓	

### **The Local Government System in Switzerland**

Switzerland consists of 26 cantons which were founded in 1848. There are 2,842 communes within these cantons that perform some delegated tasks and have some power of revenue autonomy for their democratic local governance. The Swiss tradition of local government enjoys not only fiscal autonomy but also autonomy over language, citizenship, and foreign economic relations.

#### Constitutional Recognition

The Federal Constitution of 1999 contains a specific article regarding municipalities. This article guarantees the municipalities under cantonal law. Therefore, municipalities may be regarded as a sub-tier of the cantons. Municipalities are the lowest administrative division of government in Switzerland.<sup>13</sup>

#### Elections, Structure of Local Government and Terms

In the Swiss model, there are various types of municipalities which depend on their higher-tier cantons. In general,

<sup>13</sup> Steytler, Nico. *The Place and Role of Local Government in Federal Systems*. Johannesburg: Konrad-Adenauer-Stiftung, 2005.

there are six types of municipal governments: territory-based municipalities; Bürgergemeinde or “bourgeois,” which is based on hereditary citizenship; hybrid municipalities (which mix territorial and hereditary citizenship); church municipalities; school municipalities; and assistance municipalities.

Swiss local governments are strongly structured with separated organs. Separation of power (legislative, executive and judiciary) is also exercised at the local level. Some municipalities have two organs; an electoral body and an executive. Another structural type even has three organs: an electoral body, an executive and a parliament. Among these, some still practice the direct democracy system of voting which is an old tradition of democracy where people assemble to vote.

Electoral practice is exercised with active citizenship. If a citizen reaches the age of majority, he or she has the right to vote in local elections. Foreigners also have the right to vote, if they have established residence for three months and observed. As an extension of this practice, foreign citizens also have the right to be elected after they have been residents for five years.

### Intergovernmental Relations

Federal-canton-municipal relations are basically informal. Some cantons clearly encourage inter-municipal relations.

### Fiscal Resources and Autonomy

Municipalities and cantons jointly hold the power of taxation over income and wealth as well as profits and capital.<sup>14</sup> Every year, three to four percent of the national budget is collected by the municipalities, which becomes a self-funding resource for local administration. As a significant point, the Confederation government guarantees fiscal equalization over Cantons in the national Constitution. Sixty-five percent of municipal expenditure is made without any freedom of decision, coming directly from decisions taken at the cantonal level.<sup>15</sup>

### Functions and Power

**Figure 3. Services Provided by the Swiss Local Government**

No	Services	Sole Responsibility	Joint Responsibility	Discretionary Service
1	Local Roads	✓		
2	Public Transport		✓	
3	Social Welfare		✓	
4	Environmental Care		✓	
5	Local Land Use Planning		✓	
6	Citizenship		✓	

<sup>14</sup> Switzerland is the only nation apart from France that levies a tax on capital.

<sup>15</sup> Ibid.

7	Primary Schools	✓		
8	Local Infrastructure	✓		
9	Local Police	✓		
10	Fire Protection	✓		
11	Health Care	✓		
12	Communal Taxes	✓		
13	Waste disposal	✓		

### A Comparison of the Figures of the Local Governments of India, Canada and Switzerland

#### Recognition

Canada	State Constitution
India	Union Constitution
Switzerland	Federal Constitution & Cantonal Constitution

#### Type

Canada	Municipalities
India	Urban and Rural governments
Switzerland	Municipalities

#### Intergovernmental Relations

Canada	Formal
India	Formal
Switzerland	Informal

#### Autonomy and Resource

Canada	Strong / Strong
India	Fair / Weak
Switzerland	Strong / Strong

#### Composition

Canada	Councils (Elected Persons)
India	Councils (Elected Persons)
Switzerland	Councils (Elected Persons)

#### Women's Participation

Canada	At least 33%
India	At least 50%
Switzerland	At least 33%

## IV. The Present Administration and Local Governance in Myanmar

Under the supremacy of the 2008 constitution, there is no third-tier level of government in Myanmar because of the constitutionally centralized structure. However, there are four categories of local governments. These are ward and village tract administrations, Development Affair Organizations (township municipalities), city municipalities, and self-administrated zones and areas. Ward and village tract administrations are constitutionally prescribed and directly controlled by the General Administration Department (GAD) of the Ministry of Home Affairs. Development Affair Organizations (DAOs) are under the control of states and regions. During the 2011 democratic reform, these DAOs were transformed into functions of states and regions. At the same time,

Myanmar's largest cities, Yangon and Mandalay, also have a new form of local government, the city municipality, which is composed through elections. Among these four types, the most unique and significant type is the self-administrated areas and zones. The Union government separated and shared its sovereign powers (legislative, executive and judiciary) with these administrated areas, although their functions and powers are not greater than the functions and powers of local government in other countries, according to Schedule 3 of the 2008 constitution.<sup>16</sup>

#### Ward and Village Tract Administration

According to the 2008 constitution, administration of the district and township level falls under the power of central government officials. At the ward and village tract level, local elections were instituted under Article 289 of the Union Constitution. In 2012, by the president's decree, village tracts and wards were given the right to hold elections around the country. The ward and village tracts may be considered the lowest level of bureaucracy of the centralized government.

In these elections, only one member from each household can vote. Eligible household representatives, who must be 18 years of age or older, vote in clusters through a secret ballot to elect the 10 household leaders. In the next step, the elected 10 household leaders vote for the administrator of the ward or village tract administrators. For the final step, elections of ward or village tract administrators are also overseen by the advisory bodies which are organized by the township level administration of the union government.<sup>17</sup>

The authority of villages and wards administrators does not fully represent the people, but they must be accountable to the district and township administrator. Besides, the village and ward administrators receive a small monthly subsidy and bit of money for office expenses. The central government officials of the township have even also had the power to force ward and village tract administrators to resign. Due to the 2016 election, there are 16,785 ward and village tract administrator seats across the country. In these seats, women participants make up just 0.41% of the total in urban areas and 0.21% in rural areas.<sup>18</sup>

#### **Constitutional Provisions for Township, Ward and Village Tract Administration**

##### *Administration of districts and townships*

**288. Administration of the district and township level shall be assigned to the Civil Services personnel.**

##### *Administration of wards and village tracts*

**289. Administration of wards or village tract shall be assigned in accordance with the law to a person whose integrity is respected by the community.**

#### Municipalities

By the provision of 2008 Constitution, 330 townships comprise the fundamental unit of the administration system.

<sup>16</sup> Constitution of the Republic of the Union of Myanmar, sch. 3

<sup>17</sup> Kyed, Helene Maria, Annika Pohl Harrison, and Gerard McCarthy. *Local Democracy in Myanmar: Reflections on Ward and Village Tract Elections in 2016*. Copenhagen: Danish Institute for International Studies, 2016.

<sup>18</sup> Arnold, Matthew, Ye Thu Aung, Susanne Kemple, and Kyi Pyar Chit Saw. *Municipal Governance in Myanmar*. Yangon: Asia Foundation & MDRI, 2015.

At the moment, 400 municipal offices exist under the decentralized supervision of states and regions. Municipalities have a long history in the Myanmar administration system. Since the time of the colonial government, municipalities had a higher range of assignments, functions and powers. Under the regime of the military governments, the role of the municipal authorities was dimmed. However, during the dramatic change in Myanmar to a quasi-democratic system in 2012, the USDP government introduced the DAOs through respective development affairs law of each state and region.

Now, every township in Myanmar has Municipal Committees (DAOs). All of these municipal committees are composed of seven members, four of which are elected and three of which are government officials. The committee's functions and powers are only to assist the government officials.

From an administration and fiscal decentralization perspective, all of the townships in Myanmar have Development Affairs Organizations (DAOs) which are important urban agencies with the responsibility to provide a significant range of social services and to oversee local economic governance. The DAO Even though DAOs are in line with the characteristics of a committee with majority community representation, full detachment from the Union Government, self-funded from local communities, and an expansive mandate covering many essential services, it is not a true form of municipal government like those present in Canada and Switzerland. It also needs to evolve as a municipal government in the future.<sup>19</sup>

#### YCDC and MCDC

In 2014 and 2015, Yangon City and Mandalay City respectively held city development committee elections. Yangon City Development Committee (YCDC) comprises seven committee members, four of whom are elected. Under the supervision of this committee, 12 district-level committee members and 99 township-level committee members also run city development affairs. Mandalay City Development Committee (MCDC) has six elected members on the 13-seat MCDC top committee and none for district and township-level committees. Both of these committees play a crucial role in services delivery to the two biggest cities in Myanmar.<sup>20</sup>

#### Self-administered Areas

The 2008 constitution delineates five Self-Administered Zones and Divisions. These self-administered areas basically cover some ethnic minorities in Shan State. In this delineation, power has been directly divided and distributed through the union constitution. However, these distributed powers can in theory be regarded as a local government. Rural and urban planning as well as other social and delivery services are guaranteed. As an exception, the formation of the administrative body is prescribed in the Union Constitution. Its ten members must consist of representatives from the Union Parliament and the respective state. In addition, the chairperson of the body must be a representative of the Union Parliament who is appointed by the President of the Union.

#### Services Provided by Self-Administered Area Administrative Bodies

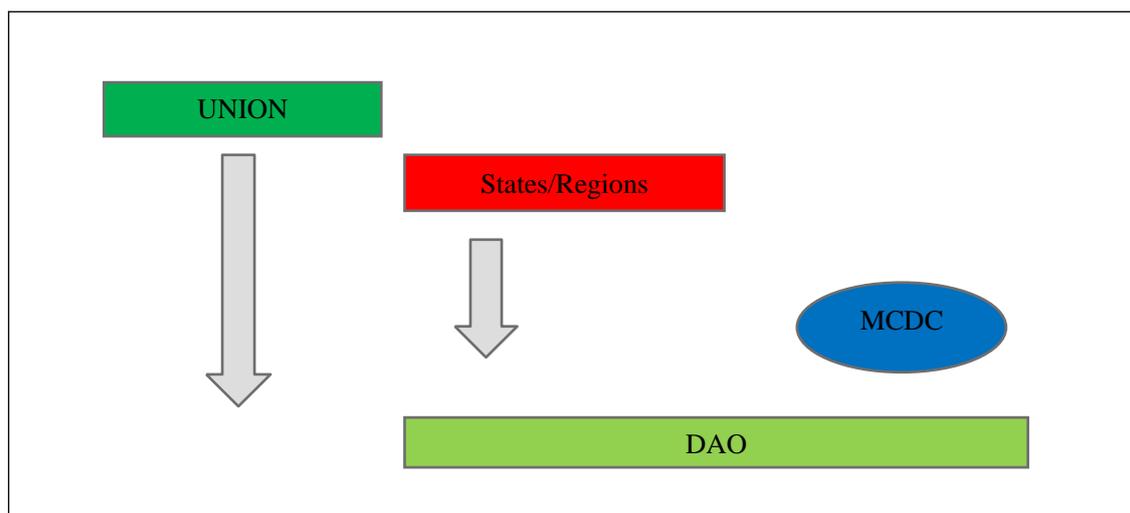
- 1 Urban and Rural Projects
- 2 Construction and Maintenance of Roads and Bridges

<sup>19</sup> Matthew Arnold, Ye Thu Aung, Susanne Kemple and and Kyi Pyar Chit Saw. 2015. Municipal Governance in Myanmar: An Overview of Development Affairs Organizations. Yangon: The Asia Foundation and Myanmar Development Research Institute – Centre for Economic and Social Development.

<sup>20</sup> Ibid.

- 3 Public Health
- 4 Development Affairs
- 5 Prevention of Fire Hazards
- 6 Maintenance of Pastures
- 7 Conservation and Preservation of Forests, Natural Environment
- 8 Water and Electricity
- 9 Markets

**Figure 4. Local Governance Structure under the 2008 Constitution**



### Analyzing the Local Government System in Myanmar

The distribution and decentralization of power among the federal government, state and regional governments and local governments are an essential part of democratic reformation. If we examine the present system through the lens of federalism, municipalities are the most decentralized body in local governance. The municipalities are the organ that is most independent from the control of the central government.

However, DAOs need to be more decentralized to become true local governments at the township level. Other local governance bodies, such as the General Administration Departments at the township level and ward and village tracts need to be transformed into a one-unit local body. In 1953, Union Parliament adopted the Democratic Local Government Act, in which a democratic, very organized method of decentralization was the ideal form of administration for Myanmar. On the other hand, If Myanmar has certainty to forward democracy and federalism, central control through the GADs and ward and village tract administrations should be reformed and power distributed to the states/regions.

The political context of Myanmar is very similar to India's model of local governance. More than half of the country's territory is rural. Thus, Myanmar as a developing country has very nearly formed two types of local government, one at the township level and rural local government.

**Table 1. Recognition, Elections, Resources and Accountability of Local Governments in Myanmar**

	Recognition	Election	Resource	Autonomy
Self-Administered Areas	Union Constitution	Appointed	Self-funded	Accountable to Central Government
YCDC	Regional Law	Elected/Appointed	Self-funded	Accountable to Region
MCDC	Regional Law	Elected/ Appointed	Self-funded	Accountable to Region
DAO	State/Regional Law	Elected / Appointed	Self /State Funded	Accountable to State and Region
WA/VTA	Union Constitution/ Law	Elected person appointed by Official	Union Funded	Accountable to Central government

## V. The Future of Local self-government and Federal System in Myanmar

### The Local Government Model Envisioned by Myanmar's Ethnic Populations

We must wonder how the structure of local governance in Myanmar will change in the future. It significantly relies on the willingness to build a true federal system. To achieve this, Myanmar has to become an inclusive Federal Union with the consensus of its minority ethnic populations. In doing so, the model used for local governance should be the one that ethnic populations themselves envision. When we examine the current situation where local village level administration is shared between governments and Ethnic Armed , it is clear that this arrangement has proven the solution lies in the federal perspective.<sup>21</sup>

In the state constitutional drafts of the ethnic states, all eight states declared that democratic local governments are a sub-tier of the state government, which is the ordinary structure in a federal system. In particular, the constitutions of the Kachin, Chin and Karen States clearly lay out the role, location and institutional arrangement of democratic local governments as a competence of each state but not the union.<sup>22</sup> This strong form of power distribution between the union government and the states is articulated not only by these three states, but other states as well. Therefore, current VA/WTAs, municipalities and self-administered areas will be reformed into another integrated model that is a sub-tier of the state government the Canadian and Swiss models, in the future.

### The 67 Districts Model

Basically, the core values of local government are based on autonomy, participation and efficiency. Therefore, the present fundamental units of 67 districts and 330 townships can also be options for true, democratic local self-government reform. In Myanmar's history, the model adopted in accordance with the Democracy Local Governance Act of 1953 is the most democratic model and in line with these three core values of local government. Restoring this model to 67 districts will promote democratization in Myanmar.

<sup>21</sup> Kyed, Helene Maria, Annika Pohl Harrison, and Gerard McCarthy. *Local Democracy in Myanmar: Reflections on Ward and Village Tract Elections in 2016*. Copenhagen: Danish Institute for International Studies, 2016.

<sup>22</sup> *(Future) Federal Union of Burma: Constitution (draft)*. Pyidaungsu Institute: National Council of the Union of Burma, 2017.

### 330 township model

This model is based on the present administration system, with 330 townships remaining as fundamental and third tiers.<sup>23</sup> Municipalities and township administration could be integrated to create township councils that perform both services and administration. To create this model, central government domination need to be removed absolutely and substituted with the township council under the supervision of the state and region governments.

## **VI. Conclusion**

As mentioned throughout the paper, Myanmar is progressing towards becoming a federal democracy, although the rigid 2008 constitution which is currently in place limits the autonomy of local governments by proscribing a centralized form of local governance system. It is difficult to say that the current status of citizen participation, representation, the inclusion of a multi-ethnic perspective, gender equality and accountability fulfills the ideals of a fully functioning democratic system. Even though Myanmar is moving towards federalism, the limited degree of power distribution to local governments cannot articulate a genuine federal system. When we compare Myanmar's local governance system with those of other federal countries, it is clear that Myanmar continues to operate under a system of centralized control.

As the most liberalized local service body, municipalities, which are under the supervision of state/region governments, need to become township local government bodies with added decentralized administrative power. At the same time, rural areas should also transform into rural government systems. Municipal governments for urban areas and rural governments for villages in rural areas under the supervision of state/region governments could be reformed in the future. For this administration, institutions that reinforce central government control, such as the General Administration Departments, should be avoided.

Moreover, perspectives such as multi-ethnic, gender equality perspective and participation of citizens and civil society organizations should also participate in the design of the process and structure of local government in the future. This envisioned reformation will ensure the creation and institutionalization of a third layer of government, which in turn will maintain long lasting democracy and promote active citizenship. ■

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<sup>23</sup> Arnold, Matthew, Ye Thu Aung, Susanne Kemple, and Kyi Pyar Chit Saw. *Municipal Governance in Myanmar*. Yangon: Asia Foundation & MDRI, 2015.

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This series of reports was compiled as a part of the “Strengthening the Capacity of Civil Society in Myanmar Year Two” program. The research for these reports was conducted entirely by EAI’s partner think tanks in Myanmar, including Sandhi Governance Institute, Open Myanmar Initiative, Yangon School of Political Science, Yone Kyi Yar Knowledge Propagation Society, Salween Institute for Public Policy, Another Development, and Naushawng Development Institute.

This program was funded in part by the National Endowment for Democracy (NED).

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